

HOW JOB SATISFACTION IS INFLUENCING THE ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB): A STUDY ON EMPLOYEES WORKING IN BANKING SECTOR OF PAKISTAN

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ABSTRACT

The purpose of present study is to look at the relationship between job satisfaction and organizational citizenship behavior (OCB) among employees working in banking sector of Pakistan. 350 employees from banking sector have contributed in this study by filling the questionnaire. The survey was conducted to test the hypothesized relationship between job satisfaction and organizational citizenship behavior of the banking employees. The 5-point Likert-scale research instrument for job satisfaction and its aspects was developed based on the work of Herzberg two factor theory for Job Satisfaction and dimension for OCB was developed based on work of Parsons and Shrills (1951). Thus, in this research, OCB is defined as being composed of 4 main dimensions, namely, 1) interpersonal helping; 2) individual initiative; 3) Personal industry; and 4) Loyal Boosterism. Based on the multiple regression analysis, it is found that both the variables are highly correlated and the degree of correlation between organizational citizenship behavior and job satisfaction is 57.2%.

Keywords: Job Satisfaction, Herzberg Two Factor Theory, Organizational Citizenship Behavior, OCB

INTRODUCTION

In today's environment, where competition is very high among businesses regardless of demographical boundaries, it becomes very difficult for the businesses to get and then maintain a distinguish position in the industry. For this purpose, organizations used to focus on the sales maximization and cost minimization strategies but now the organizations have realized the value of their intellectual asset which is their employees. Quality of organization's manpower differentiates it from the other organizations. Different employees in an organization yield different levels of performance under the various circumstances according to their motivation level, satisfaction level, behavior and many other reasons contribute in yielding various levels of performance by various individuals. Important is that which behavior or trait or any other factor contributes most in organizational effectiveness and efficiency and which is most required.

Job satisfaction is repeatedly prized in both humanistic and financial terms. It has been noticed that the employees who do quality work are usually the ones who are satisfied. Satisfied employees tend to have high retention rates; they are more dedicated to the organization and yields higher job performances.

“Organizational citizenship behaviors (or OCBs) are discretionary workplace behaviors that exceed one's basic job requirements. They are often described as behaviors that go above and beyond the call of duty.” (Hannam & Jimmieson, 2000)

Banks play a vital role in the growth of country's economy. Effective and efficient banking system brings rapid economic growth and development in a country. Growth rate of banking sector in Pakistan is not sustainable during recent years. To have efficient, effective and disciplined banks in country's infrastructure it is necessary to have excellent quality manpower along with other factors which can accelerate performance of banking sector of Pakistan. Job satisfaction is a major factor in determining the employee's behavior towards its organization. This research focuses on how job satisfaction can impact organizational citizenship behavior among bank employees and hence can impact the bank's overall performance.

RESEARCH OBJECTIVES

The main objective of this study is to find out how job satisfaction level has a direct impact on bank employees OCB and then how this behavior contributes in the performance of banks.

The OCB has a great importance in enhancing the individual's job performance in the organization and hence the overall organizational performance. Therefore this study would be beneficial for the organizations to find out how different dimensions of job satisfaction can be helpful in stimulating OCBs among employees.

Endow future researchers with basis for the further researches, and highlight the areas which need further study.

LITERATURE REVIEW

In 2002, Stephane Cote and his mate Laura M. Morgan from University of Toronto, Canada did a longitudinal analysis of association between emotion regulation, job satisfaction and intentions to quit. And found out that employees who score less on emotional intelligence scale and tends to have pleasant emotions are likely to be satisfied with their job and hence less likely to have intentions to quit it. (Cote & Morgan, 2002, p. 957) Saira A. Varawalla who is author of more than 150 articles on job related issues describes the importance of job satisfaction from both employee's and employer's point of view in her article “Why is Job Satisfaction Important?” According to her study less satisfied employees are seen less motivated and constantly

complaining about the work environment and their bosses. They seem to focus more on the negative aspects of their jobs. (Varawalla, 2009) Another study was conducted by Balasundaram Nimalathan on “job satisfaction and employees’ work performance”. For his study he gathered the data from the employees working in banks in Jaffna peninsula, Sri Lanka. He extracted the results from the gathered data by just analyzing the correlation between job satisfaction and employees’ performance. The results of his study showed the positive relationship between the two i.e. high job performance leads to better performance. (Nimalathan & Brabete, 2006)

The term Organizational Citizenship Behavior was coined and defined by Organ who has extended the work of Katz 1964 and is known as father of OCB. “Organizational Citizenship Behavior (OCB) is defined some extra job related behaviors which go above and beyond the routine duties prescribed by the employee’s job descriptions.” (Bateman & Organ., 1983). Results of Podsakoff & MacKenzie’s study showed that OCB among employees has major role in organizational effectiveness and found that altruism play major role in organizational effectiveness. (Podsakoff & MacKenzie, Impact of Organizational Citizenship Behavior on Organizational Performance: A Review and Suggestion for Future Research, 1997). According to Podsakoff who has conducted a survey in 2000, during the period of 1983 to 1988 only 13 researches were published on the topics on or related to OCB. Podsakoff and his fellows conducted a research on OCB and its constructs. They studied the difference between the constructs of OCB and their relation with OCB. They concluded that rapid growth of research on the OCB has come with some problem questions. Better understanding of OCB and its antecedents need to develop in order to get advantage of it. (Podsakoff, MacKenzie, Paine, & Bachrach, 2000). Yen & Niehoff’s study has found significantly positive relationship between key indications of organizational performance and organizational citizenship behavior. (Yen & Niehoff, 2004). Koch and his fellow researcher threw light on importance of OCB in his research. “It is widely accepted that OCB fosters organizational effectiveness- indeed, it may be a key factor in stabilizing and ensuring organizational survival in times of uncertainty and rapid environmental change.” (Koch & Dixon, May 1, 2007, p. 514) In March, 2009 Zirgham ullah Bukhari with his mates from Faculty of Business Administration and Management Sciences Army Public college of Management Sciences, Rawalpindi, Pakistan conducted research on OCB and its relationship with its antecedents. In that research they found that the three antecedents of OCB- Altruism, Conscientiousness, and Civic Virtue are positively related with OCB. (Bukhari, Aki, Shahzad, & Bashir, March 2009, p. 142)

Schnake and his fellow researcher found through their research that although altruism is directly related to job satisfaction but with individual perspective, this isn't really true when we talk about overall organization. Study also found that leadership supportiveness has no direct effects on altruism when we talk about job satisfaction. (Schnake, Cochran, & Dumler, 1995). (Chiboiwa, Chipunza, & Samuel, 2011) Another research conducted in 2010 by a Chinese researcher. He analyzed "the relationship of perceived organizational support and job satisfaction with organizational citizenship behavior and task performance in China". There exist positive correlation between perceived organizational support and job satisfaction with OCB. (Miao, Perceived Organizational Support, Job Satisfaction, Task Performance and Organizational Citizenship Behavior in China, 2010). The results of Chiboiwa and his fellow's analysis showed the significance correlation between job satisfaction and organizational citizenship behavior. Job satisfaction was found positively correlated with OCB but its correlation was more with civic virtue (dimension of OCB) as compared to the other dimensions. Job satisfaction level of an employee is manifestation of his positive and negative feelings about his workplace and work itself. To create positive feelings it is necessary to provide employees with the benefits or things which are important to them and reduce the factors which can lead to lower job satisfaction. (Mohammad, Habib, & Alias, 2011)

METHODOLOGY

The present study is objective type of study. Further it is both correlation and explanatory research because it attempts to establish the relationship between job satisfaction level of employees and their citizenship behavior and then it explains that how there is a positive relationship between both variables. It explains the reason of direction of relationship of both variables under study. The purpose of the study was to investigate the impact of job satisfaction on the citizenship behavior of employees working in the banking sector of Pakistan. Therefore, employees working at banks comprised the population of study.

Employees working in banks at different designations were the sample of current research. Sample consisted of the 350 employees including both male and females. Banks that have been approached for data collection are RBS, MCB, Bank Alfalah, Meezan Bank, NBP, Allied Bank, Standard Chartered Bank, Bank Al-Habib, BOP, and Habib Metropolitan Bank. Self administered questionnaires were used for present study. Questionnaire was consisted of three portions. First one is of demographics and had 14 questions. Second part was to check level of job satisfaction of employees and it was comprised of 31 questions and then the last part was on dependent variable of the study i.e. organization citizenship behavior of employees.

Sampling methodology used for the present study is non-probability sampling. This research generalizes the results on population by conducting the survey on sample. Convenience sampling technique is used for approaching the targeted population.

DATA ANALYSIS AND RESULTS

Reliability Test of Questionnaire:

Table 1: Reliability Test of Questionnaire

Research Instrument	Cronbach's Alpha
Reliability Statistics Of Job Satisfaction & OCB	.933
Reliability Analysis Of Independent Variable (Job Satisfaction)	.929
Reliability Analysis Of Dependent Variable (OCB)	.932

The method used to test the reliability of questionnaire was Chronbach's Alpha. The Cronbach's alpha for all the elements in questionnaire including demographics was 0.933 which is greater than 0.7, suggesting that internal consistency between variables is very high.

DESCRIPTIVE STATISTICS

Table 2: Frequency and Percentage of Demographic Variables

Category	Frequency (%)
Male	238 (67.8)
Female	112 (31.9)
Married	206 (58.7)
Unmarried	144 (41.0)
Under 25	45 (13.7)
25-34	133 (37.9)
35-44	102 (29.1)
45-54	54 (15.4)
55+	13 (3.7)
None	112 (31.9)

1	No. of Dependents	62 (17.7)
2		77(21.9)
3		61 (17.4)
4 or more		38 (10.8)
Less than 20,000		41 (11.7)
20,001- 40,000		122 (34.8)
40,001- 60,000	Monthly Salary	119 (33.9)
60,001- 80,000		50 (14.2)
More than 80,000		18 (5.1)
Less than 1 year		32 (9.1)
1 year to 3 years		76 (21.7)
3 years to 6 years	Period of service to current bank	78 (22.2)
6 years to 9 years		56 (16.0)
More than 9 years		108 (30.8)
Joint family		195 (55.6)
	Nature of family	
Nuclear family		155 (43.9)
Few months (less than 1 year)		27 (7.7)
1 year to 2 years		46 (13.1)
2 years to 4 years	Professional experience	61 (17.4)
4 years to 6 years		43 (12.3)
More than 6 years		173 (49.3)

1 st job		162 (46.2)
Less than 2		127 (36.2)
Less than 4	No. of jobs switched	41 (11.7)
Less than 6		15 (4.3)
More than 6		5 (1.4)
Less than 10 minutes		23 (6.6)
10- 20 minutes		106 (30.2)
21- 30 minutes	Time taken to reach bank	159 (45.3)
41- 60 minutes		57 (16.2)
More than 1 hour		5 (1.4)
Personal house		214 (61.0)
	Accommodation	
Rented house		135 (38.5)
Personal		221 (63.0)
Official		29 (8.3)
Rickshaw	Type of conveyance	36 (10.3)
Bus		35 (10.0)
Any Other		29 (8.3)
AVP		42 (12.0)
OG- I		90 (25.6)
	Designation in bank	
OG-II		101 (28.8)
OG- III		116 (33.0)

Less than 10,000		72 (20.5)
10,001- 15,000		86 (24.5)
15,001- 20,000	Monthly personal expense	56 (16.0)
20,001- 25,000		50 (14.2)
More than 25,000		86 (24.5)

Table 3: Mann Whitney test

Test Variable	Grouping Variable	P- value
Job Satisfaction	Marital Status	0.345
OCB		0.662
Job Satisfaction	Nature of Family	0.684
OCB		0.665
Job Satisfaction	Accommodation	0.189
OCB		0.453

In all groups of marital status, nature of family and accommodation P value of Mann Whitney test is greater than 0.05 implies that in all groups of these grouping variables the level of job satisfaction and OCB is same.

Table 4: Kruskal Wallis Test

Test Variable	Grouping Variable	P value
Job Satisfaction	Age	0.182
OCB		0.384
Job Satisfaction	No. of Dependents	0.013
OCB		0.166
Job Satisfaction	Monthly Salary	0.126
OCB		0.311
Job Satisfaction	Period of Service to current Bank	0.720
OCB		0.315
Job Satisfaction	Professional Experience	0.122
OCB		0.397
Job Satisfaction	No. of jobs switched	0.805
OCB		0.150
Job Satisfaction	Time taken to reach Bank	0.032
OCB		0.013
Job Satisfaction	Type of Conveyance	0.192
OCB		0.052
Job Satisfaction	Designation	0.723
OCB		0.207
Job Satisfaction	Monthly Expense	0.809
OCB		0.785

In all groups of age, no. of dependents, monthly salary, period of service to current bank, professional experience, no. of jobs switched, type of conveyance, designation and monthly expense P value of Kruskal Wallis test is greater than 0.05 which proposes that in all groups of

these grouping variables the level of job satisfaction and OCB is same except for time taken to reach bank. As P value of time taken to reach bank against OCB is less than 0.05 proposing that time is a factor which affects the employee's level of engagement in OCB

CORRELATION ANALYSIS

Table 5: Correlation Test on Job Satisfaction and OCB

Correlations			
		Job Satisfaction	OCB
Job Satisfaction	Pearson Correlation	1	.572**
	Sig. (2-tailed)		.000
OCB	Pearson Correlation	.572**	1
	Sig. (2-tailed)	.000	

We applied correction test on each dimension and elements of job satisfaction and OCB and got the value of sigma which decided the correlation between the two factors.

Pearson Correlation value= 0.572 which is greater than 0.05 which means that the two variables i.e. Job Satisfaction and OCB are highly correlated. Degree of correlation between these variables is 57.2%.

REGRESSION ANALYSIS

Table 6: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.572	0.328	0.326	0.55818

In the model summary degree of correlation between the dependent and independent variable is shown by value of R. In the study undertaken it depicts that organizational citizenship behavior and job satisfaction is 57.2% correlated. Moreover, organizational citizenship behavior can be significantly explained by job satisfaction, if the data of whole population is used. The value of R square which is 0.328, states that 32.8% of organizational citizenship behavior can be elucidated by job satisfaction of the employees in the banking sector. The value of adjusted R square is 0.326 and it states that 32.6% variance in organization citizenship behavior (dependent variable) is caused by job satisfaction (independent variable) in the sample data set.

Table 7: Coefficients

Coefficients								
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
	B	Std. Error	Beta			Zero-order	Partial	Part
(Constant)	1.479	.173		8.545	.000			
Job Satisfaction								
Independent Variable	0.611	.047	.572	13.024	.000	.572	.572	.572

The value of sigma is observed from the coefficient table and it is $0.000 < 0.05$ which clearly shows that job satisfaction positively influences the organizational citizenship behavior of the employees in banking sector. The model understudy is significant enough to predict the values. The predication value i.e. Organizational citizenship behavior from the predictor i.e. Job satisfaction can be easily gathered from the coefficient table.

The OLS equation from the above table is:

$$\text{Organizational Citizenship Behavior} = 1.479 + 0.611 (\text{Job Satisfaction})$$

ANOVA TESTING

Table 8: ANOVA Testing

ANOVA Testing					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	52.850	1	52.850	169.626	.000
Residual	108.426	348	0.312		
Total	161.276	349			

The statistical implication of regression model is usually suggested by the ANOVA table. If the value or sigma is less than 0.05 it clearly indicates that the overall model understudy is significant enough to predict the outcome or dependent variable that is organizational citizenship behavior.

CONCLUSION

This research study examines relationship of Job Satisfaction with organizational citizenship behavior among employees in the banking sector in Pakistan based on the collected samples of 350 subjects from different banks. Questionnaire in English language was developed based on the related literature review Based on the actual large-scale survey data, the Cronbach's alpha coefficients for job satisfaction items are 0.929 and for OCB items are 0.932 and for overall

questionnaire items are 0.933. These values of Cronbach's alpha suggest high degree of reliability and consistency between the items of questionnaire.

Correlation analysis was done between dimensions of job satisfaction and between dimensions of OCB. And it was found there is a significant degree of correlation with the dimensions of job satisfaction and within the dimensions of OCB. Then a correlation test was applied to check the degree of correlation between two main variables under study and found 57.2% degree of correlation.

In the model summary degree of correlation between the dependent and independent variable is shown by value of R. In the study undertaken it depicts that organizational citizenship behavior and job satisfaction is 57.2% correlated. Moreover, organizational citizenship behavior can be significantly explained by job satisfaction, if the data of whole population is used. The value of R square which is 0.328, states that 32.8% of organizational citizenship behavior can be elucidated by job satisfaction of the employees in the banking sector. The value of adjusted R square is 0.326 and it states that 32.6% variance in organization citizenship behavior (dependent variable) is caused by job satisfaction (independent variable) in the sample data set.

The multiple regression analysis suggests that job satisfaction taken together with some demographic characteristics of sample respondents can explain about 57.2% of the variation in organizational citizenship behaviors demonstrated by banking employees in Pakistan. The test applied accepts H_1 and rejects H_0 and clearly states that there exists a positive relationship between the dependent and independent variables understudy. The increase in job satisfaction will significantly increase the organizational citizenship behavior of the employees and vice versa.

The statistical implication of regression model is usually suggested by the ANOVA table. If the value or sigma is less than 0.05 it clearly indicates that the overall model understudy is significant enough to predict the outcome or dependent variable that is organizational citizenship behavior.

LIMITATIONS

- Present study is cross sectional study. Longitudinal study is suggested to get more in depth knowledge on the current topic.
- Sampling units are approached on convenience basis. To get more realistic data simple random sampling could be used.
- To ensure high response and return rate of questionnaires, monetary benefits could be introduced which is not possible in present study because of cost constraint.
- Mode of observation for the current study is survey method. A small sample cannot generalize the behavior of whole population.

RECOMMENDATIONS

Future researcher should go for large sample, as with large sample it is easy to generalize the results on whole population. This study can be used by managers as a technique to enhance OCB level among employees, as it does explain the factors which are helpful in enhancing OCB level.

Moreover, longitudinal study on the present topic can help in better understanding of the counter effect of job satisfaction.

Given the fact that present study was limited to banking sector context, future studies should examine the relationship between Job Satisfaction and discretionary behavior OCB in other settings too, particularly the business organizations.

Furthermore, Job satisfaction is not the only construct which can have impact on organizational citizenship behavior of employees; there many other constructs too like organizational commitment, job motivation which can have significant impact on OCB level of employees. So, these areas are needed to be explored.

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