

How does
organizational
citizenship behavior
affect the
organization



Organizational Citizenship Behavior has become an ever more research topic regarding work behavior. Graham (1991) argues that OCB is a global concept which includes all positive relevant organizational behavior or individual citizens. Graham proposal creates a broader view in which OCB can be used. He does not hold on to the in-role and extra-role theory from which OCB was based on (Organ 1988). Lambert (S. J. 2006, P. 503-525) argues that Organizational Citizenship Behavior plays a very important role in the betterment of any organization. Graham explains that OCB creates behavior that promotes “ doing something extra” (extra-role) besides a basic job description; this is without any compensation but for the betterment of the organization. So if OCB enhances the work behavior of employees in an organization does this then also automatically mean that it influences the work satisfaction as well? In order to research these topics we will first examine what OCB and work satisfaction are and how they influence an organization. In a later stage of our research we will try to see if there is any influence between the two after-which we can answer our main research question.

Our main research question is:

How does Organizational Citizenship Behavior affect the organization with respect to employee satisfaction?

We will try to explain our main question by the following sub questions;

How does OCB influence the betterment of an organization?

Which factors play a role in the improvement of Employee Satisfaction?

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How do Employee Satisfaction and OCB influence each other?

Methodology

According to Sekaran and Bougie (2009) there are different data sources from which you can gain required information, including text books, journals, theses and newspapers. In our case, we will base our thesis only on existing theses and theories from renowned scientists. By the knowledge we gain from those theories, we will answer our research questions and develop our own opinion on the matter. To find the needed theories, we'll make use of the different (online) databases available for scientific research.

Unfortunately, we'll not be able to do some empirical research through the lack of resources.

Structure

When considering the main goal of this research, how does Organizational Citizenship Behavior affect the organization with respect to Work Satisfaction, you first need to investigate what components are needed to answer this question. First we will need to find answers what OCB is and if/how it influences an organization. Furthermore answers regarding Work Satisfaction are needed for example what is Work Satisfaction, how is it created within an organization and what are the benefits. When trying to find an answer we will try to view work satisfaction from different perspectives to get a better understanding on this topic. When combining Work Satisfaction and OCB questions may arise whether these two important work behavior components influence each other, how they do this and what the benefits for an organization might be.

Chapter 1: Organizational citizenship behavior

The following chapter will cover the concept of organizational citizenship behavior. In the first part of this chapter the objective is to define what the general perception is on Organizational Citizenship Behavior is. The second part of this chapter will provide information about how organizational citizenship behavior is created. Finally, the question that will be answered is how organizational citizenship behavior can be measured.

Defining OCB

In this chapter the objective is to define what the general perception is on Organizational Citizenship Behavior. Defining OCB will help understand how this principle is used in a business environment and what the betterment for an organization will be.

Work behavior such as Organizational Citizenship Behavior is becoming an ever more researched topic. Van Dyne, Graham and Dienesch (1994) call work behavior, behavior beyond the reach of traditional measurement of job performance. As said a lot of research has been done regarding work behavior and OCB in special. Over time the concept of OCB has evolved. Bateman & Organ, 1983; Smith et al. (1983) defined Organizational Citizenship behavior as separate from in-role job. OCB should be viewed as an extra-role job that should benefit the functionality of the organization. Basically meaning that OCB did not interfere with the in-role (or core job activities) of employees. Organ (1988) defined OCB as “ behavior(s) of a discretionary nature that are not part of the employee’s formal role requirements, but nevertheless promote the effective functioning of the organization” (p. 4). Graham (1991) started to define what in-role and extra-
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role is. He came to the conclusion that both roles are difficult to define. This is due to the constant changes and needs in organizational and individual job characteristics over time. Wolfe Morrison (1994) did research regarding the composition of in-role and extra-role. But as Graham concluded in his research, due to the unique composition of these roles it is hard to create a general consensus regarding the composition of the roles. To avoid this difficulty, Graham proposed a different approach based on Civic Citizenship. Civic Citizenship is defined by Graham as all positive community-relevant behavior of individual citizens. Due to the proposed argumentation of Civic Citizenship Graham argued that by extension Organizational Citizen Behavior can be seen as a global concept which includes all relevant positive organizational behavior of individual citizens, hence leaving the concept of in- and extra role jobs behind and creating a broader view of OCB.

In this paper Graham's point of view on OCB will be leading. Building on his point of view, Lambert (2006) elaborates on Graham's theory by arguing that "OCB plays a very important role for the better functioning of any organization, defined... as behavior that (a) is something extra beyond the basic job description, (b) is without any compensation, and (c) is for the betterment to the organization" (Lambert, S. J., 2006, p. 503-525).

During this paragraph several definitions of organizational citizenship behavior came across. Now OCB is defined the next question is how OCB can be created.

Creating OCB

A lot of research has been done regarding the aspects that influence organizational citizenship behavior. The next paragraphs will show different perspectives of various researches. The emphasis will be on two papers which give an overall view on how organizational citizenship behavior is created. We feel that these two perspectives give the best view on OCB is created / enhanced.

An aspect that influences OCB is fairness. Everybody wants to be treated fairly in all situations. Fairness means treating people free from favoritism, self-interest, or preference in judgment. Organ (1990) suggests that fair perception plays a big role in creating organizational citizenship behaviors. The basis behind this theory is the idea that if employees perceive that they are being treated fairly, they will want to reciprocate the fair treatment that their organization offers them.

In our opinion fairness is one of the most important aspects for creating OCB. If employees are treated fairly they will show positive behavior at work and their motivation to work harder is higher than when employees are treated badly.

Another aspect of organization citizenship behavior is transformational leadership. A recent study defines transformational leadership as: “Articulating a compelling vision of the future of an organization; offering a model consistent with that vision; fostering the acceptance of group goals; and providing individualized support, intellectual stimulation, and high performance expectations” (Chen, Hackett, Law & Wang, 2005, p. 420-421).

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This definition by Chen et al. complements the definition of OCB.

Transformational leadership is a motivational management method where employees are encouraged to achieve greater performance through inspirational leadership, which develops self-confidence and higher achievement goals among employees.

Chen et al. found a positive relationship between transformational leadership and organizational citizenship behavior. The researchers think that transformational leadership encourages followers to internalize the collective vision of the organization. They expect that this sense of having a larger (collective) cause would also motivate them to try to achieve those goals by going above what is expected of them. This shows that since transformational leaders emphasize the importance of a unifying vision for the organization and link the followers' self-concept to this vision, the employees are more likely to exhibit better task performance. Better task performance is an example of organizational citizenship behavior.

Through the use of transformational leadership employees will be inspired by their managers and this could improve work motivation. So the use of transformational leadership could have a positive effect in creating OCB within a company.

Overall, there are a lot of things that influence organizational citizenship behavior. Fairness and the use of transformational leadership are two aspects that could influence organizational citizenship behavior within a company in a positive way. When people are treated fairly their work

motivation will increase and when companies use transformational leadership the task performance of the employees will increase as well.

To determine in what way OCB is created in a company it is important to measure OCB. Therefore, the next paragraph provides some instruments for measuring OCB.

Measuring OCB

When a company or organization wants to improve organizational citizenship behavior, they have to find out the current status in their organization concerning OCB. Pond, Nacoste, Mohr and Rodriguez (2006) argue that there are two ways to determine OCB within an organization. The first way of determining OCB in an organization is evaluating employee performance by their supervisors. The second way is self-rating of OCB by the employees.

There are many different opinions regarding which way of measuring OCB is the best, because both ways, supervisor rating and self-rating have their advantages and disadvantages. For example what exactly determines in-role or an extra role work performance. Supervisors' opinions about this subject often differ from (operational) employees' opinions.

According to Pond, Nacoste, Mohr and Rodriguez (2006) the choice between supervisor rating and self-rating should be dependent on the purpose of the research and the nature of the construct being measured. However, they argue that the supervisors' opinion should not be leading and, when needed, questioned by the employees. (Pond, Nacoste, Mohr and Rodriguez, 2006)

Organizational Citizenship Behavior Checklist

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For measuring organizational citizenship there are some organizational citizenship behavior checklists (OCB-C) available. An example of an OCB-C is designed by Paul Spector from University of South Florida and by Suzy Fox from Loyola University Chicago.

They first designed an OCB-C existing out of 42 items which were intended to assess the frequency of OCB performed by employees. Later they refined and shortened the OCB-C to 36 items. This OCB-C was specifically designed to minimize the overlap with scales of counterproductive work behavior, a limitation noted in prior scales (Dalal 2005, Spector, Bauer & Fox, 2010). In the OCB-C there are two different subscale scores that can be computed.

The first subscale is comprised of acts directed toward the organization that benefit the organization (OCBO). The second consists of acts directed towards coworkers that help with work related issues (OCBP). In the appendix of this thesis, you could find two tables designed by Fox and Spector. In appendix 1 the designers' recommended 36 item organizational citizenship behavior checklist is shown. Appendix 2 shows which items belong to OCBO and which belong to OCBP.

In conclusion it can be said that there are two possibilities for measuring OCB, namely supervisors' rating and self-rating. There are also some OCB Checklists available that can be used for measuring OCB, but because there is not a generally accepted guideline that tells us what exactly is an in role or extra role job performance (there is some discussion about where some job performances belong to) the reliability/usefulness of the measurement can be doubtful. So if OCB will be measured there must be a large agreement under the employees about in role and extra role job performances. If this is <https://assignbuster.com/how-does-organizational-citizenship-behavior-affect-the-organization/>

the case, than we can talk about a reliable investigation that can be used for improving OCB.

Conclusion

In order to answer the sub question “ How does OCB influence the betterment of an organization?” It’s first needed to identify the concept OCB. In present articles, researchers don’t use exactly the same definition for OCB. But in general, all these definitions have the same purpose. A good definition of the concept of OCB is the definition by S. J. Lambert:

“ OCB plays a very important role for the better functioning of any organization, defined... as behavior that (a) is something extra beyond the basic job description, (b) is without any compensation, and (c) is for the betterment to the organization”

This definition covers the concept of organizational citizenship behavior very well.

Another interesting item when talking about OCB is looking at how it could be created in real business environments. A lot research exists on this subject. In order to keep this paper clear, only two major factors that influence OCB have been looked: fairness and transformational leadership. Fairness is defined as Treatment free from favoritism, self-interest, or preference in judgment. Transformational leadership is a management style that should inspire employees to perform better. In addition, earlier research has found a strong positive correlation between transformational leadership and OCB.

Furthermore, it's interesting to see how OCB can be measured within a company. There are two ways to do this. Firstly, supervisors can evaluate the performance of their subordinates. Secondly, employees can fill out questionnaires that are intended to measure OCB. These two ways have their own pros and cons. According to Pond, Nacoste, Mohr and Rodriguez (2006) the choice between supervisor rating and self-rating should be dependent on the purpose of the research and the nature of the construct being measured. However, they argue that the supervisors' opinion should not be leading and, when needed, questioned by the employees.

So, how does OCB influence the betterment of an organization?

OCB seems to be a desirable phenomenon within a company. Managers should be trying to encourage OCB within their company. Two major ways of doing this is by treating employees fairly and motivating them by using transformational leadership. As a tool to measure OCB, researchers found two ways of gauging it. On one hand, supervisors can rate their colleagues. On the other, employees can rate themselves and their work environment.

Chapter 2: Employee satisfaction

Which factors plays a role in the improvement of employee satisfaction? This question is the suffer board of this chapter. In this chapter different aspects which employee satisfaction can improve will be discussed. First the definition of employee satisfaction will be defined. After employee satisfaction is defined, the forms of leaderships will be discussed even as the cultural differences. At last, the link between these subjects will came together in a conclusion.

Defining employee satisfaction

Though the term seems rather self-explanatory, researchers over time have differed on opinion as to how employee satisfaction should be properly defined. Therefore, on the outset of this chapter, we should identify the definition we feel covers the topic of interest the most thoroughly. The terms employee satisfaction, job satisfaction and work satisfaction will be used throughout the chapter, but will signify the same concept.

The first definition is by E. A. Locke: “ Job satisfaction is the pleasurable emotional state resulting from the appraisal of one’s job as achieving or facilitating one’s job values. Job dissatisfaction is the unpleasurable emotional state resulting from the appraisal of one’s job as frustrating or blocking the attainment of one’s values.” (Locke, 1969, p. 317). Locke argues that job satisfaction is a result of achieving goals at work. The opposite is also true. A similar definition is given by Cranny, Smith & Stone: “ An affective (that is, emotional) reaction to one’s job, resulting from the incumbent’s comparison of actual outcomes with those that are desired (expected, deserved, and so on.)” (Cranny, Smith & Stone, 1992, p. 1). Both definitions claim that job satisfaction is a result of achieving goals.

However, some researchers disagree with this train of thought. For example, Miner states “ it seems desirable . . . to treat job satisfaction as generally equivalent to job attitudes” (Miner, 1992, p. 116). Along the same lines, a definition by Brief (1998): Job satisfaction is an attitude towards one’s job. These two definitions imply that job satisfaction is a state of mind that is not affected severely by accomplishing goals.

Scientists have tried to unify these differing points of view in single definitions, as illustrated by the somewhat more abstract one by Smith, Kendall, and Hulin (1969). They qualify employee satisfaction as "feelings or affective responses to facets of the situation".

It is clear that a general consensus has not been reached among scientists, but the difference between the two schools of thought is not that great. One argues that job satisfaction is a purely emotional response to success or failure at work, the other claims there is also an evaluation of the results that have been accomplished which affects employee satisfaction. We agree more with the last definition. We believe that after the first emotional reaction to a result (whatever that result is), an employee will evaluate the process of how this result was accomplished, who he or she blames in the event of failure and values in the event of success. This will affect their employee satisfaction, because said employee can still be content with his or her performance, although the desired result was not met. This evaluation creates an attitude towards the job. Attitudes are defined as "summary evaluations of objects (oneself, other people, issues, etc.) along a dimension ranging from positive to negative" (Petty, Wegener, and Fabrigar, 1997, p. 611).

So in summary, according to the definitions viewed, employee satisfaction is an attitude, which is affected by results, the emotional response to that result and the evaluation of the process that led to this result. Now employee satisfaction is defined, the next step is to find out what forms of leaderships there are.

Form of leadership

The relation between a type of leadership and employee satisfaction is getting more and more interesting for managers. If the employee satisfaction is high, the work motivation is high too. Researchers found a positive connection between job satisfaction and job performance/work motivation (Iaffaldano & Muchinsky, 1985; Locke, 1976).

In business there are a lot of types of leaderships. Below the most interesting types of leaderships will be shown.

There are a lot of theories and models which explain different types of leadership. Weber (1905) developed new leadership's models which can be used in organizations.

Weber (1947) describes 4 types of leadership:

Transactional leadership (Weber, 1947):

Transactional leaders are generally more directive to their subordinates. They are generally task orientated.

Transformational leadership (Weber, 1947):

Transformational leaders inspire and motivate their followers with their job description. This leadership makes a positive change to the job environment. People can improve their work skills during working hours by following their manager.

Charismatic leadership (Weber, 1947):

This type of leaders is mostly found on the top of an organization. The leaders are, just as the word tells us, very charismatic. This type of leadership works the best when the economy is weak. When the economy is weak, people are uncertainly and a charismatic leader is certainly about what he is doing.

Visionary leadership (Weber, 1947):

These leaders have a vision what the future could be and share this vision with their team. These leaders want to achieve this vision with their team.

All researchers have different visions about the link of leadership with employee satisfaction. But what is really the influence of a leadership's type with employee satisfaction?

Researcher Brymann (1992) did research about the types of leaderships. Bryman (1992) cites a variety of organizational studies demonstrating that transformational leader behaviors are positively related to employees' satisfaction, self-reported effort, and job performance.

Lowe tells us that Transactional leadership is also associated with employee satisfaction, although to a lesser extent (Lowe et al., 1996).

Similar results have been reported in several field studies (cf. Avolio & Bass, 1988; Bass, Avolio & Goodheim, 1987; Bass, Waldman, Avolio & Bebb, 1987; Bennis & Nanus, 1985; Conger & Kanungo, 1987;) from a variety of samples and organizational settings. In addition, in a laboratory study designed to examine the relative impact of directive leader behavior versus charismatic

leadership behavior (which is considered by many to be a form of
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transformational leadership behavior), Howell and Frost (1989) found that charismatic leader behavior produced higher performance, greater satisfaction, and greater role clarity, than directive leader behavior.

Conclusion

Transformational leadership is a type of leadership that influences employee satisfaction. Several researchers conclude that transformational leadership is influencing employee satisfaction. For example:” Bryman (1992) cites a variety of organizational studies demonstrating that transformational leader behaviors are positively related to employees’ satisfaction, self-reported effort, and job performance. Furthermore, Lowe tells us that Transactional leadership is associated with employee satisfaction, although to a lesser extent (Lowe et al., 1996).

Above the different types of leaderships are explained and their influences on employee satisfaction. Knowing what the leadership forms are and their influences on employee satisfaction the rewarding’s for employee satisfaction will be viewed.

Reward systems

Of course, for a company it’s important that their employees are as much satisfied as possible. One of the first aspects you might think about by determining employee satisfaction is salary. But is this fair? Is there some evidence that supports this feeling?

There are some studies that suggest that employee satisfaction is higher among workers in jobs that are more complex and autonomous, more

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secure, less dangerous, and more highly rewarded (Kalleberg and Griffin, 1978; Miller, 1980; Wharton and Baron, 1987). So according to these studies, there seems to be evidence that salary is an important aspect in determining job satisfaction.

In addition Kalleberg (1977) has found that rewards are positively and relatively highly correlated with job satisfaction. This result could probably be explained by the fact that the greater the perceived rewards that an employee obtains from specific dimensions of the job, the greater the satisfaction with the job in general.

Miller (1980) argues that there is some difference between men and women when it comes to the relation between job income, job protection and employee satisfaction. He concludes that job income is important for women's employment satisfaction but job protection is not significantly related, while for men, job protections are more important than salary in determining job satisfaction.

According to Miller, the difference between men and women can be explained from part-time unionization of men's and women's occupations. For women, salary (job income) is relatively more important than job protections. This is not surprising according to Miller, because for men, financial compensation is often included under job protections, so the net effect of job protection on satisfaction is greater than that of income.

Aranya & Jacobson (1975) say that increases in salary not only are important to improve employee satisfaction but that it is also associated with increased commitment to the organization in general. Increases in salary create a <https://assignbuster.com/how-does-organizational-citizenship-behavior-affect-the-organization/>

greater intent to remain in one's position as well (Pfeffer & Lawler, 1980). So according to these studies it could be said that increases in pay have other (positive) effects as well.

In addition to these studies, support for the prediction that rewards and satisfaction are positively related to commitment, and costs negatively related to commitment, is found by Buchanan (1974), Dubin, Champoux, and Porter (1975), and Hrebiniak and Alutto (1972).

In summary, it seems to be clear that salary is an important determinant of work satisfaction. Higher income and employee satisfaction are positively correlated. Increases in salary have other positive side-effects as well.

In addition to reward systems and leadership, culture can be another determinant factor that influences job satisfaction. Therefore, existing literature on this influence was reviewed.

The role of culture on Employee Satisfaction

Employee satisfaction is oftentimes a difficult concept to grasp. Improving it might be even more troublesome, due to the many variables that affect satisfaction. In this section, we search for links between one of these variables, culture, and job satisfaction. Note that culture can mean two things, namely organizational culture and national culture. Both will be addressed in the following analysis.

One of the most comprehensive studies into culture was done by Dutch organizational psychologist Geert Hofstede. He has defined five so-called cultural dimensions that affect the way business is conducted in particular countries (Hofstede, 1980). These dimensions are:

Power distance: The extent to which people within a certain country accept the unequal distribution of power

Individualism vs. Collectivism: The way people tend to identify themselves, as an individual or as a member of a group.

Masculinity vs. Femininity: Which values people tend to uphold. Masculine values are for instance ambitiousness and competitiveness; examples of feminine values are compassion and respect.

Weak vs. strong uncertainty avoidance: Some cultures feel more unease about uncertainty than others. That is to say, these cultures tend to try to avoid uncertainty.

Long vs Short term orientation: The way people view time. It measures whether they are looking for short term satisfaction or long term security.

These dimensions help comprehend national cultures. However, the effects of the dimensions on employee satisfaction are questionable (Palich, Hom & Griffeth, 1995). Another study confirms a relation between culture and the way people respond to a state of low job satisfaction (Thomas & Au, 2002).

For example, an employee in a culture with a high level of collectivism is more likely to continue working at a job he is not satisfied with. A more individualistic person will sooner search for alternatives.

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It seems that researchers are having trouble determining the exact implications of culture on job satisfaction. One of the reasons for this is the difference in perception between cultures of the term job satisfaction (Pothukuchi, Damanpour, Choi, Chen, Park; 2002). Japanese employees for example, have a different definition than American workers. The Japanese qualify satisfaction by the long term organizational performance, while Americans are more interested in a long term profit (Cullen, Johnson, Sakano, 1995). This is consistent with Hofstede's analysis of these two countries, because Japan's score on long term orientation is much higher than that of the United States (Appendix 3).

Lok and Crawford (2003) concluded in their study that flatter organizational forms tend to lead to more satisfied employees. They argue that this is due to lower power distance. This is also consistent with their empirical data, which compares Australian employee satisfaction to Chinese employee satisfaction. Australia, like other western nations, has a reward system based on performance and merit. Employees that perform well, have a better chance of career advances. This knowledge in itself improves employee satisfaction. Chinese culture on the other hand is more power distant. Getting ahead within a firm is highly dependent on who you know and who you're related to.

Conclusively, we can state that culture is a factor that plays a role in job satisfaction. The cultural dimensions that are specific for each country can help understand where these differences come from.

How do these factors influence ES?

In this chapter, a definition of employee satisfaction is determined. This definition is based on several views on employee satisfaction that have surfaced over the past decades. It is an aggregation of the work of Locke and Miner. These scientists have developed two different views on employee satisfaction. Locke claims that employee satisfaction is influenced by the accomplishment of goals, while Miner states that ES is an attitude.

Researchers distinguished different type of leadership. A type of leadership that influences employee satisfaction in a positive way is transformational leadership. Researchers have confirmed this link. Bryman (1992) cites a variety of organizational studies demonstrating that transformational leader behaviors are positively related to employees' satisfaction, self-reported effort, and job performance. Furthermore, Lowe tells us that Transactional leadership is associated with employee satisfaction, although to a lesser extent (Lowe et al., 1996).

Another influence on ES is the reward system, and more particularly, salary. Several studies have confirmed positive relationships between salary and ES. Furthermore, higher salaries also increase commitment to the organization and the intent to remain at a current position.

In the figure below (figure 1), the positive relationships found in the chapter are illustrated. Note that research has shown that there is a great number of variables that affect employee satisfaction, other than leadership, reward system and culture (Klebe Treviño, Butterfield, McCabe; 2001).

Figure : Influences on employee satisfaction

Chapter 3: The relationship between OCB and job satisfaction

That there exists a relationship between Employee Satisfaction and Organizational Citizenship Behavior seems to be clear. Already in 1979 Gruneberg found that: " Satisfaction has been positively related to job performance, OCB included." So that there is a relationship between these two aspects is clear, but this doesn't answer the question in what way these aspects influence each other. To find out how Employee Satisfaction and Organizational Citizenship Behavior influence each other, it is primarily interestin