

Impact of Employee Satisfaction on Organizational Citizenship Behavior: An Empirical Study

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Abstract: Despite the widespread interest in the topic of organizational citizenship behavior (OCB) and employee satisfaction, little empirical research has tested the impact of employee satisfaction on OCB. This article examines the assumption that employee satisfaction improves the organizational citizenship behavior of work groups. First, several theoretical and conceptual explanations of why satisfaction may improve OCB are provided. Following this, a review of the available empirical evidence is provided. The results of this review indicate that employee satisfaction makes important contributions to the variance in OCB. Finally, the implications of these findings for future research are discussed.

Key Words: Satisfaction, Organization Citizenship Behavior

Definitions

Employee Satisfaction: Employee satisfaction describes how happy an individual is in relation to his or her job.

Organizational Citizenship Behavior (OCB): An individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective functioning of the organization. OCB is conceptualized as positive behavior and willingness to exert energy for success of the organization (Organ).

Introduction

Organizational citizenship behavior (OCB) and Employee satisfaction have been claimed to play an important role in the functioning of an organization. A happy and satisfied employee means having a positive attitude towards one's job. This is the reason why organizations should lay emphasis on the level of satisfaction of the employees. A satisfied employee would tend to perform better than a dissatisfied one, and this in turn would enhance the organization's productivity and success. With this growing emphasis on Employee satisfaction, organizations are becoming more competitive in pleasing their employees but at the same time also require their employees to display behavior that go beyond the required job description. With this in mind **Organ (1988)** introduced the concept of OCB and said that "individual behavior is not explicitly or indirectly recognized by the formal reward system and behavior plays a vital role in effective functioning of an organization."

Review of Literature

Many studies have been carried out by researchers, addressing the relationship between OCB and employee satisfaction. Although findings of OCB-employee satisfaction relationship vary across various research, there is considerable empirical evidence that employee satisfaction has a positive impact on OCB. According to Schnake (2007) researchers expected job satisfaction to be correlated to OCB for two main reasons: one of them is norm of reciprocity, employees tend to reciprocate the organization that helps or benefits them. Second is related to psychology, if employees experience a positive situation with their job, they tend to engage in pro-social behaviors (Dhitiporn and Brooklyn, 2004). Findings of some previous studies are provided below

Bateman and Organ (1983) conducted a longitudinal, cross-lagged study in which they compared "supervisory ratings of OCB" and "employee self-reported levels of satisfaction." They found a strong and positive relationship between overall OCB and contextual employee satisfaction. The most consistent and strongest relationships were between OCB and satisfaction with supervision and promotions.

Becker and Billings (1993) also tested the relationship between OCB and contextual employee satisfaction. In their study, each employee received two OCB scores: one self-reported rating and one score generated by the supervisor. As there were no significant differences between the two OCB ratings, the scores were combined to produce an overall OCB score that yielded a positive relationship between OCB and employee satisfaction.

Some researchers have found no significant relationships between OCB and employee satisfaction. **Chen et al. (1998)** tested the relationship between OCB and employee satisfaction and failed to find a significant correlation between the two variables. They used a single-item scale to measure overall employee satisfaction and adapted three dimensions of the OCB scale (altruism, conscientiousness and sportsmanship) to create an overall OCB score.

So it can be seen that there exist some contradictions in the literature. While some studies support the positive relationship between satisfaction and OCB, other studies have concluded that there is no relationship between satisfaction and OCB. To address this inconsistency, the present study investigates the relationship between OCB and employee satisfaction.

Methodology

Sample: The sample comprised of 300 employees (110 officers and 190 non officers) from 10 different departments of Indian Oil Corporation Ltd, Guwahati. The Guwahati unit of IOCL consists of 930 employees; out of which, there are 340 officers and 590 non-officers. The officers comprised of 36.6% of the total employees. Accordingly, the distribution of the sample taken for the study is 110 officers which is 36.6% and 190 non officers which is 63.3% of the total sample size.

The departments' are- Human Resource, Finance, Engineering Services, Technical services, Materials, Production, Electrical department, Mechanical department, Fire and Safety, and Vigilance.

Sample Design: Convenience Sampling

Tool used: The tool consisted of two questionnaires: Employee Satisfaction Scale and the Organizational Citizenship Behavior Scale. Further the employees had to provide information about their designation of work, i.e. officer or non-officer and also had to mention their department in the organization.

Questionnaire 1 (Employee Satisfaction) - Employee satisfaction was measured using a 30 item questionnaire. The questionnaire was designed by the HR department IOCL. Originally it was a 31 item, forced choice questionnaire. However 1 item was dropped and the rest 30 items were used as it is.

The various dimensions of the questionnaire are-

- i) Establishment Services: Establishment services are the facilities provided to the employees by the company such as Children Education Allowance, Leave, Incentives for higher education, Issue of various certificates etc.
- ii) Loans and Advances: Involves loans for conveyance purchase. Also includes various advances like festival advance, repair of car or house etc.
- iii) Canteen Services: Focused on the hygiene, infrastructure, quality of food and quality of service by the staff.
- iv) Administrative and Pantry Services: This includes allotment of quarters to the employees, pantry services for food and breaks between works. They are also offered concierge services like ticket bookings and quality of township life.
- v) Furniture and Office facilities: This dimension looked at the maintenance and availability of office space and furniture.
- vi) Post Retirement Services: The last dimension was designed to measure whether the employees are satisfied with the pension plans and post retirement medical attendance facility provided by the company.

Questionnaire 2 (OCB): Organizational Citizenship Behavior (OCB) was measured using a 12 item questionnaire developed by Podsakoff and Mackenzie (2000). The questionnaire measured seven dimensions of OCB- helping behavior, sportsmanship, organizational loyalty, organizational compliance, individual initiative, civic virtue and self development. Respondents were asked to indicate their level of agreement for each statement by using a 5-point Likert scale, ranging from strongly disagree, disagree, neither agree nor disagree, agree to strongly agree.

Analysis and Discussion

Results have shown that the mean satisfaction level of the officers is 15.02 and the mean satisfaction level of the non-officers is recorded as 17.5. The maximum attainable score on employee satisfaction scale being 30 and minimum 0, the employee satisfaction level of the both officers and non-officers are at a very moderate level. The mean OCB level of the non-officers is recorded as 44.63 and that of the officers is 43.71. The maximum attainable score on questionnaire measuring OCB is 60 and minimum is 12. It can be noted that the sample of Non-officers has a slightly higher mean score in OCB as compared to the sample of Officers.

To study the relationship between Employee Satisfaction level and Organizational citizenship behavior, Pearson's correlation coefficient (r) was calculated separately for the officers and non-officers groups of sample. The two 'r' values obtained were tested for significance at $\alpha = 0.05$ level.

Table No (i): Pearson's Correlation Coefficient (r) Values Between the Total Employee Satisfaction score and the Organizational Citizenship Behavior Score¹

Group of Employees	Value or 'r'
Officers (N=110)	0.033
Non-officers (N=190)	0.98*

Note: * $p < .05$

Statistical analysis showed a positive correlation between the total employee satisfaction score and the OCB score for both Officers ($r = 0.033$) and Non-officers ($r = 0.98$) groups of sample. The positive r values indicate a positive correlation between the Employee Satisfaction level and the level of OCB of the entire sample. Therefore an employee with a higher level of satisfaction reflects a higher level of OCB in the organization. However the r value for the sample group of Officers is not significant. The r value for the Non-officers group of sample is significant at $\alpha = 0.05$.

These results are only correlational in nature and do not provide a basis for making causal inferences about the relationship between the employee satisfaction level and the OCB level of the employees.

This result conforms to findings of Organ and Konovsky (1984), Marfio et al (2002), Podsakoff et al (2000), Mio and Kim (2009), Jahangir et al (2006). When a person has a high job satisfaction, it means that he loves his job, has good feelings about his job and gives a great value to his job. And this is logical that such an employee has self joint, cooperative and supportive, has a behavior more than its role and has more activity in order to serve his organization and obtain his goals. Also, this relationship between job satisfaction and organizational citizenship behavior can be because of the fact that those who have high job satisfaction in organizations, show reciprocal reaction to organizations that could prepare their job satisfaction.

In a more in-depth analysis it can easily be seen how each dimension of OCB can be correlated to an increased level of satisfaction and vice versa. Helping behavior includes assisting other employees and thus in turn become more productive. This also enhances cooperation within the co-workers, resulting in less disputes and thus better team building. Sportsmanship is another dimension which reflects on lesser disputes within the organization and thus less wastage of time. It is evident that a positive work environment would also mean a higher level of employee satisfaction. The higher civic virtue amongst the employees is another valuable trait of an organization as it reflects on the systematic feedback system, which doesn't just keep a check on the performance but also provides a speedy reward system. The level of employee satisfaction is therefore affected by this dimension of OCB. Thus a higher OCB can be easily related to a higher level of Employee satisfaction. An organization's work culture and citizenship behavior is one of the determinants of its smooth functioning and a high level of employee satisfaction is affected by these various facets of organization's functions.

It is also crucial to point out that the r value for the Officers group of sample is insignificant at $\alpha = 0.05$. This can be attributed to the fact that the questionnaire on OCB by Podsakoff and Mackenzie (1994) has been designed with emphasis on Western mindset. The 7 dimensions that were considered in the questionnaire were: helping behavior, sportsmanship, organizational loyalty, organizational compliance, civic virtue and self development. Further research by Farh et al. (1997) examined the different forms of OCB in Asian and western organizations. He studied the potential moderating affect that traditionality and modernity can have on organizational justice and citizenship behavior. His findings reflected on the importance of the employees' ideologies about traditionality and modernity based on the cultural context in which the organization functions. Another study was conducted by Bierhoff et al. (2000) and the results were consistent with that of Farh et al. A large set of the officer pool at IOCL comprises of people who are in the higher age bracket and thus we can say that they share a slightly different set of ideologies than their younger counterparts. The insignificance in the relationship can therefore be explained by the moderating effect of traditionality and modernity. It is important to remember that the level of OCB measured through the questionnaire designed by Podsakoff and Mackenzie would be more appealing and easy to relate to those with a more western outlook, and in this case the younger sample. Since a large number of the officers are in a higher age bracket we cannot consider the level of OCB obtained by them through this questionnaire as a true reflection of their OCB level due to cultural and

ideological difference. And this may explain the level of insignificance in the correlation between level of Employee satisfaction and OCB.

Conclusion & Implications

Correlational analysis reported in a positive correlation between OCB and satisfaction of the employees. This finding is also validated by the fact that the non officers sample group that reported a slightly higher mean employee satisfaction level also had a higher OCB level as compared to the officers sample group. As the employees of the organization reflected a positive relationship between OCB and Employee Satisfaction, therefore it can be suggested that to create a healthy and successful organization, employers should give considerable importance in maintaining the satisfaction of its employees. When the satisfaction level increases, the sense of belongingness and commitment towards the organization also increases. And in any organization, OCB of employees not just result in better employee relationship but also leads to better organizational performance and success.

Limitation & Future Research

The present study has a number of limitations. First, this research employed convenience sampling to accomplish the research objectives. For future research, random sampling is recommended to increase the generalization of the finding of the research. Second, cross-sectional data were used in this study. Therefore, future research employing a longitudinal approach would give deeper insight into the subject. Lastly, for future research, it is being suggested that other variables need to be included such as job commitment, job involvement, task performance and other relevant variables to improve the validity and to increase the ability to explain the variances in OCB.

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