



A COMPARATIVE STUDY ON ORGANISATIONAL CITIZENSHIP BEHAVIOUR AMONG THE EMPLOYEES OF MNC AND INDIAN SOFTWARE COMPANIES

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Abstract

Globalisation in recent decades passed economic growth in many parts of the world through innovations in many fields including Information Technology. The software industry showed remarkable increase in productivity, particularly in the developed world, and hence it is a key driver of global economic growth. In a manpower intensive industry, the performance of employees is considered as important for organizational effectiveness. The extra role behaviour of employees is contributing to organizational success. The present study aims to investigate the difference in exhibition of Organizational Citizenship Behaviour between the professionals working in Multinational companies and Indian companies. Data were collected using Organizational Citizenship Behaviour scale. The obtained data were analysed by using 't' test and Karl Pearson's coefficient of correlation. The results indicates that there is no significant difference between demographic variables (age, experience and monthly salary of employees) and Organizational Citizenship Behaviour of employees working in Multinational companies and Indian companies.

Key Word: *Organisational Citizenship Behaviour, Multinational Companies, Indian Companies, Software Industry.*

I. Introduction

Globalisation in recent decades passed economic growth in many parts of the world through innovations in many fields including Information Technology. The software industry showed remarkable increase in productivity, particularly in the developed world, and hence it is a key driver of global economic growth. The Indian software industry witnessed a remarkable success story for the past two decades and IT industry helps many other sectors in the growth process of the economy including the services and manufacturing sectors. The software industry the propel Government to adopt e-governance in all departments which helps to deliver better and speedy services to the people. Export revenues are raised to USD 100 billion in financial year 2012. The information technology industry is one of the major sources of foreign currency of India. The growth of India's IT sector has brought about many other positive changes in the Indian economy. The purchasing power of a large section of Indian population has increased dramatically. This has resulted in an increase in the average standard of living of the majority of people of the country. In India, the GDP has grown from 1.2 percent in financial year 1998 to 7.5 percent in financial year 2012. Export revenues are raised to USD 100 billion in financial year 2012. The increase in purchasing power of the common people has propelled the growth rate of the other sectors such as construction, automobile etc. and the economy as well. Development of industries itself is determined by both external and internal factors. While external factors relate to global and national trends of the business, the internal factors relate to employee behavior, and organizational climate.

Globalisation brings heterogeneous people with different perceptions, different attitudes and varied characteristics to work in a place. Managing the people with different background is a big challenge to organisation. The organisation has to coordinate, complement and motivate the software professionals to perform better. The employee is expected to perform extra role behaviour which will help the organisation to improve its business.

II. Organisational Citizenship Behaviour

Organisational Citizenship Behaviour (OCB) is defined by Organ (1988) as individual behaviour that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organisation. The discretionary behaviour is not laid down in the job description. Organ (1998) has also pointed out the significance of OCB for organisational efficiency, effectiveness, innovation, and adaptability within diverse organisations. Behaviours that are part of the individual's formal job requirements are called in-role behaviour and behaviours that go beyond formal job requirements are called extra-role behaviour. OCB includes discretionary "pro-social" ethical behaviour, such as helping newcomers to the organisation, assisting co-workers on the job, not taking unnecessary breaks, and volunteering to do things not "required" by a job description. OCB is also voluntary, above the call of duty behaviours that not only contribute to success of the company but are discretionary and not directly or explicitly recognised by formal reward systems.

III. Types of Organisational Citizenship Behaviour

Organ (1988) identified five categories of OCB: Altruism, Conscientiousness, Sportsmanship, Courtesy, and Civic Virtue. Altruism consists of discretionary behaviours which are aimed at helping specific persons with an organisationally relevant task or problem. Conscientiousness, which was originally called Generalized Compliance, refers to employees going beyond minimal requirements in carrying out their assigned tasks. Sportsmanship refers to activities that employees refrain from



doing, such as complaining and filing petty grievances. Courtesy includes such actions as giving others advance notice, issuing reminders to others, checking with others before taking action, and passing along information. Civic Virtue is defined as responsible participation in the political life of the organisation (Graham, 1986.) Graham (1991) draws on political theory to conceptualise OCB. Research in political theory has identified active citizenship syndrome as comprising: Obedience – respect for orderly structures and processes and obeying the law, Loyalty – serving the interests of the community as a whole and volunteering extra, effort for the good of the community, and Participation – active and responsible involvement in community self governance: keeping well informed about issues affecting the community.

Podsakoff and Mackenzie (1994) modified the categorizations, merged altruism and courtesy and termed it “helping”. Based on Organ’s (1988) five-dimension taxonomy, Van Dyne et al. (1994), Williams and Anderson (1991) proposed a two-dimensional conceptualization of OCB: OCB-I (behaviours directed toward individuals compromising altruism and courtesy) and OCB-O (behaviours directed toward the organisation: comprising the remaining three-dimension in Organ’s (1988) conceptualization). This categorisation is based on the direct and immediate target of citizenship behaviours and recognises that while a specific behaviour may directly benefit the organisation, it may have indirect benefit for individuals and vice versa. Though there has been a growing interest in understanding OCB and treating it as one of the variables in performance research in industrial and organisational psychology literature, there is a lack of consensus about the dimensionality of this construct. For the present study, the researcher adopted the five major dimensions of OCB, i.e. Helping Behaviour (Altruism), Conscientiousness (Organisational compliance), Sportsmanship, Courtesy, and Civic virtue, developed by Podsakoff et al, (1990).

III.a. Helping Behaviour

Helping behaviour has been identified as one of the dimensions of OCB by majority of researchers who have worked on the area (Podsakoff et al., 2000). Conceptually, it means voluntarily helping others. It was initially defined by Smith et al. (1983) as altruism and was stated as "... behaviour that is directly and intentionally aimed at helping a specific person in face-to-face situations (e.g., orienting new people, assisting someone with a heavy workload)". Over the years, the concept of helping behaviour has evolved to be equated with interpersonal facilitation which includes "a range of interpersonal acts that help maintain the interpersonal and social context needed to support effective task performance in an organisational setting".

III.b. Conscientiousness (Organisational compliance)

Along with helping behaviour (altruism), organisational compliance has had a long tradition of research in the area of citizenship behaviour. This dimension was initially referred to as 'generalized compliance' by Smith et al. (1983) and in later years it also came to be associated with 'organisational obedience' (Graham, 1991). This dimension of compliance tends to capture a person's internalization and acceptance of the organisation's rules, regulations and procedures. This behaviour is regarded as a form of citizenship behaviour. Even though everyone is expected to obey company regulations, rules and procedures at all times, many employees simply do not. Therefore, an employee who religiously obeys all rules and regulations, even when no one is watching, is regarded as especially good citizen" (Podsakoff et al., 2000.).

III.c Sportsmanship

Sportsmanship, as a form of citizenship behaviour, has not received much attention from the researchers (Podsakoff et al., 2000) and has been defined as "a willingness to tolerate the inevitable inconveniences and impositions of work without complaining" (Organ, 1997.). 'Good sports' are people who "maintain a positive attitude even when things do not go their way; are not offended when others do not follow their suggestions; are willing to sacrifice their personal interest for the good of the work group; and do not take the rejection of their ideas personally" (Podsakoff et al., 2000).

III.d. Courtesy

Courtesy is demonstrated in the interest of preventing creations of problems for co workers (Organ, 1997). A courteous employee avoids creating problems for co workers and reduces intergroup. (Podsakoff and MacKenzie, 1997).

III.e.Civic Virtue

Civic Virtue indicates a sincere caring and involvement in the political life of the organisation. This is evident when an employee attends meetings, reads internal mail, and responsibly offers constructive suggestions that can benefit the overall organisational well-being and keep abreast of changes in the organisation.

Podsakoff et al (2000), research has focused on four major categories of antecedents of OCB, namely, employee characteristics, task characteristics, organisational characteristics, and leadership behaviours. Employee characteristics, for

example in the form of employee satisfaction, perceptions of fairness of the leader and organisational commitment, are the most frequently investigated antecedents of OCB (Podsakoff et al, 2000). Especially fairness perceptions of the leader have been shown in the literature as a pivotal force behind OCB (Moorman, 1991; Organ, 1988). When subordinates perceive fair treatment from supervisors, they feel a need to reciprocate by engaging in discretionary activity that characterizes OCB. The above mentioned employee characteristics have been shown to have significant relationships with citizenship behaviours. Three forms of task characteristics (task feedback, task routinisation, and intrinsically satisfying tasks) have significant relationships with all five types of OCB as distinguished by Organ (Podsakoff et al, 2000). Task feedback leads to extra-role behaviours and also intrinsically satisfying tasks has a significant relationship with OCB. Task routinisation is negatively related to OCBs. The presence of task feedback and intrinsically satisfying tasks, there is a chance of 16 to 27 per cent that OCB will occur and when task routinisation is present, it is likely that OCB will not occur. The relationships between organisational characteristics and OCBs are somewhat mixed. For example, organisational formalization and organisational flexibility are not consistently related to OCBs (Podsakoff et al, 2000). However, group cohesiveness is found to be significantly related to the five types of OCB. OCB occurs when group cohesiveness is present. For the present study, the researcher adopted the Organs five dimensions of OCB.

III. AIM

The aim of the study is to find out the difference of Organisational Citizenship Behaviour between the software professionals working in Multinational companies and Indian companies.

IV. Objectives

1. To find out the difference of exhibition of Organisational Citizenship Behaviour between the software professionals working in Multinational companies and Indian organizations
2. To find out the association between socio-demographic conditions and Organisational Citizenship Behaviour among the Software professionals working in Multinational companies and Indian organizations.

V. Hypothesis

1. There is no significant difference found between the Organisational Citizenship Behaviour among the employees of MNCs and Indian companies.
2. There is no significant difference found between demographic variables (age, experience and monthly salary) and Organisational Citizenship Behaviour of employees working in Multinational companies and Indian organizations.

VI. Population and Sample of the Study

The theoretical population for the study was all Software professionals working in Software companies in Chennai which were registered with software Technology Park India in Chennai Zone. A list of software companies in Chennai was drawn from the website of Software Technology Park India (STPI), Chennai Zone. There were 1501 software companies registered with STPI during the study period. These software companies were stratified into Multinational companies and Indian companies. There were 264 Multinational companies and 1237 Indian companies. A group of 10 % of the companies was randomly selected by adopting lottery method from each category. Twenty six companies were drawn from Multinational companies and 123 companies were drawn from Indian companies. The researcher was told during his discussion with the HR professionals that the companies with more than 150 employees will have similarity in functions and accordingly the researcher selected companies with more than 150 employees from the list of drawn. The final list came to 10 in Multinational companies and 20 in Indian companies. A requisition letter was sent to the e-mail id of HR Managers of these selected companies. Out of these companies only 3 units of Multinational companies and 4 units of Indian companies permitted the researcher to collect data without affecting their work schedule. There were 484 software professionals in Multinational companies and 654 were in Indian companies. A report on educational qualification of the IT professionals drawn from the HR managers and it was identified that 67 and 104 IT professionals in Multinational companies and Indian companies respectively were having MCA, MSc, (IT & CS) qualification. To have a homogeneous population, these professionals with MCA and MSc were excluded from the study as the qualification of MCA and MSc are different from engineering discipline in terms of years of study and syllabus. At this stage the sample figures for MNCs and Indian companies were 417 and 550 respectively. It was also decided to administer the questionnaire only to those who had more than one year of service. This was done in order to avoid employees who had insufficient information about the OC. There were 15 and 20 employees with one year experience in MNCs and Indian companies respectively. These employees were excluded from the population. Subsequently, tools were distributed to the remaining IT professionals numbering 402 in Multinational companies and 530 in Indian companies. Out of these professionals, 293 respondents from Multinational companies and 314 from Indian companies responded and returned the questionnaires. Incomplete questionnaires numbering 16 and 36 from MNCs and Indian companies respectively were discarded. Finally, 277 filled in questionnaires from 3

Multinational companies and 278 from 4 Indian companies were used for analysis. Thus total sample size of the study was 555 from both MNCs and Indian companies.

VII. Methods and Measurement

Along with the semi structured interview schedule for socio demographic details, the Organisational Citizenship Behaviour Scale (2005) developed by Kuldeep Kumar & Arti Bakhshi is used for this study. The OCB scale has 30 statements with 5 dimensions. The reliability of the whole scale was found out to be .82 The reliability of various subscale was measured by Chronbach alpha and are Conscientiousness(9, statements) was at 0.71, Courtesy (6,statements) at 0.75, Sportsmanship (6,statements) at 0.81, Helping coworker(Altruism) (5,statements) at 0.91, Civic virtue (4,statements) at 0.79. A five point rating response was used; Never, Rarely, Sometimes, Frequently, Always The response choices of the scale was given the following scoring points; Never-1, Rarely-2, sometimes-3, frequently-4, always-5. Kumar & Bakhshi (2005) study found that the concept of Organisational Citizenship Behaviour is applicable for the study of individual's behaviors in a very different cultural context using a large sample across a variety of industries. His study demonstrates considerable similarities in the structure of Organisational Citizenship Behaviour and their relationship with western Organizational Citizenship Behaviour data. The collected data were analysed by using SPSS (Statistical Package for Social Sciences) 14.0 Evaluation version and the following statistical techniques such as the Karl Pearson coefficient of Correlation and 't' test were used as and when required.

VIII. Results

Table no: 1. shows Organizational Citizenship Behaviour (OCB) of employees of MNCs and Indian Software companies						
Variables	MNC (277)		Indian companies (278)		't' Value	Statistical result
	Mean	S.D	Mean	S.D		
OCB	77.26	22.49	72.69	20.88	2.480	P< 0.05 S
Dimensions of OCB						
Conscientiousness	21.90	7.72	21.50	7.75	0.596	P > 0.05 NS
Courtesy	15.48	5.03	14.42	4.68	2.559	P< 0.05 S
Sportsmanship	17.69	5.37	15.65	4.91	4.666	P < 0.05 S
Helping Co-worker	11.36	3.47	11.52	3.88	0.514	P> 0.05 NS
Civic Virtue	10.83	4.22	9.58	3.82	3.641	P< 0.05 S

This table (No:1) exhibits that the mean difference of exhibition of Organisational Citizenship behaviour among the employees of MNCs and Indian companies is significant ($t=2.480$ $P < 0.05$). The mean score of OCB for MNCs is higher than the mean score of Indian companies. Hence, the null hypothesis namely, there is no significant difference of Organisational Citizenship behaviour found between employees of MNCs and Indian companies is rejected.

Multinational companies and Indian companies differ significantly with respect to following dimensions of Courtesy, Sportsmanship, and Civic virtue ($t= 2.559$ $P < 0.05$ S, $t= 4.666$ $P < 0.05$ S, $t=3.641$ $P < 0.05$ S). However, they do not differ with regard to following dimensions of Organisational Citizenship behaviour i.e. Conscientiousness and Helping Co-worker ($t= 0.596$ $P > 0.05$ NS, $t= 0.514$ $P > 0.05$ NS).

TableNo:2. Correlation of study factors with age, experience and monthly salary for the software professionals			
Factors	Total OBC score for MNC	Total OCB score for Indian companies	Total OCB score for total respondents
Age	-0.287(**)	-0.392(**)	-0.328(**)
Experience	-0.236(**)	-0.407(**)	-0.299(**)
Monthly Salary	0.115	-0.291(**)	-0.072
Note :** Correlation is significant at 0.01 level			

The age and experience of MNCs and Indian companies has been negatively, significantly correlated with Organisational Citizenship behaviour { [-0.287(**)], [-0.392(**)], [-0.328(**)] } which is significant at 0.01 level. The monthly salary of Indian companies also has been negatively, significantly correlated with OCB (-0.291**). Hence, the null hypothesis, namely there is no significant relationship between demographic variables (age, experience and monthly salary of employees) and Organizational Citizenship Behaviour of employees working in Multinational companies and Indian companies is accepted.

Discussion

The objective of the study was to find out the difference in exhibition of Organisational Citizenship Behaviour between the software professionals working in Multinational companies and Indian organizations. It was hypothesised that there is no significant difference between Organisational Citizenship Behaviour among the employees of MNCs and Indian companies. The result indicates that mean score of Organisational Citizenship Behaviour among the employees of MNCs are higher than the Indian companies. Hence, it could be stated that the IT professionals from MNCs have exhibited higher level of OCB than Indian companies. This significant difference might be due to the fact that employees of MNCs had higher level of perception on Organisational Climate. When IT professionals are satisfied with the organisational factors and employees may become more committed towards their profession. There exists a positive relationship between organisational commitment and job satisfaction and it is predicted that the employees are more likely to engage in behaviours that enhance their value and support the organisation. A more satisfied employee may have a high morale. The morale may appear to be high among the IT professionals of MNCs and empirical research supports that morale may be one of the important determinants of citizenship behaviours (Organ and Ryan (1995: 794).

The analysis of different dimension show that mean score of Courtesy, Sportsmanship, and Civic virtue of employees of MNCs is higher than the mean score for Indian companies. This may be due to the fact that in MNCs consultations take place regarding their functioning and decisions and they inform other people when there are alterations in the actions. Such consultations and communications indicate the courtesy of the employees of MNCs. We may conclude here that the consultations emerges from respecting others i.e co workers and such respect to each other increases courteous behaviour. Aspects like consultations and communications are less in Indian companies. Hence, the score obtained is moderate among the employees of Indian companies. Sportsmanship indicates tolerating minor inconvenience and not always criticizing the organization. As the interactions and climate may be better in MNCs, they exhibit more sportsmanship and this reflects in the higher mean score. Lesser mean score of Indian companies indicates relatively lower level of sportsmanship. Professionals in MNCs are keeping with the developments occurring in the organisations, i.e., the employees are constructively involved in the development process of the organisation. Such behaviour indicates the civic virtue of employees. Employees in Indian companies have exhibited lower level in Civic virtue behaviour. Such behaviour may be not encouraged by the Indian companies or may be lack of commitment of Indian employees.

However, the analysis also shows that mean score for Conscientiousness of employees of MNCs is higher than the employees of Indian companies. However this observed difference is not statistically significant. So, it is inferred that the IT professionals from MNCs and Indian companies do not differ with regard to Conscientiousness. As IT industries provide more remuneration and contribute for social mobility, the employees exhibited positive qualities like punctuality in attendance, using their work time appropriately and adhering to rules of the company. These collectively indicate the behaviour of conscientiousness which is more or less similar in both the type of companies. The mean score of Helping Co-Worker for employees of Indian companies is higher than the mean score for MNCs. However this observed difference is not statistically significant, since 't' value is not significant at 0.05 level ($t=0.514$ $P>0.05$). Hence, it could be stated that the IT professionals from MNCs and Indian companies do not differ with regard to Helping Co-Workers. Employees of both MNCs and Indian companies exhibit similar behaviour in helping the coworkers.

Conclusions

The extra role behaviour of employees is contributing to organizational success. The result indicates that there is no significant difference between demographic variables (age, experience and monthly salary of employees) and Organizational Citizenship Behaviour of employees working in Multinational companies and Indian companies.

The employees working in MNC exhibit more Conscientiousness, Courtesy, Sportsmanship, Civic Virtue behaviour than the employees of Indian Companies. However, the helping co-worker is high among the employees of Indian companies.



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