



IMPACT OF LEADERSHIP ON ORGANISATIONAL CITIZENSHIP BEHAVIOUR WITH SPECIAL REFERENCE TO BANKING SECTOR

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ABSTRACT Today in competitive business world it is mandatory for organizations to identify their strengths, weaknesses, opportunities and threats. In order to sustain in this situation, organizations need competent leader to guide their employees. Effective leadership will direct their employees in proper way and helps to achieve organizational objectives. Data collection tools included two questionnaires i.e. leadership styles and organizational citizenship behavior. The validity and reliability of the variables analyzed by using various statistical tools like mean, median, standard deviation, Pearson's correlation coefficient, chi-square test and ANOVA. The result shows that among leadership styles and organizational citizenship behavior there was a positive correlation. According the study we can suggest that behavior of employees may change depends upon the circumstances, but motivational and inspirational leadership can direct their employees in effective manner.

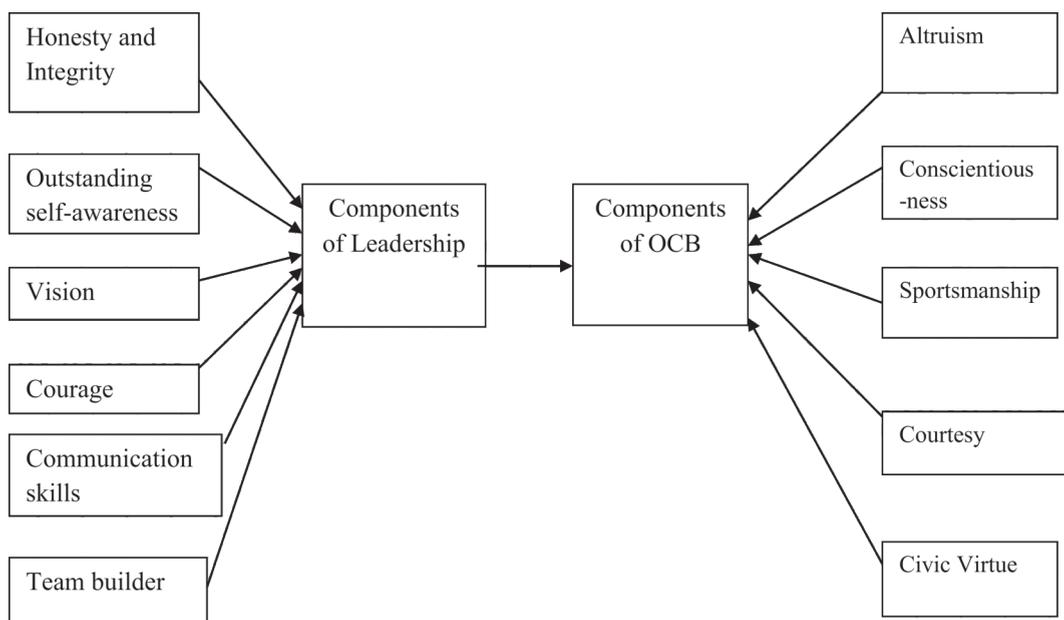
KEYWORDS : leadership, organizational citizenship behavior, banking.

1. INTRODUCTION

Organizational citizenship behaviours (OCBs) are individual, discretionary actions by employees that are outside their formal job description. Managers who are aware of the pros and cons of organizational citizenship behavior can help the employees optimally to the organization and avoid burnout. Organ (1988), Somech and Drach-Zahavy (2004) and others emphasized the voluntary nature of OCB: if someone is following a prescribed role or fulfilling formal job duties, this is not a demonstration of OCB. Such behavior should be outside the individual's formal role within the organization, therefore not formally rewarded. Nevertheless, if an individual demonstrates OCB, it could leave a positive impression on supervisors that would ultimately lead to workplace benefits, such as increased pay or a promotion.

Leadership plays major role in influencing the employees and it has become necessary in all places. Kamisan and King (2013, p. 107) define leadership as a "process in which individual persuades the group of individuals to achieve a common goal". A number of studies have been conducted on the transactional and transformational classification of leadership styles (Bambale et al., 2011; Judge and Piccolo, 2004; Kamisan and King, 2013; Lee and Salleh, 2009; Saeed and Ahmad, 2012; Sahaya, 2012; Vigoda-Gadot, 2007). There is a need to explore the relationship among more leadership paradigms and

1.4 Theoretical framework



Organizational Citizenship Behaviour (OCB) in order to identify the characteristics of effective leaders.

1.2. Need for Organizational Citizenship Behavior

- Employees who feel organizational citizenship will "go the extra mile" out of personal motivation and identifying these motivations can lead to increased performance and job satisfaction
- Positive OCBs reduce the need for supervision, improve workplace morale and result in cost- saving suggestions and also saves the time.
- Persons are forward-thinking in their behaviors they exhibit, and tend to select those behaviors that they hope will be part of their future role
- Employees who are willing and happy to go beyond formal job requirements will help organizations cope with change and unpredictable circumstances

1.3. Objectives of the study

- To determine the effect of leadership style on organizational citizenship behavior.
- To elevate OCB in Banking Sector by providing valuable recommendations and proposals

2. Review of literature

2.1. Organizational Citizenship Behavior

On the other hand, studies on OCB around the issue of interpersonal relationships have been driven by the conviction that sound superior-subordinate relationship is crucial to organizational success. Positive interpersonal relationship at workplace should enhance positive OCB among the employees. Subordinates with high levels of OCB are more likely to be committed to the organization (William & Anderson, 1991; Smith, Organ & Near, 1983).

(Nonaka & Takeuchi, 1995) offer two dimensions of knowledge: explicit and tacit, many researchers classified knowledge into two dimensions for example (Von Krogh et al., 2000; Snowden, 2000). The tacit dimension refers to the knowledge residing in the heads of people that is not codified and articulated. A good idea or example of tacit knowledge is amplified by (Dixon, 2000). "If we could describe how to ride a bike perfectly, describing it would never be the same as doing it".

2.2. Leadership

The definition of leadership varies from person to person. Leader is defined as a person who holds a significant position in a group, persuades others regarding the job expectation of a position; and organizes and directs the group in sustaining itself and reaching its purpose (Doh et al., 2011). According to Al-Khasawneh and Futa (2013, p. 3), leadership is a "social process of influencing others to voluntarily participate in achieving organizational goals".

Autocratic Leadership Style

Autocratic leaders make decisions according to their own choices and are not willing to accept advice from their subordinates. These leaders set direction, goals and structure work. Leaders demonstrate all the procedures and methods to be accomplished by the group members. Group members are not usually allowed to contribute in significant matters and decisions because they are not considered trustworthy. Such leaders dominate interactions and are personally responsible for completing tasks (Euwema et al., 2007; Malos, 2012).

Democratic Leadership Style

Democratic leadership is a kind of leadership in which group members are more contributive towards decision making and inculcate a team climate in which team members feel empowered to act. This leadership style is similar to Theory Y. democratic leadership will result in better outcome, increased group cohesion, high commitment and determination and better involvement in their work. However, it might take more time in getting commitment from subordinates (Al-Khasawneh and Futa, 2013; Cruz et al., 1999; Malos, 2012; Northouse, 2011)

Laissez faire Leadership Style

These leaders do not make any attempt to motivate their subordinates. Hence, this leadership style leads to negative outcomes: more time in completion of work, frustration among subordinates, difficulty in finding meaning and direction of work etc. (Northouse, 2011). Laissez faire leader is extremely passive leading to lower self-empowerment of subordinates (Harper, 2012)

3. RESEARCH METHODS

3.1 Research design

The research is conducted in terms of descriptive research in which the perceptions of banking employees in Chennai were measured.

3.2. Research Aim

The purpose of this study is to investigate the relationship between leadership and organization citizenship behavior among the banking employees in Chennai. From the determinants of OCB, the question of which associates with the research is the following: which type of leadership style of employees in banking sector affect their organizational citizenship behavior.

3.3. Participants

The data has been collected from banking employees in Chennai. Both private and public sector banks are considered for this study. 100 questionnaires were distributed to the respondents in which 72 of the respondents returned the questionnaire which was found valid. They were used for further analysis.

3.4. Instruments

Organization Commitment Scale – OCS- (adapted after Mayer &

Allen), is a scale which evaluates the type of commitment in an organization (affective, continuance or normative). The survey evaluates the various leadership styles which influences organization citizenship behavior.

4. RESULTS & DISCUSSION

4.1. Percentage Analysis

Table 1. Demographic profile of the respondents

Particulars	Frequency	Percent	
Age	Below 30 years	27	37.5
	31-40 Years	14	19.4
	41-50 Years	18	25
	Above 50 Years	13	18.1
	Total	72	100
Gender	Male	41	56.9
	Female	31	43.1
	Total	72	100
Income	10000 - 20000	17	23.6
	21000 - 30000	20	27.8
	Above 30000	35	48.6
	Total	72	100
Experience	1-3 Years	29	40.3
	4-6 Years	13	18.1
	7-10 Years	18	25
	Above 10 Years	12	16.7
	Total	72	100

4.2. Mean and standard deviation

The respondents opined with the high mean score of 3.9, that their leader do not consider suggestions made by my employees, as I do not have the time for them. Followed by, with the least variation of the score of 1.46, that when things go wrong and the leader need to create a strategy to keep a project or process running on schedule, call a meeting to get employee's advice. The respondents opined with the high mean score of 3.9, employees usually find fault with what their organization is doing. Followed by, with the least variation of the score of 1.51, that employees updated with organizational announcements & memos.

4.3. One Sample Test

Table 2 One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Experience	16.197	71	0	2.18056	1.9121	2.449
Income	23.342	71	0	2.25	2.0578	2.4422
Age	16.58	71	0	2.23611	1.9672	2.505
I don't abuse the rights of others	18.793	71	0	1.56944	1.4029	1.736

Since $p < 0.001$, we reject the null hypothesis. (i) There is a significant difference between experience and income level of the employees. (ii) There is a significant difference between ages and abuse the rights of the other employees

4.4. ANOVA

Table 3 Analysis of variance

		Sum of Squares	Df	Mean Square	F	Sig.
Experience and willingly help fellow professionals	Between Groups	4.202	3	1.401	1.517	0.218
	Within Groups	62.784	68	0.923		
	Total	66.986	71			
Employees income and obey of organizational rules	Between Groups	0.028	2	0.014	0.011	0.989
	Within Groups	85.625	69	1.241		
	Total	85.653	71			

Null hypothesis is accepted for the above variables. This shows that (i) there is no significant difference between experience and helping in work related problems (ii) there is no significant difference between employees income and obey of organizational rules.

5. Findings

There are different leadership styles are followed in the organizations. Most of the employees strongly believe that transformational leadership styles have the positive impact on the organizational citizenship behavior. From ANOVA table it is inferred that there is no significant difference between experience and helping in work related problems and also there is no significant difference between income and obey of organizational rules. From one-sample T test it is inferred that there is a significant difference between experience and income level of the employees and also there is a significant difference between age and abuse the rights of the employees. From the analysis as a whole we can conclude that transformational leadership plays major role in impacting the employees' organizational citizenship behavior.

6. CONCLUSION

Although the results of the study determine that leadership styles positively related to organizational citizenship behavior of employees. There are several factors influences the organizational citizenship behavior. The performance and behavior of the employee's influenced by the leaders. Hence the leadership style followed in the organization should influence the employees in positive aspects. While quality of banking sector relationships are exemplified by mutual trust, respect and commitment, this virtue was employed to assess if it impels a good relationship between servant leadership and employee behavior and the resulting job performance of employees. The implication is that the banking sector should encourage their senior employees to embrace a servant leadership style given that it has a positive effect on employee organizational behavior, employee commitment and job performance subsequently.

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