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# Organizational Citizenship Behavior and Organizational Performance: A Literature Review

# Arquimino Ramos<sup>1</sup>, Lena Ellitan<sup>2</sup>

<sup>1</sup>National Police Academy, Dili, Timor-Leste <sup>2</sup>Faculty of Business Widya Mandala Catholic University

E-mail: arquiminor@yahoo.com.au, lena@ukwms.ac.id

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**Abstract:** This paper is to explore the relationship between Organizational Citizenship Behaviour and organizational performance in both private and public organization. OCB has significant impact on organization performance as its shows in several researches and literature review by schoolar. Research in the field of business and management confirms that employees are activators organizational resources and, therefore, considered an important asset of the organization. Other available literature confirms the assumption that high employee citizenship behavior is the most influential factor and contributes a lot to the success of company performance. The contribution of fundamentally effective leadership to employee commitment and citizenship cannot be ignored.

#### INTRODUCTION

Buentello et al. (2006) in Exploring the Casual Relationship between Organizational Citizenship Behavior, Total Quality Management, and Performance found that there is no direct relationship between Organizational Citizenship Behavior and Organizational Performance. This study describes the mediating role of Total Quality Management on the relationship between Organizational Citizenship Behavior and Performance. These results provide several valuable managerial implications, for example managers employing Total Quality Management can improve their appraisal system to identify and reward employees who engage in Organizational Citizenship Behavior. However, the actions of employees in Organizational Citizenship Behavior are not directly reflected in the company's performance.

Yan & Yan (2015) in Leadership, Organizational Citizenship Behavior, and Innovation in small business: an empirical study. Stating that the different dimensions used in Organizational Citizenship Behavior will have different effects on different aspects of organizational performance. Furthermore, it was found that there are several limitations that this research has: First, crossover data is used for analysis which makes it very difficult to draw causal relationships between the variables studied. It is suggested that further research should take a more comprehensive design so that a better understanding can be obtained. Second, using small businesses as a sample may limit the generalizability of the results to other types of organizations. Future research should examine other types of work environments. Third, the reliance on a single reporting source for each measure in this study may lead to two possible problems, firstly, the

key informants used in this study. How efforts are made to minimize negative effects by obtaining respondents who hold the same or identical positions in small businesses, which helps to reduce the associated problem of lack of standardization. The second problem is that it may be perceived, inflation perception is carried out for a single reporting source for each measure. in future research statistical control techniques should be included in the questionnaire design to reduce the bias effect of desires.

## **Institutional Theory**

In an organization, be it a business organization or a public organization, there will be many factors that affect the performance of the organization, both from the environment within the organization and from the environment outside the organization. Talking about organizational theory, there are many theories that can be used to explain the conditions in organizations.

Institutional theory is a theory that also focuses its attention on the existence and all things related to organizational activities, as stated by Gudono (2014:167) that "if we look at an organization is a social reality with the totality of problems that exist in it: legitimacy, culture, social norms, technology, crime, leadership, strategy, power sharing, etc. The main idea of "Institutional Theory" is that organizations are shaped by the institutional environment that surrounds them and thus the observation of organizations must be seen as a totality of symbols, language, or rituals that complement them.

#### **Bureaucratic Theory**

The government in running the wheels of government requires the existence of state apparatus which is often called the bureaucracy. According to the language, the term bureaucracy comes from the French bureau which means office or desk, and the Greek kratein which means to regulate. Thus bureaucracy can be interpreted as regulating or ordering from the desk or office. As contained in many literatures, Weber in Nawawi (2009: 88) gives six (6) characteristics of bureaucracy as follows:

- 1) The division of labor on the basis of specialization of functions and duties and each position is determined by the legal authority.
- 2) There is a clear hierarchy of power.
- 3) Based on the formulated rules, it is recorded in a written document.
- 4) The relationship that occurs in the organization is an impersonal relationship.
- 5) Special training and competence are the main criteria for administrative positions so that skills and careers are the basis for promotion and selection of workers.
- 6) Organizational activities demand full capacity of workers.

From the opinion above, it can be explained that the bureaucracy has a legal organizational structure and has a division of tasks according to their respective expertise to be able to provide maximum service to achieve organizational goals. For the government bureaucracy, the goal is to provide maximum service to the community.

Understanding Organizational Citizenship Behavior (OCB). Organ (1988:31) defines Organizational Citizenship Behavior as individual behavior that is free, not directly related to the reward system and can improve the effective functioning of the organization. Borman and Motowidlo (1993) construct contextual behavior not only to support the core of the behavior itself but also to support the growing organizational, social and psychological environment so that the technical core functions. This definition does not express the terms voluntary or reward but rather behaviors that support the organizational environment, beyond its technical core. Organ, et al (2006) suggest that Organizational

Citizenship Behavior (OCB) is a behavior that arises from the feeling of an individual as a member of the organization where the individual is located, and who has a sense of satisfaction if he can do something more than the organization expects.

Podsakoff, et al (2009) suggested about the meaning of OCB through two approaches, such as among others: first, OCB is an extra role performance that is separated from inrole performance or performance that is produced according to job responsibilities or job descriptions. Second, namely that OCB is the effect or result of the impact of the belief in success that is owned by a person, which is the perception of individuals in the organization for the fulfillment of covenant relationships and psychological burdens. Chahal & Mehta (2010) suggest that OCB can be interpreted to define staff behavior in an organization that is direct and leads to a role of one's expectations in the capacity of staff in the organization.

Fitria (2013) OCB involves several behaviors including helping others, volunteering for extra tasks, obeying workplace rules and procedures. These behaviors describe "employee added value" which is a form of prosocial behavior, namely positive, constructive and meaningful social behavior to help. Research conducted by Van Scotter, et al (2000) suggests that OCB can be conceptualized as synonymous with the concept of contextual performance that supports the social and psychological environment in which one's task can take place well.

Based on the above definitions, it can be concluded that Organizational Citizenship Behavior (OCB) is: (1) voluntary behavior. is not a forced action on matters that prioritize the interests of the organization; (2) individual behavior as a form of satisfaction based on performance, not formally ordered; (3) not directly and blatantly related to the formal reward system

#### Reasons Underlying Organizational Citizenship Behavior (OCB)

Organizational behavior departs from human behavior in a certain group caused by the influence of the organization on humans or vice versa by humans on the organization (Kadir, 2006) One approach to motives in organizational behavior comes from the study of McClelland (1976) and colleagues. According to McClelland, humans have three levels of motives, namely:

- 1. Achievement motive, encourages people to show a standard of excellence (excellence), seeking achievement from tasks, opportunities or competitions
- 2. Affiliation Motive, encourages people to create, maintain and improve relationships with others
- 3. The power motive drives people to seek status and situations where they can control the work or actions of others

#### **Indicators of Organizational Citizenship Behavior**

With regard to the dimensions of Organizational Citizenship Behavior (OCB), Organ (1988) divides it into seven dimensions, as follows: first, the dimension of helpful behavior (helping behavior), namely the behavior of helping coworkers with feelings of being unburdened or voluntary, and avoiding the occurrence of problems that may arise. related to the work at hand. Second, the dimension of compliance (obedience) to the organization, namely the behavior or actions carried out by employees or staff in

accordance with the procedures and policies of the institution that exceeds the minimum expectations of the institution. Employees or staff who can internalize the regulations within the company consciously will be able to follow them even when they are being monitored. Third, the dimension of sportsmanship, namely not protesting or complaining in the form of dissatisfaction regarding job or work discomfort, and being able to maintain a positive attitude when unable to fulfill personal desires, and having the will to allow someone to take action for the good of the group. Fourth, the dimension of loyalty to the organization, namely the attitude to be more concerned with the interests of the company or institution than their own interests, and this is done because of the awareness of a sense of belonging to the company or institution for the advancement of the company or institution. Fifth, the dimension of individual initiative, namely the awareness that arises from within an employee or staff to be enthusiastic and committed to working extra that exceeds the maximum performance than expected. Sixth, the dimension of social quality, namely as an action or involvement of a staff or employee to be able to be responsible constructively in the process of togetherness in building relationships between employees or staff in a harmonious and good atmosphere for the progress of the company or institution. Seventh, the dimension of self-development, namely the involvement of employees or staff in company or institutional activities to increase one's abilities and experience in order to carry out an activity or program that will benefit the company or institution.

Davenport & Prusak (1998) divides Organizational Citizenship Behavior (OCB) into three sub-variables, namely: first, the existence of this sub-variable of compliance (obedience) explains the willingness of employees or staff to accept and comply with organizational rules and procedures with indicators a) Consistency carry out responsibilities as an employee b) Obey the rules Second, sub-variable loyalty (loyalty). This sub-variable describes the willingness of employees or staff to place their personal interests as an advantage for the progress and continuity of the organization or institution with indicators: a) Helping work to be easy b) Increasing morale c) Rewarding colleagues' efforts d) Providing encouragement and rewards e) Forming a team to solve problems f) Friendliness in approach Third, sub-variable participation (participation). This sub variable describes the willingness of employees or staff to actively develop all aspects of life in an organization. In this regard, the intended participation consists of: a) social participation, which is related to the involvement of employees or staff in organizational affairs and in organizational social activities; b) advocacy participation, which is related to the desire or willingness of employees or staff to develop the organization by providing support and innovative thinking; c) functional participation, which is related to employee or staff contributions that exceed the required work standards and this is done voluntarily.

Based on the five dimensions of measurement of Organizational Citizenship Behavior developed by Podsakoff and MacKenzie (2006), the indicators of this study were developed as follows:

- 1. Behavior of Helping Coworkers (Altruism) consists of:
- a. Ready to help colleagues in completing tasks voluntarily
- b. Happy to help customers and guests without being asked by them
- c. Happy to help others whose work is overloaded

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- 2. Behavior of Complying with Work Rules and Procedures (Conscientiousness) consists of;
- a. Employees often arrive at the office early so they are ready to work when the work schedule starts
- b. Employees rarely spend time talking outside of work
- a. Employees always come on time no matter the season or traffic problems and other obstacles
- 3. Willingness to tolerate without complaint (sportmanship)
- a. Employees rarely spend time complaining about trivial things
- b. Employees always focus on improving work if something goes wrong instead of complaining about the mistakes I've made
- c. Employees rarely exaggerate problems that occur in the work environment.
- 4. Involvement in Organizational Functions (Civic Virtue)
- a. Employees always keep abreast of developments in the work environment
- b. Employees pay attention and participate in the success of important meetings in the work environment
- c. Employees help organize increased cohesion between departments in the work environment

#### **Organizational Performance**

Simons in Nawawi (2013:233-234) states that performance measurement systems assist managers in monitoring the implementation of business strategies by comparing actual results with strategic goals and objectives. A company's goal of course is to provide the best service to consumers and can obtain financial benefits, while for public organizations the goal is how to provide maximum service to the community. According to Robbin (2008) performance is the answer to the question "what are the results achieved by someone after doing something". Schemerson et al, said that performance is the quantity and quality of the achievement of tasks, whether carried out by individuals, groups or organizations (Nawawi, 2006:62)

Lebans & Euske (2006) provide several definitions of organizational performance as follows:

- 1) Performance is a set of financial and nonfinancial indicators which offer information on the degree of achievement of objectives and result.
- 2) Performance is dynamic, requiring judgement and interpretation.
- 3) Performance may be illustrated by using a casual model that describes how current actions may afffect future results.
- 4) Performance may be understood differently depending on the person involved in the assessment of the organizational performance.
- 5) To define the concept of performance is necessary to know its elements characteristic to each area of responsibility.
- 6) To report an organizations performance level, it is necessary to be able to quantify the results.

Irawan (2000: 17-18) suggests that performance is an efficient action, but in a more specific context, for example in relation to the organization and its employees, the general meaning still needs to be explained. In this particular context, the notion of performance or performance as the output of a worker, an

output of a management process, or an organization as a whole, where the output must be shown concrete evidence and can be measured (compared to predetermined standards). Based on two opinions about performance, it can be said that performance is the output of a process. If the output comes from and or as a result of the work of the organization, it is called organizational performance.

The most difficult task of organizational managers is to maintain performance in a stable and best possible condition. This is difficult to do because the manager of the organization is not someone who is outside the system, but is a component that is actually inside the organization he is fostering, so that organizational managers also need to be managed (Simamora, 2004: 102)

### **Organizational Performance Indicators**

In measuring performance, it is necessary to have dimensions or indicators that can be used to assess the success of the organization. Nawawi (2013: 243) suggests several types of performance indicators that are often used in measuring organizational performance, namely input indicators (inputs), process indicators (process), output indicators (output), outcome indicators (outcomes), benefits indicators (benefit), and impact indicators.

Dwiyanto (2006) suggests that there are 5 indicators to measure the performance of the public bureaucracy, namely:

- 1. Productivity: The concept of productivity does not only measure the level of efficiency, but also the effectiveness of services. Productivity is generally understood as the ratio between input and output. Productivity is a level of organizational achievement in achieving goals, meaning the extent to which the goals that have been set can be achieved.
- 2. Quality of service: The issue of service quality tends to become increasingly important in carrying out the performance of public organizations. Many negative views arise because of public dissatisfaction with the quality of services received by public organizations. Thus, community satisfaction with services can be used as an indicator of the performance of public organizations.
- 3. Responsiveness: Responsiveness is the ability of the organization to recognize the needs of the community, develop service agendas and priorities and develop public service programs in accordance with the needs and aspirations of the community. As one of the performance indicators, responsiveness directly describes the ability of public organizations to carry out their mission and goals, especially to meet the needs of the community. Low responsiveness is indicated by the misalignment between services and community needs. This clearly shows the failure of the organization in realizing the mission and goals of public organizations.
- 4. Responsibility: Explain/measure the suitability of the implementation of public organization activities carried out in accordance with correct administrative principles or in accordance with organizational policies.
- 5. Accountability:

How much public policies and activities are subject to political officials elected by the people or a measure that shows the level of conformity of service delivery with external norms or values that exist in society or those of stakeholders. Bernard and Russell (in Gomes, 2000) limit performance as a record of outcomes

resulting from the function of a particular job or activity over a certain period of time. In this study, the performance in question is in the context of public organizations, namely the performance of the Timor-Leste government ministries. The results of the discussion concluded that the better Organizational Citizenship Behavior (OCB) it will be able to increase job satisfaction and employee performance, so that the higher job satisfaction felt by employees will be able to improve performance. Organizational Citizenship Behavior (OCB). Not only is it able to increase job satisfaction, but with increasing one's job satisfaction, employee performance is also getting better. Thus to achieve high performance, companies need to improve behavior formation OCB to its employees, namely behavior that goes beyond the duties stipulated in the job description and the establishment of a collective work system.

#### **CONCLUSION**

Every organization, both private organizations and public organizations, will strive to achieve high performance. In general, organizational performance is the totality of the work achieved by an organization in accordance with the goals of the organization. Performance is dynamic, because there is no performance that is not influenced by factors outside of itself. Performance exists precisely because it is held by these other factors including OCB. Basically, the performance of an employee goes up and down, at certain times good, at certain times not good, and this will affect organizational performance. Organizational Citizenship Behavior (OCB) is a profound individual contribution that exceeds the demands of the role in the workplace and is rewarded by the achievement of task performance. This OCB involves several behaviors including helping others, volunteering for extra tasks, obeying the rules and procedures set in the workplace and its improved organizational performance in both private and public organization.

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