

**A STUDY OF RELATIONSHIP BETWEEN ORGANIZATIONAL CITIZENSHIP
BEHAVIOUR AND ORGANIZATIONAL PERFORMANCE IN THE
PHARMACEUTICALS INDUSTRY OF SRI LANKA**

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1. Introduction

Organizational citizenship behaviour (OCB) has been receiving a great deal of attention from organizational behaviour researchers since Organ (1990) proposed that organizational citizenship behaviour is related to individual and organization performance. This relationship was further studied by many researchers and has found that these citizenship behaviours have a positive impact on increasing organizational performance (Podsakoff & MacKenzie, 1994; Podsakoff, Ahearne & MacKenzie 1997).

In Sri Lanka, so far only few studies have been done on the subject of OCB in manufacturing industries. This research, studied the relationship between OCB and organizational performance of the pharmaceutical manufacturers in Sri Lanka. When considering performance of these pharmaceutical manufacturing organizations writers have considered leadership, job satisfaction, goal achievement turnover and profit per employee as performance parameters. Pharmaceutical manufacturing is financially second largest business in the world. However, in Sri Lanka pharmaceutical manufacturers are struggling to survive due to stiff competition. Sri Lankan pharmaceutical industry is looking for new ways and means to improve their competitiveness. Findings of this study would create interest to carry out further research in this area and help these organizations improve their performance.

2. The Objective of the Study

OCB is a subject that is not well studied in Sri Lanka. Therefore, it is difficult to verify how OCB changes according to these parameters in Sri Lankan context and whether there is a relationship between OCB and organizational performance. The research question would be:

Does organizational citizenship behaviour have a positive relationship on organizational performance in pharmaceuticals manufacturing industry of Sri Lanka?

The research intends to find whether there is a positive relationship between organizational citizenship behaviour and organizational performance in the pharmaceuticals manufacturing industry of Sri Lanka.

3. Research Methodology

There are only 06 well-established pharmaceuticals manufacturing organizations in Sri Lanka. According to the production output, pharmaceuticals manufacturers could be classified as one large-scale organization, 03 medium scale organizations are 02 small-scale organizations. This study was conducted in 03 pharmaceuticals manufacturing organizations in Sri Lanka. Samples were taken from production, quality control and maintenance departments of each organization. Overall we have distributed 50 questionnaires and received 32 responses which is a 64% response rate.

4. Literature review

The most prominent definition of organizational citizenship behaviour (OCB) has been "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 organization" (Organ, 1988). Van Dyne (1995) defined OCB as "Behaviour which benefits the organization and/or is intended to benefit the organization, which is discretionary and which goes beyond existing role expectations".

Researches show that these citizenship behaviours have a positive impact on increasing organizational performance (Podsakoff & MacKenzie, 1994, Podsakoff, Ahearne & MacKenzie 1997). Organ (1988) and Schnake (1991) found that citizenship behaviours, although discretionary, are necessary as they promote effective functioning of the organizations. Various researches have been done on the factors that influence OCB. Some of them are job satisfaction (Organ, 1977), organizational commitment, interesting work and job involvement, organizational support, trust, perceptions of justice (Bateman & Organ, 1983; Moorman, 1991) trait personality characteristics, employee Characteristics and leadership behaviours (Farh, Podsakoff, & Organ, 1990) .they have described organizational citizenship behaviour in a number of ways.

5. Analysis of data

Organizational citizenship behaviours were analysed using five-dimensional framework model, which include Altruism, Conscientiousness, Sportsmanship, Courtesy, and Civic Virtue as factors. Descriptive statistics of these 05 factors are given below. Total weight allocated for all these factors is 07. Altruism shows the highest mean value of 5.12 while civic virtue shows the lowest mean value of 4.62. All mean values have low standard error in means. Overall OCB of the organizations was calculated by averaging these values of 05 OCB factors. Organizational citizenship of the sample shows a mean value of 4.9.

	Mean	Std. error of mean	Std. Deviation
Altruism	5.12	0.167	0.95
Conscientiousness	5.01	0.192	1.09
Sportsmanship	4.87	0.173	0.98
Courtesy	4.78	0.179	1.01
Civic Virtue	4.62	0.174	0.98

Table 01 - Descriptive statistics of factors of OCB

Analysis showed that there is a relationship between OCB and organizational performance. When individual performance factors are considered leadership had the highest mean value followed by job satisfaction. Both these factors are also known to be antecedents of OCB. Therefore, higher levels of these two factors also should yield higher levels of OCB. This observation was supported by OCB having the highest mean value.

Organizational wise comparison of OCB and organizational performance parameters show a how mean values of job satisfaction and leadership have changed with overall OCB.

	Mean value of overall OCB	Job Satisfaction	Leadership	Total Profit (Rs. Millions)	Profit per employee ratio
Company A	4.76	4.24	4.46	33	0.22
Company B	5.21	5.42	5.08	53	0.56
Company C	4.74	4.55	4.95	60	0.82

Table 02 – Organization wise analysis of performance parameters

Organization with highest mean value of OCB also show higher job satisfaction and leadership. However, it is difficult to find a relationship between organizational financial performance and OCB. Profit per employee ratio also did not have a relationship with job satisfaction and leadership properties. In the pharmaceutical market, the organizations, which have the most profitable and most demanding product range, always show higher profits.

However, when we consider mean values of OCB factors in different organizations altruism shows the highest mean value.

	Company A	Company B	Company C	Overall mean
Altruism	5.13	5.4	4.78	5.10
Conscientiousness	4.8	5.18	5.2	5.06
Sportsmanship	4.76	5.29	4.62	4.89
Courtesy	4.68	5.37	4.29	4.78
Civic virtue	4.42	4.81	4.79	4.67
Employee turnover	2.67%	2.12%	2.73%	2.5%

Table 03 – Mean values of organization wise OCB factors

From these data, we can observe that altruism is the most evident OCB factor in Sri Lankan pharmaceutical industry while civic virtue has lower levels among executives. However, according findings of this research conscientiousness and sportsmanship shows a higher relationship with organizational performance. Mean value of both conscientiousness and sportsmanship also show higher values. Therefore, it is can be estimated that some factors of OCB plays a higher role than others in determining organizational performance of pharmaceuticals manufacturing industry of Sri Lanka.

6. Conclusion

Successful organizations need employees who will do more than their usual job duties and provide performance that is beyond expectations. Therefore we have to think not only how much has been produced but also to what extent individuals show extra role-behaviour on behalf of their organization. In this regard, the emerging research on organizational citizenship behaviour (OCB) can help to understand how people contribute to organizations.

Three performance parameters used in this research namely, job satisfaction, leadership and employee turnover are related to human resource of the organizations. These three parameters show significant relationship with OCB. Therefore, greater concentration on cultivation of organizational citizenship behaviours will help to enhance the performance of human resource in the organizations, which will ultimately improve organizational performance. Findings of this research have shown the importance of OCB. But the most important question is how to improve OCB in an organization in the Sri Lankan context.

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