

MEDIATING ROLE OF ORGANIZATIONAL CITIZENSHIP BEHAVIOR BETWEEN EMPOWERMENT AND PERCEIVED ORGANIZATIONAL PERFORMANCE:**G.Sreelakshmi,Assoc.Prof****Sridevi women's engineering College,****Hyderabad.**

ABSTRACT: In recent years, the term Empowerment has become part of everyday management language. It has also been associated with popular management movements of the times such as human resource management (HRM). Empowerment is regarded as providing a solution to the age-old problem of valorised and bureaucratic workplaces where creativity is stifled and employees become alienated, showing discontent through individual or collective means. Moreover, it is also assumed that empowerment is a universal solution appropriate to all organisations in all circumstances. Forms of employee empowerment often associated with HRM initiatives have increased considerably in recent years. This research examines communicational forms of empowerment in banking sector. The findings are contextualised against a rapidly changing environment which characterised the banking sector in the 1990s. Research of this nature is often conducted in a mono-cultural context despite the fact there is increasing evidence that managerial practices, including empowerment, are highly influenced by societal factors. The research confirms previous assumptions that employees have greater participation in the workplace, but the strength of participation is mediated by external factors such as social values, technological change and economic conditions. In such periods effective employee involvement is restricted to micro levels, despite expectations by employees of more involvement in organisational issues at macro levels. HRM seeks to harmonize, incorporate and standardize diverse organizational policies followed by employees throughout the country. If it is uniformly and consistently applied would result in the establishment of best practices in the world. The present research study analysed the relationships among psychological empowerment, organizational citizenship behaviour, and perceived organizational performance. For this purpose, the data was collected from 260 employees working in different banks in Hyderabad. The results of this study revealed that organizational citizenship behaviour partially mediated the relationship between Empowerment and perceived organizational performance. So psychological empowerment is a very important construct and should be critically evaluated.

KEYWORDS:

Empowerment, Organizational Citizenship Behaviour, Perceived Organizational Performance, Organizational Justice.

INTRODUCTION:

Due to globalization working procedures of the organizations are changing rapidly due to the advancement in technology in every field of operations. Human Resource Management (HRM) practices can be helpful in providing solutions to the problems which are result of continuously changing work environment. These practices can be a major source of organizational success. Human resources play a vital role in determining the goals and the main challenge for many firms in these days are to recruit, develop, manage, and retain the employees who can help to increase the effectiveness of the firm. Research shows that the productive organizational performance is in direct relationship with the motivation level and commitment level of the employees in the organization. Motivation of employees at workplace is influenced and shaped by many factors. Some of the factors are organizational justice and provision of basic needs for the employees.

Organizational justice is achieved when people notice that they are treated at work equally and fairly. The three main components of organizational justice that are discussed extensively in research are “distributive justice”, “procedural justice”, and “interactional justice”.

Procedural justice means that employees perceive in their minds that the decisions made by the management are transparent and fair while allocating the resources or resolving the disputes. Distributive justice is about the fair allocation of resources and rewards.

LITERATURE REVIEW:

After growing global competition and organizational change, it is required from the employee side that they should be motivated and able to take initiatives. Due to this requirement, interest in psychological empowerment increases rapidly. Although the research on this construct is increasing, there are a few theoretically derived and tested measures of psychological empowerment.

Organizational Justice: According to Colquitt *et al.*, Organizational justice means that staff perceive that organizational behaviours are fair. Based on previous research by different researchers and scholars, it has been found that there are three forms of organizational justice: distributive, procedural, and interactional justice. Distributive justice is a term that tells about the perceived justice from the consequences people receive as described by Mcdowal & Fletcher. Procedural justice is all about the perception of people about the procedures to which the consequences belong (Mcdowal & Fletcher, 2004). Bies & Moag suggested interactional justice as the quality of interpersonal interactions of organizational decision-makers during organizational procedures. Interacting with one another, these three dimensions of justice form the perceived justice for the people in the workplace.

Psychological Empowerment: Empowering means delegation of power and authority from higher level of management to lower level of management. Empowerment should be regarded from the view of a redistribution model by which power balance is provided through trust and cooperation protection. Conger & Kanungo (1988) focused on authority as the focal point of empowerment, giving discretion to the staff to make and exert their own decisions. Liu *et al.* define empowerment as the mental relations of the employers and the employees. It is proved that psychological empowerment is correlated with organizational attitudes and behaviours. Individuals who are empowered are more loyal and sincere to the organization and positively contribute towards the improvements of the organizational performance.

Organizational Citizenship Behaviour: Dennis Organ and his associates Bateman used the term “Organizational Citizenship Behaviour” (OCB) for first time in management research. According to Barnard in his research, OCB means “the willingness to cooperate” and Katz defined it as “innovative and spontaneous behaviours”. Organ (1988) defined the concept of organizational citizenship behaviours 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 organization. Advancement in organizational citizenship behaviour theory and research produced acceptable results for researchers.

Perceived Organizational Performance: Organizational performance had been measured through various indicators. HRM managers should make standards to test the performance of their own firm with the performance of preceding years to determine the perceived performance of firm and the performance of the individual at the same time. Good human resource management practices has an effect on “organizational performance” by improving the “attitude of employees, skills, abilities, knowledge, motivation and working patterns”, according to Delaney & Huselid (1996).

As described by Youndt *et al.*, the human resource practices were in direct relationship with all dimensions of market performance of the firm. Perceived organizational performance is measured by the perception of the employees about the performance of their firm as compared to the financial position of the firm in previous years.

AIM OF THE STUDY: This study was conducted to provide evidence about the effects of organizational justice and psychological empowerment on perceived organizational performance and to test the mediating effect of organizational citizenship behaviour among them. Quantitative approach is used in this study and a questionnaire based on two sections in which first section was about the demographics and second section is about the questions related to the variables.

METHODOLOGY:

This study is conducted to provide evidence about the effects of organizational justice and psychological empowerment on perceived organizational performance and to test the mediating effect of organizational citizenship behaviour among them. Quantitative approach is used in this study and a questionnaire based on two sections in which first section was about the demographics and second section was about the questions related to the variables. For the purpose of this study, 300 questionnaires were distributed and 260 were returned by the respondents. It is a general consideration that characteristics of population are represented by the sample chosen from that population.

Close ended questionnaire based on five point Likert scale with options from strongly agree to strongly disagree. Each option was assigned a scale. 5 = strongly agree, 4 = agree, 3 = indifferent/neutral, 2 = disagree and 1= strongly disagree.

HYPOTHESES:

H1: Organizational iustice has positive effect on perceived organizational performance.

H2: Psychological empowerment has positive effect on perceived organizational performance.

H3: Organizational justice leads to perceived organizational performance through the mediating effects of

OCB.

H4: Psychological empowerment leads to perceived organizational performance through the mediating effects

of OCB.

FINDINGS AND RESULTS:

TABLE-1: Demographics of the respondents.

Demographics	Number of Participants(N)	Percentage
Gender		
Male	213	81.9
Female	47	18.1
Age		
Less than 30	46	17.7

30 to 35	157	60.4
36 to 40	18	6.9
41 to 45	16	6.2
46 to 50	16	6.2
51 and Above	7	2.7
Marital Status		
Unmarried	92	35.4
Married	168	64.6
Experience		
Less than 3 years	54	20.8
3 to 5 years	89	34.2
6 to 10 years	72	27.2
11 to 15 years	15	5.8
16 to 20 years	19	7.3
21 and above	11	4.2

Table-1: there are 81.9% male respondents and remaining 18.1% were female respondents. There were 17.7% respondents in group "less than 30 years. The majority of the respondents are from 30 to 35 years old representing 60.4%. While number of respondents in all remaining age groups was less than 10%. Married were 64.6% and regular were 79.6%. Most of the respondents have experience from 3 to 5 years and represent 34.2% and remaining "less than 3years", "6 to 10 years", "11 to 15 years", "16 to 20 years" and "more than 21 years" of experience represent 20.8%, 27.7%, 5.8%, 7.3%, and 4.2% in the same order.

TABLE-2: Pearson correlation results.

	Mean	SD	OJ	PE	OCB	POP
OJ	3.43	0.46	1			
PE	3.66	0.53	0.51	**1		
OCB	3.87	0.34	0.40	**0.72	**1	
POP	4.06	0.38	0.52	**0.53	**0.73	**1

**Correlation is significant at the 0.01 level (2-tailed).

TABLE-2 shows that there is positive relationship between all the variables. It means that with the increase in one variable the Organizational Citizenship Behaviour (OCB) Perceived Organizational Performance, Psychological Empowerment Organizational Justice result will be increase in the other variable. In simple words we can say that increase in dependent variable also increase the value of dependent variable. All the values of correlation are significant at 0.01 2-tailed test. Independent variables (organizational justice, psychological empowerment) are positively correlated with mediating

variable (organizational citizenship behaviour) it is also found that mediating variable is also positively correlated with dependent variable (perceived organizational performance).

TABLE-3 Regression analysis results between the variables of study.

	β	R2	$\Delta R2$	Sig
OJ → POP	0.43	0.27	0.27	0.00
OJ → OCB	0.29	0.16	0.15	0.00
OCB → POP	0.83	0.53	0.53	0.00
OJ → OCB → POP	0.23	0.60	0.59	0.00
PE → POP	0.39	0.29	0.28	0.00
PE → OCB	0.45	0.51	0.51	0.00
PE → OCB → POP	0.02	0.53	0.53	0.66

TABLE-3: The result shows that there is a significant positive relationship between all the variables of study (organizational justice, psychological empowerment, organizational citizenship behaviour, and perceived organizational performance). R2 shows that how much variation in dependent variable is explained by independent variable. In our case the highest value of R2 = 0.53 which is between organizational citizenship behaviour and perceived organizational performance. OCB partially mediates between OJ and POP because the results remain significant after entering the mediator in analysis. On the other hand, OCB fully mediates the relationship between PE and POP because the results become insignificant after including the mediator in the analysis.

LIMITATIONS:

1. First one is the limitation of sample size. For more accurate results a large enough sample should be considered.
2. There is lack of understanding in the respondents about the concepts asked in the questions.
3. Organizational performance was measured according to the perception of employees which may show biased results and far from reality.

CONCLUSION:

It is concluded that special attention must be given to the theoretical explanations of the concept. It is because the researchers have focused much on relationship between organizational citizenship behaviour and other variables instead of presenting a more clear definition of organizational citizenship behaviour. Taken together, the overall results reported in previous research provides general support for the hypothesis that organizational citizenship behaviours are related to organizational effectiveness. So organizational citizenship behaviour is a construct that should be considered carefully in the research environment and it is a very important factor that contributes to the increment of the individual's motivation towards the organization. Therefore, it is reported, such variable can increase the performance of the firm as the satisfied employees will be more productive as compared to those who are not satisfied.

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