Role of Working Conditions on Organization Citizenship Behaviour in the Banking Industry: A Survey of Barclays Bank in North Rift Region

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Abstract: Organizational citizenship behavior (OCB) is an employee behavior in which the purpose is to increase the efficiency of company performances. The dimension of OCB based on Organ et al (2006) include altruism, conscientiousness, sportsmanship, courtesy and civic virtue. The purpose of this study was to find out the role of working conditions on organization citizenship behaviour in the banking industry. The study targeted a total population of 220 employees in Barclays Bank North Rift region. To determine the sample size, a formula by Kathuri and Pals (1993) was used to get a sample size of 120 respondents. Data was collected using questionnaires and analyzed using descriptive statistics and inferential statistics. Descriptive statistics used included frequencies, percentages and means while the inferential statistics used was multiple regression. The findings show that working conditions was significant in explaining organizational citizenship behavior. It was thus recommended that Barclays bank should ensure good working conditions at the workplace which would increase the degree of job satisfaction also effectual human resource management and preserving progressive work environment would be consequence the job satisfaction and performance of organization as well as entire economy. Further research is also required to study the factors determining employee organizational citizenship behavior in Kenya. This will help to solve problems that surround employee organizational citizenship behavior.

Key Words: Working Conditions and Organization Citizenship Behaviour

I. Introduction

Organization Citizenship Behavior refers to employee behavior that is discretionary, not directly recognized by the formal reward system, it promotes the effective functioning of the organization (Organ & Dennis, 2006). OCB provides a means of managing the interdependencies among members of a work unit, which increases the collective outcome achieved; reduces the need for an organization to allocate scarce resources to simple maintenance functions, which frees up resources for productivity and promotes the ability of others to perform their jobs by efficient planning, scheduling and ensuring that they solve problems (Podsakoff et al., 2000). Employee organizational citizenship behaviors are work behaviors that are defined as individual behaviors beneficial to organizations, not directly recognized by the formal reward system. Organizational Citizenship Behaviors are thought to have an important impact on the effectiveness and efficiency of work teams and organizations, therefore contributing to the overall organizational productivity (Cannel, 2008).

According to Central Bank of Kenya annual report (2012), commercial banks in Kenya have a great disparity in their remuneration system depending on the compensation philosophy. There is uniformity on timing as all banks remit employee salaries on the twenty fifth day of every month. Barclays Bank has operated in Kenya for over 90 years. Financial Strength coupled with extensive local and international resources have positioned Barclays Bank of Kenya as a foremost provider of financial services. Barclays bank has established an extensive network of 120 outlets with over 230 ATMs spread across the country. The Barclays Bank network is supported by Internet and mobile banking channels plus a Customer Service Centre that operates 24 hours a day, 7 days a week (Barclays Bank of Kenya, 2015).

Over the past two years, Barclays Bank has undertaken a complete change in its core banking system. This involved changing the entire operating system across its branches in the country. The process involved setting up a complete project team with a change director at the helm of the project. The main aim was to improve on the efficiency of services provided to the customer and to reduce its operating costs hence setting it apart from their competitors as the bank of choice. Business organizations, especially the banking industry of the 21st century operates in a competitive environment with changing conditions and unpredictable economic climate (Barclays bank of Kenya, 2015).

1.2 The Statement of the Problem

Due to the dynamism of technology, pressure to achieve organizational objectives/goals, need to improve organizational performance, control of operational costs and curb wastage, there is therefore great need...
to improve on employee organizational citizenship behavior in the banking industry (Bennett, et al, 2000). According to Benjamin (2012), the world-wide competition, increases the importance of organizational citizenship behavior as a means for effective management of human resources, as well as enhancing organizational viability.

Many financial institutions have been registered in Kenya since independence. This has led to stiff competition in the industry. All these financial institutions are competing for the same customers. This therefore calls for exemplary service in order to attract and retain the current customers it is therefore imperative for institutions to be innovative and creative to win the customer’s trust and loyalty. Barclays bank spends billions of money each year trying to motivate or reward its employees, but these interventions do not always translate into higher levels of employee motivation thus there is need for introduction of non monetary incentives in the bank. Despite these interventions taken by Barclays bank, employees and managers give different levels of importance to various motivational rewards depending on the situation; however an employee still have low morale and performs below the expectation of the organization. This research therefore aimed at finding out the role of working conditions on organization citizenship behaviour in the banking industry.

II. Literature Review

2.1 Working Conditions and Employee Organizational Citizenship Behaviour

The effect of organizational structure and its environment on the employee organizational citizenship behaviour of its members has been an important issue of analysis (Arul, 2009). In industrial context, the problem of increasing production and making the work environment more conducive have been approached through the introduction of durable changes in working environment. According to Becker (2003) during early days of development of industrial psychology only physical environment in work place was given importance and was considered as a predominant determinant of employees’ productivity. Earlier studies examined the effect of illumination, temperature, noise, and atmospheric conditions on productivity of employees. However, no consistent relationship could be established between these components of physical work environment and performance. After Hawthorne studies industrial psychologists started shifting their attention to the study of social and psychological environment and its effects on employee organizational citizenship behavior. The recognition of the significant role of psycho-social environment led to the emergence of organizational psychology, and furthers the concept of quality of work life. The importance of physical work environment has now been realized. Further modern organizations are making all possible efforts to ensure work environment is more comfortable, safe and healthy, which led to the emergence of a new branch of organizational psychology, known as occupational health psychology. This is a psychological method of looking holistically at the work environment and employee health. Occupational health psychology looks at employees’ health as well as the organizational health in a synergistic relationship on employee organizational citizenship behaviour, and tries to understand the dynamic interaction (Benjamin, 2012).

Bernstein et al (2011) did a study to examine the effect of physical work environment and organizational climate on employees’ job satisfaction, performance, and health. The study found that these conditions improve employee organizational citizenship behaviour Scott, Jusanne and Steven (2000) reported that working conditions are associated with employees’ job involvement and job satisfaction. Christina, Stamper & Lyn (2003) in a study observed that social, employee organizational citizenship behaviour, organizational and physical context serve as the impetus for tasks and activities, and considerably influence employees’ performance, output and production. According to Benjamin (2012), the influence of organizational climate, which is composed of organizational, social and psychological factors, has been extensively examined. This shows that, employees’ motivation, job satisfaction, job involvement, job performance and employee health have been found to be influenced by employee organizational citizenship behavior.

H0i: There is no relationship between working conditions and organization citizenship behaviour in the banking industry

III. Materials And Methods

This study adopted a descriptive survey design. The target population of the study included employees of Barclays north rift region, Eldoret branch with 85 employees, Kitale branch with 30 employees, Kabarnet branch with 30 employees, Kapsabet with 30 employees, Kapenguria with 20 employees and Webuye with 25 employees. The study used 5-point likert questionnaires as data collection instruments. The Cronbach’s coefficient alpha was applied on the results obtained to determine how items correlate in the same instrument. Cronbach’s coefficient Alpha of more than 0.7 was taken as the cut off value for being acceptable which enhanced the identification of the dispensable variables and deleted variables. Data was analyzed using descriptive statistics and inferential statistics. Descriptive statistics used included frequencies, percentages and means while the inferential statistics used was multiple regression.
IV. Results And Discussion

4.1 Working Condition and Organization Citizenship Behaviour

The study sought to establish the role of working condition on organization citizenship behaviour.

<table>
<thead>
<tr>
<th>Working Condition</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is conducive environment for work</td>
<td>4.580</td>
<td>.538</td>
</tr>
<tr>
<td>Health and safety is prioritized in the work place</td>
<td>3.989</td>
<td>.759</td>
</tr>
<tr>
<td>Stress management is addressed in the work place</td>
<td>4.000</td>
<td>.766</td>
</tr>
<tr>
<td>Working conditions facilitates employee relations</td>
<td>4.440</td>
<td>.499</td>
</tr>
<tr>
<td>Working conditions illumination, temperature, noise, and atmospheric conditions</td>
<td>4.710</td>
<td>.456</td>
</tr>
<tr>
<td>affects productivity of the workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working conditions has facilitated quality of work</td>
<td>4.505</td>
<td>.503</td>
</tr>
<tr>
<td>Working conditions has facilitated work Life balance</td>
<td>3.968</td>
<td>.667</td>
</tr>
<tr>
<td>Working conditions has facilitated a typical and precarious working environment</td>
<td>4.559</td>
<td>.521</td>
</tr>
</tbody>
</table>

From the questionnaire the study sought to find out the role of Working Condition on Organization Citizenship Behaviour. The results showed the responses were supported by a mean score of 4.580, and it was spread from the mean at standard deviation of 0.538. The finding that health and safety is prioritized in the respondents work place showed that the results had a mean score of 3.989 which was spread from the mean at standard deviation of 0.759. This indicates that health and safety in institutions is a predictor of organizational citizenship behaviour.

The results on the issue that Stress management is addressed in the respondents work place was supported by a mean of 4.000, this result was spread from the mean at 0.766 which implies a positive relationship between stress management and organizational citizenship behavior in organizations. From the results on the issue that working conditions facilitates employee relations, shows that 70.9% of the respondents agreed with a mean of 4.440 which is spread at a standard deviation of 0.499. The result that Working conditions illumination, temperature, noise, and atmospheric conditions on productivity of the workers affects organization citizenship behavior was supported by an agreement rate at a mean of 4.710 which is spread at standard deviation of 0.456. The response that working conditions has facilitated quality of work in organizations leading to organizations citizenship behavior was supported by an agreement rate at a mean of 4.505 which is spread at standard deviation of 0.503. Further the result that working conditions has facilitated work life balance was supported by a mean of 3.733 which is spread at a standard deviation of 0.742.

Lastly the respondents agreed that working conditions has facilitated a typical and precarious working in their organization with a mean score of the responses was 4.559. This indicates a higher level of agreement on the questionnaire statements. The responses were also spread from the mean at a 0.521 standard deviation. From the results, the overall mean score of 4.019 which means that more respondents were agreeing with the questionnaires statement on the role of working condition on organizational citizenship behavior. In addition the responses were spread from the mean at 1.503 standard deviation These results support that of Scott, Jusanne and Steven (2000) who reported that working conditions are associated with employees’ job involvement and job satisfaction. It also supports that of Strong, Jeannerert, Blackley and McPhail (2009) who stated that social, employee organizations citizenship behaviour, organizational and physical context serve as the impetus for tasks and activities, and considerably influence workers’ performance and work output. Finally the study supports the findings of Dugdill (2000), who observed that employees’ motivation, job satisfaction, job involvement, job performance, and health are influenced by employee organizational citizenship behavior. The effect of organizational structure and its environment on the employee organizational citizenship behaviour of its members has been an important issue of discussion and analysis since long back (Arul, 2009). In industrial context, the problem of increasing production and making the work environment more pleasant have been approached through the introduction of durable changes in working environment.

4.2. Inferential Statistics

4.2.1. Assumption of Linearity

From the study Pearson product moment correlation was used to assess the linearity among the variables of the study (working conditions and organizational citizenship behavior). From the results in table 4.1 there was positive relationship between the dependent and independent variables of the study thus assumption of linearity was supported.

<table>
<thead>
<tr>
<th>WC</th>
<th>Pearson Correlation</th>
<th>OCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>WC</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>.829*</td>
<td>1.000</td>
</tr>
</tbody>
</table>
4.2.3.2 Assumption of Normality

The test of assumption of normality was done using the variables of the study (working conditions and organizational citizenship behavior). Normality was then tested using the Shapiro-Wilk Test. The distribution was considered normal if the Significance value of the Shapiro-Wilk Test is greater than 0.05, the data is normal. If it is below 0.05, the data significantly deviate from a normal distribution. From the results in table 4.2 below it is indicated that the working conditions and recognition schemes were normally distributed this is because they all had significance level which is less than 0.05.

Table 4.2: Tests of Normality

<table>
<thead>
<tr>
<th></th>
<th>Kolmogorov-Smirnov&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>df</td>
</tr>
<tr>
<td>OCB</td>
<td>Working conditions</td>
<td>.346</td>
</tr>
<tr>
<td></td>
<td>Recognition schemes</td>
<td>.533</td>
</tr>
</tbody>
</table>

<sup>a</sup> Lilliefors Significance Correction

OCB: Organizational Citizenship Behaviour

4.3 Model Summary

From the results on model summary as shown in table 4.3, R= 0.924, R- square = 0.853, adjusted R-square= 0.847, and the SE= 1.56794. Multiple correlation R coefficients indicate the degree of linear relationship of organization citizenship behaviour with all the predictor variables, where as the coefficient of multiple determinations R-square shows the provision of the total variation in organization citizenship behaviour that is explained by the independent variables, work condition in the regression equation. The R-square gives us the coefficient of determination between the variables the results from the regression analysis give an R-square value of 0.853, which means that 85.3% of the independent variables cause the change on dependant variable (organization citizenship behaviour).

Table 4.3: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.924&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.853</td>
<td>.847</td>
<td>1.56794</td>
</tr>
</tbody>
</table>

4.2.3.5. Analysis of Variance (ANOVA)

The significance of the regression model was tested using Analysis of Variance (ANOVA) which provides information about levels of variability within the regression ANOVA shows the importance of the relationship between the independent and the dependent variables Table 4.4 presents the results of this test.

Table 4.4: Analysis of Variance (ANOVA)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1258.130</td>
<td>4</td>
<td>314.532</td>
<td>127.939</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>216.343</td>
<td>88</td>
<td>2.458</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1474.473</td>
<td>92</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant) working condition. (b) Dependent Variable: organization citizenship behavior

As shown from the table 4.4 above, F= 127.939, p< 0.000

One way ANOVA was used to test for preferences differences among the variables for 5 % levels of significant in predicting how working condition affected organization citizenship behavior. The F test provides an overall test of significance of the fitted regression model. The F value of 127.939 indicates that all the variables in the equation are important hence the overall regression is significant.

Table 4.5: Regression Coefficient

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.128</td>
<td>.130</td>
<td>-.251</td>
</tr>
<tr>
<td></td>
<td>Working conditions</td>
<td>.202</td>
<td>.040</td>
<td>.165</td>
</tr>
</tbody>
</table>

The regression equation used to link the dependent and independent variable was as follows:

Y=-0.128 + 0.083 X₁ + ε

Y=0.128 + 0.083 X₁ + ε

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Where $y =$ organization citizenship behaviour  
$X_i =$ working condition
The coefficients in table 4.5 indicate the corresponding change in the dependent variable when a change of one unit is effected in the independent variable. Thus, a 1% improvement of working conditions would lead to a 16.5% organization citizenship behavior.

V. Conclusion

From the study it was concluded that Working Condition is a predictor variable in ensuring Organization Citizenship Behaviour, it provides a conducive environment for work, it prioritizes health and safety in the work place, it manages stress in the work place, Working conditions facilitates employee relations, quality of work, work life balance and a typical and precarious working environment.

5.1 Recommendation of the Study

Based on the findings of this study, it was recommended that Barclays bank should ensure good working conditions at the workplace which would increase the degree of job satisfaction, effectual human resource management and preserving progressive work environment which would affect job satisfaction and organizational performance.

Reference

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