

## **Implication of Organizational Citizenship Behaviour in Nepalese Commercial Banks**

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### **Abstract**

Organizations serve people by working with and for them. Both organizations and their employees are interdependent on each other. Organizational Citizenship Behavior (OCB) plays a vital role in the success of any organization. It encompasses discretionary behaviors exhibited by employees that go beyond their formal job descriptions, contributing to the overall

effectiveness and functioning of the organization. This study focused on examining the perspective of employees regarding OCB in the banking industry of Nepal. The study adopted a quantitative research approach through a survey design to sample 40 employees from the banks. With the use of several statistical methods, including means, standard deviations, frequencies, and correlation analysis- data gathered from the questionnaire was analyzed and interpreted, and utilized for the analysis of the research objectives and hypotheses stipulated by the study. The study found that there is no direct proportional relationship between demographic variables and OCB.

**Keywords:** Bank, Implication, OCB, Practice

## **Introduction**

One specific behavior that significantly contributes to the smooth functioning of an organization is known as organization citizenship behavior (OCB). Although OCB is not mandatory, it has been backed by empirical evidence as a behavior that enhances the overall performance of the organization. OCB encompasses various forms of collaboration and assistance extended to others within the organization, thereby creating a supportive social and psychological environment (Bista, 2022). Organizational behavior serves as a guide for managers to comprehend the behaviors exhibited by employees. This understanding aids managers in motivating employees to actively participate in achieving the organization's goals. Among the array of behaviors, organization citizenship behavior (OCB) stands out due to its discretionary nature. Despite not being obligatory, OCB's positive impact on the organization's effectiveness has been validated through scientific research (Kang & Hwang, 2023). The concept of OCB revolves around employees voluntarily engaging in cooperative and helpful actions towards their colleagues, thus fostering a conducive social and psychological atmosphere within the organization.

Organizational Citizenship Behavior (OCB) has been a key concept in psychology and management for the past 3decades, and as a result, it has attracted a lot of attention in the literature (Neihoff & Moorman, 1993), (Bateman & Organ, 1983). Organ (1988) has suggested that OCB is a critical element that adds to an organization's resilience. Employee satisfaction, organizational commitment, organizational justice, career development, age, tenure, personality, motivation, leadership, and leadership conduct all have an influence on and affect citizenship behavior inside a company (Tang & Ibrahim, 1998).

Organizational citizenship behavior (OCB) is defined as "Individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in aggregate promotes the effective functioning of the organizations" (Organ, 1988). Helping others at work, taking on extra work, and promoting and maintaining the companies are a few examples of OCB (Bolino & Turnley, 2003). According to Amabile et al. (2014), it is common for employees at high-performing companies to display OCB in their day-to-day work, such as helping and supporting each other in order to do the best work.

The ability of the banking sector to retain customers is one factor that determines how well it performs as a service business. Superior customer service can help with this (Sofia, Padmashantini, & Gengeshwari, 2014). Consequently, the front-line staff members are crucial to doing this. Begum (2005) emphasized that individuals are the important facilitators in the execution of the relationship banking approach. Organizational citizenship behavior (OCB) takes many different forms, including altruism, courtesy, sportsmanship, civic virtue, and conscientiousness (Organ, 1988).

The banking industry is a service industry where performance is evaluated based on the number of customers it's able to retain. This can be achieved by providing superior customer service (Sofia, Padmashantini, & Gengeshwari, 2014). Hence, the front service employees play a major role in achieving this. According to (Organ, 1988), organization citizenship behavior (OCB) has a variety of forms including altruism, courtesy, sportsmanship, civic virtue and conscientiousness.

In the context of the banking sector in Nepal, where competition and customer expectations are high, the role of OCB becomes particularly relevant. Banks play a crucial role in the country's economic development by providing financial services, mobilizing savings, and facilitating investment (Bista, 2022). In this dynamic and demanding environment, employees who engage in OCB can have a positive impact on customer satisfaction, organizational performance, and the overall image of the banking sector.

Employee perceptions of OCB are influenced by various factors, including organizational culture, leadership styles, job satisfaction, and employee engagement. When employees perceive that their organization values and recognizes their extra efforts, they are more likely to engage in OCB. On the other hand, a lack of perceived organizational support or inadequate rewards and recognition can diminish employees' willingness to engage in such behaviors. The purpose of this study is to investigate how employees in Nepal's banking industry view OCB in order to better understand its significance and the organizational elements that influence it. This study aims to investigate what can cause OCB among banking staff in order to enhance organizational performance.

### **Statement of problem**

In recent years, Nepal's banking industry has undergone substantial expansion and change, with banks becoming more and more conscious of the value of OCB (Bista, 2022). However, there is still little research on role OCB in this situation. Numerous studies have been carried out internationally under the direction of OCB. However, it was challenging to locate OCB-related studies in the Nepalese environment associated with Nepalese banks. Organization citizenship behavior is an individual's voluntary conduct or behavior when they work for a corporation in addition to their contractual obligations to that firm. Employees' productivity and positive

interactions with one another at work both increase when they allocate themselves on a voluntary basis.

Employees' good opinions of their workplace environments are reflected in their activity as corporate citizens. It encourages employees' willingness to do the responsibilities assigned to them by the company. Employees who participate in OCB are prepared to go above and beyond the call of duty for the good of the company by cultivating helpful conduct, compliance, and tolerance. Despite this, working in the banking industry in Nepal is stressful, and promoting OCB is a difficult task. The goal of the study is to learn how each person may motivate themselves and grow their willingness to assist others at work.

### **Significance of the Study**

The banking industry operates in a highly competitive environment where customer trust, loyalty and satisfaction play a vital role in organizational success. By studying OCB in banks, this study aims contribute to the existing literature and provide insights into how OCB can lead to enhanced organizational effectiveness, employee engagement, and customer experiences. The findings of this study will provide important information regarding the OCB of banks in Nepal to the general public and stakeholders, including researchers, students, workers, customers, and suppliers as well as the regulatory body of banks.

### **Objectives of the study**

The study of OCB is directly concerned with people in organizations where people are unique assets who maintain control over all other resources. It promotes employees' willingness in the organization. When the unique assets exert their fullest efforts, organizations will get complete advantages.

The primary objective of this report is to explore the concept of OCB within the banking industry and examine its implications for organizational success. However, the specific objectives of this study are as follows:

- i. To identify the status of OCB amongst the employees of Nepalese banks.
- ii. To determine the impact of demographic variables in OCB.

### **Hypotheses**

A hypothesis is a statement logically formed on the basis of a relationship between two or more variables. In this study, hypothesis testing is used to test the significance of the relationship between dependent and independent variables. This study purposes the following hypotheses:

H1: There is a significant relationship between gender and OCB.

H2: There is a significant relationship between marital status and OCB.

H3: There is a significant relationship between age and OCB.

H4: There is a significant relationship between experience and OCB.

H5: There is a significant relationship between education and OCB.

### Conceptual Framework

The current study has tried to observe the relational path and mechanism to observe the employee perception of OCB. Based on the concept derived from the theoretical framework, the researcher developed conceptual framework for the research. The objective of research is to analyze the employee’s perception on organization citizen behavior in Nepalese banks. So, the conceptual framework is designed accordingly Gender, marital status, age, experience and educational qualification are taken as taken as independent variable, and OCB is taken as dependent variable.

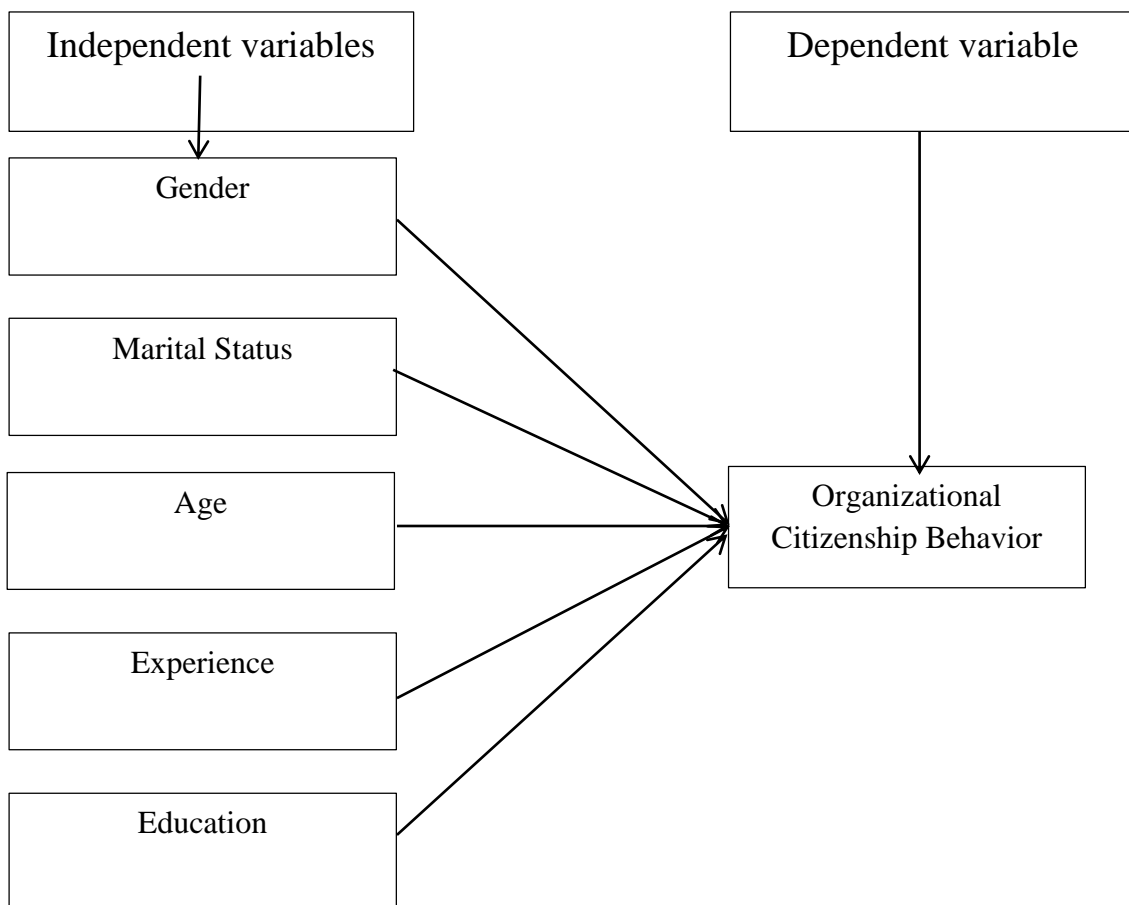


Figure 1: Conceptual Framework

### Methods and Materials

The current study adopted the positivism philosophy with the quantitative research methodology to assess the theoretical model through the data collected from respondents. The purpose of the study was to learn how employees perceive OCB. In order to gather information about respondents' perceptions of employees, a quantitative approach was applied in the research (Ghimire & Maharjan, 2018; Neupane & Dawadi, 2018; Neupane, 2019). To characterize the fundamental characteristics of the data in this study, the research employed a descriptive and analytical research design. The study's choice of descriptive research design

aimed to learn about the respondents' profiles, present and describe the data gathering, and describe the respondents' features. Since descriptive methodology works with the correlations that already exist between un-manipulated variables, it is a widely acknowledged methodology for application. According to (Creswell, 2002) quantitative is an appropriate method, further added (Mahat, Kandel, & Shrestha, 2021; Neupane, Pant, & Bhattarai, 2023; Sekaran., 2000) for measuring the data in terms of frequencies, or mean and standard deviations, etc. The technique for collection used a questionnaire. The ability to gauge the perception, response, and attitude of the intended sample is a significant benefit of employing a questionnaire instrument (Johnson & Christensen, 2004). Bidiu and Moran (2021) recommended that 40 respondents are appropriate for most of the quantitative studies. So, the total number of respondents in this research was 40. The primary data was gathered from bank employees. To collect quantitative data, the questionnaire included both closed-ended and 5 points Likert-scale items from 1 (strongly agree) to 5 (strongly disagree).

### **Results and Analysis**

This section of the research provides numerical data collected through a questionnaire. It covers the analysis, explanation, and conversation of the findings obtained from the field-collected data. In this particular study, questionnaires were self-administered to employees from banks in Kathmandu. The collected data was analyzed using SPSS, an acronym for Statistical Package for Social Science. The study generated descriptive statistics for the relevant data and frequencies related to the demographic information of the respondents.

#### **Demographic Analysis of the Data**

This section covers the respondents' demographic profile and how it was analyzed and interpreted on the basis of the primary information gathered through questionnaires. This will make it easier to understand the demographic traits of the respondents. The profile of the respondents comprises the respondent's gender, marital status, age, work experience, and educational background.

*Table 1: Sample Distribution of Gender*

<b>Gender</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Male	17	42.5	42.5	42.5
	Female	23	57.5	57.5	100.0
	Total	40	100.0	100.0	

The result of the study shows that, respondents were inquired as gender male and female. Out of 40 respondents, 17(42.5%) were males and remaining 23 (57.5%) were females.

*Table 2: Sample Distribution of Marital Status*

<b>Marital status</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Married	25	62.5	62.5	62.5
	Unmarried	15	37.5	37.5	100.0
	Total	40	100.0	100.0	

In relation to the marital status of respondents, it was discovered that the majority of the sampled respondents were married representing 25(62.5%), and unmarried respondents representing 15(37.5%).

*Table 3: Sample Distribution of Age*

<b>Age</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
	21 to 25 years	14	35.0	35.0	35.0
	26 to 30 years	16	40.0	40.0	75.0
	31 to 35 years	7	17.5	17.5	92.5
	36 to 40 years	3	7.5	7.5	100.0
	Total	40	100.0	100.0	

The result in **table 3** indicates that out of 40 respondents, 14(35.0%) were within age 21-25, 16(40.0%) age 26-30, 7(17.5%) age 31-35 and 3(7.5%) within age category of 36-40. The results of the study indicate that, there is economically active work force within the banks. Implicitly, these banks have employees who have long work life and can contribute their knowledge and skills in enhancing and achieving organizational goal through friendly activities with customers. On the other hand, employees within the age 31-35 and 36- 40 are insignificant as in percentage terms.

*Table 4: Sample Distribution of Experience*

<b>Experience</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Below 5 years	18	45.0	45.0	45.0
	5 to 10 years	17	42.5	42.5	87.5
	10 to 15 years	4	10.0	10.0	97.5
	15 to 20 years	1	2.5	2.5	100.0
	Total	40	100.0	100.0	

Findings of the study show that, 18(45.0%) had worked for below 5 years, 17(42.5%) had worked for 5-10 years, 4(10.0%) 10-15 years and 1(2.5%) 15- 20 years. The result shows that very few of the respondents had vast work experience. This has an adverse effect on businesses since; in addition to knowledge, work experience serves as the foundation for an organization's efforts to be successful and productive.

*Table 5: Sample Distribution of Education*

<b>Education</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
	+2	1	2.5	2.5	2.5
	Bachelor's Degree	17	42.5	42.5	45.0
	Master's Degree	22	55.0	55.0	100.0
	Total	40	100.0	100.0	

The result of the survey indicates that, based on educational level of respondents, respondents have some appreciable level of education. The results show that 22(55.0%) of the respondents had their master degree, 17(42.5%) had completed their bachelor's degree, and 1(2.5%) was at the +2 level.

### **Descriptive Analysis**

This section focuses on the descriptive analysis of the data gathered through questionnaires throughout the course of the research. Calculating statistical measures including mean, standard deviation, as well as maximum and lowest values, is a component of descriptive analysis. With regard to frequencies and aggregation in relation to the research questions and variables, these numbers aid the researcher in their analysis of the data. Five-point Likert scale questions, ranging from 1 (strongly agreed), 2 (agreed), 3 (Neutral), 4 (disagreed), and 5 (Strongly disagreed), were asked of the respondents for this purpose. OCB is the dependent variable in this research and this section analyzes the level of respondent's organizational citizenship behavior. It was analyzed based on nine items.



In the previous section, the tables presented the respondents' information. However, descriptive analysis of each item of all variables has been presented together with mean and standard deviation in the following table.

*Table 6: Descriptive Analysis of OCB*

Descriptive Statistics							
	Statements	N	Minimum	Maximum	Mean	Std. Deviation	Variance
I1	I help other employees with their work when they have been absent.	40	1.00	5.00	1.5000	1.15470	1.333
I2	I volunteer to do things not formally required by my job.	40	1.00	5.00	2.1000	1.00766	1.015
I3	I take the initiative to orient new employees to the department even though it is not part of my job description.	40	1.00	5.00	2.1500	.94868	.900
I4	I help others when their work load increases (until they get over hurdles).	40	1.00	5.00	1.8250	1.00989	1.020
I5	I particularly arrive at work on time in the morning and after the tea/lunch breaks.	40	1.00	4.00	1.5750	.93060	.866
I6	I make innovative suggestions to improve overall quality of the department.	40	1.00	5.00	2.2000	1.09075	1.190
I7	I assist supervisor with his/her work load.	40	1.00	5.00	2.1750	.90263	.815
I8	I exhibit attendance at work beyond the norm by taking fewer days off than officially allowed.	40	1.00	5.00	2.4250	1.12973	1.276
I9	I give advance notice if unable to come to work.	40	1.00	5.00	1.4500	.90441	.818

Table 6, shows the descriptive analysis of OCB. In the given table, all the questions, scored mean value above 3 (more agreed value, strongly agreed), and more towards 2, which implies that the there is a positive perception towards OCB, and represents that the respondents had the behavior of citizenship among them for the organization they worked in.

Among the set of questions, I4 scored the lowest mean value i.e., 1.8250 indicating that the majority of respondents agreed to always assist those who were overworked. I8 scored the

highest mean value i.e., 2.4250, meaning that a relatively smaller percentage of respondents said they did not take additional breaks. Similarly, if we see the value of standard deviation, all the values are close to 1, indicating that there were fewer diversified answers from the respondents regarding organizational citizenship behavior, and most of the respondents showed citizenship behavior towards their organizations.

Thus, we may draw the conclusion that most respondents were committed to their organizations, willing to go above and beyond the call of duty to uphold or enhance the company's reputation, and had favorable impressions of OCB.

### **Correlation Analysis**

All hypothesis of the study is tested in this section, which measures the relationship between the independent variables (gender, marital status, age, experience and education), and the dependent variable Organizational Citizenship Behavior (OCB).

#### **H1: There is significant relationship between gender and OCB**

*Table 7: Correlation between Gender and OCB*

<b>Correlations</b>			
		Gender	Mean
Gender	Pearson Correlation	1	.006
	Sig. (2-tailed)		.972
	N	40	40
Mean of OCB	Pearson Correlation	.006	1
	Sig. (2-tailed)	.972	
	N	40	40

Table 7 shows the correlation between gender and Organizational Citizenship Behavior of bank employees. The results show that there is no significant relationship between gender and OCB ( $p > 0.05$ , i.e.  $p = 0.972$ ). This rejects the alternative hypothesis 1 (H1: there is significant relationship between gender and OCB).

**H2: There is significant relationship between marital status and OCB.**

*Table 8: Correlation between marital status and OCB*

<b>Correlations</b>			
		Marital status	Mean
Marital status	Pearson Correlation	1	.204
	Sig. (2-tailed)		.207
	N	40	40
Mean of OCB	Pearson Correlation	.204	1
	Sig. (2-tailed)	.207	
	N	40	40

**Table 8** shows the correlation between marital status and Organizational Citizenship Behavior of bank employees. The results show that there is no significant relationship between marital status and OCB ( $p > 0.05$ ). This rejects the alternative hypothesis 2 (H2: there is significant relationship between marital status and OCB).

**H3: There is significant relationship between age and OCB.**

*Table 9: Correlation between Age and OCB*

<b>Correlations</b>			
		Age	Mean
Age	Pearson Correlation	1	-.231
	Sig. (2-tailed)		.151
	N	40	40
Mean	Pearson Correlation	-.231	1
	Sig. (2-tailed)	.151	
	N	40	40

**Table 9** displays the relationship between bank workers' age and organizational citizenship behaviors. The results show that there is no significant relationship between age and OCB as ( $p > 0.05$ , i.e.  $p = 0.151$ ). This rejects the alternative hypothesis 3 (H3: there is significant relationship between age and OCB).

**H4: There is significant relationship between work experience of employees and OCB.**

*Table 10: Correlation between Experience and OCB*

<b>Correlations</b>			
		Experience	Mean
Experience	Pearson Correlation	1	.032
	Sig. (2-tailed)		.844
	N	40	40
Mean	Pearson Correlation	.032	1
	Sig. (2-tailed)	.844	
	N	40	40

The relationship between organizational citizenship behavior and experience among bank workers is seen in Table 10. The findings demonstrate that there is no association between workers experience and OCB at the 0.05 level of significance as ( $p > 0.05$ ). The alternative hypothesis 4 (H4: There is significant relationship between work experience of employees and OCB) is rejected by this.

**H5: There is significant relationship between educational qualifications of employees and OCB.**

*Table 11: Correlation between Education and OCB*

<b>Correlations</b>			
		Education	Mean
Education	Pearson Correlation	1	.043
	Sig. (2-tailed)		.794
	N	40	40
Mean of OCB	Pearson Correlation	.043	1
	Sig. (2-tailed)	.794	
	N	40	40

The relationship between bank workers' education and organizational citizenship behavior is seen in **table 11**. The findings demonstrate that there is no significant relationship between education and OCB ( $p > 0.05$ , i.e.  $p = 0.794$ ). This reject alternative hypothesis 5 (H5: there is significant relationship between educational qualifications of employees and OCB).

## **Conclusions**

The corporate and economic environment of today is extremely dynamic and unpredictable. In such circumstances, an employee is essential to the growth of the company and helps it stand out from the competition. Therefore, OCB is crucial to the organization for the desired results. The study sought to comparatively evaluate employee perceptions of OCB in the banking sector to examine the impact of employees' perspectives on OCB. A descriptive study design was used in the study. Based on the analysis of collected data through questionnaire it was discovered that OCB is highly practiced among the employees of banks and they also have positive perception towards OCB. Organizational Citizenship Behavior does exist among employees. The mean and standard deviation of the responses demonstrated the workers' favorable attitudes and awareness of OCB in banks. It shows that they are aware of the effects of OCB and consider it worthwhile. However, the findings conclude that there is no direct proportional relationship between demographic variables and OCB.

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