

Human Resource Development Climate: A New Antecedent of Organizational Citizenship Behaviour

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(Abstract)

The globalization of industrial world makes it imperative for organizations to attach greater importance to the human resources for being the key source of competitive advantage. Since every organization's success is based on the healthy participation and good and selfless efforts of its workforce, therefore they deserve to be provided with the congenial Developmental Climate thereby, enabling them to contribute to the success and over-all development of their organization enthusiastically. In this very backdrop, the Organizational Citizenship Behaviour (OCB), has assumed a tremendous importance in today's fast changing organizations. However, the concept of OCB is in its embryonic stage in the country like India in general and in J&K State in particular. OCB has been recognized as shaping the social and psychological context and contributing to the overall performance, where core job responsibilities are accomplished willingly by the employees who are ready to go beyond their formal job descriptions in the developmental work climate facilitated by their organizations. A stream of studies has veered into the exploration of the relationship between OCB with different antecedents but its relation with the Human Resource development Climate (HRDC) is unexplored. As a consequence, the present paper is a moderate attempt to examine and explore the relationship between HRDC and OCB together with its pertinent dimensions besides, investigating the impact of HRDC as an antecedent of OCB as a whole as well as for its individual dimensions. The study is based on the responses collected from the 170 employees drawn from two private sector banks. The findings of the present study divulged that there exists a significantly positive relationship between HRDC and OCB.

Keywords: *HRDC, OCB, Climate, India*

Introduction

In today's fast changing and highly challenging environment, the organizations are striving strenuously to fulfill the changing demands of creativity, efficiency, and adaptability for their survival. The factors like globalization, liberalization, economic de-regularization, responsiveness to customers, building organizational capability, and transformation, implementing technology, attracting and developing Human Capital, and ensuring fundamental and long-lasting change compel today's organizations to keep abreast with changes (Ulrich, 1997). Hammonds (2005) stressed upon the need for

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corporations to cultivate a productive work environment which according to him should be considered as one of their most important tasks. Human Resource Development climate as a sub-element of organizational climate also has a power of influencing the perception, attitude and behavior of employees within an organization. It is an antecedent of citizenship behavior and intention to stay with or leave an organization (Podsakoff et al. 2000).

The key to the success for the service-oriented organizations is its employees particularly those dealing and handling customers directly. The most burning issue a service-oriented organization strives for is the concern of encouraging and motivating its employees to carry out their job roles with zeal and zest so as to ensure that the customers perceive superior and eminent quality service. Thus, enabling the organization to retain its existing customers by delivering distinguished quality services and simultaneously help in attracting new potential customers. The service-oriented organizations like banking industry is no exception to this reality. The banking sector plays an important role in the economic development of the country, besides, contributing in building up the nation that gives them more importance in the country like India. Therefore, it becomes imperative for the banking organizations to motivate and prepare their employees for delivering the eminent quality services to their customers with an aim of retaining and attracting new customers. To achieve this end, banking organizations need to provide their employees with a work environment which could induce and boost them to put forth extra efforts in enhancing and developing organizational fame and image without any expectations for being rewarded. Furthermore, having a strongly motivated workforce prepared to perform beyond their formal job descriptions, and actively participating in organizational matters as a result of favorable working climate, they are termed as 'good citizens' and which in an aggregate and ultimately contributes to the organizational effectiveness (Organ, 1997). On the other hand, employee's expectations and demands are changing and organizations must respond to their calls so as to induce in them the sense of belonging. It is expected that more positive the perception the employees have about the HRD climate, the more they will display the OCB, an area that stands largely unexplored to date.

The present study aims to fill-up the lacunae in research field by examining the role of Human Resource Development Climate in encouraging organizational Citizenship Behavior in the organizational setting.

Review of literature

OCB has become one of the most appealing subjects in the field of organizational behavior in the recent years and has called upon the attention from both scholars and practitioners (Grant and Mayer, 2009; Hongyu et al., 2012; Cohen et al., 2012; Cun, 2012; Mayfield and Taber, 2010). OCBs are referred to as extra-role and pro-social behaviors (Chen and Kao, 2012). Numerous research studies have been carried out in the search for the causes of an employee's decision to display OCB. However, there is a

paucity of studies concerning Human Resource Development Climate as a cause to inducing citizenship behavior among employees. Despite the said paucity, researcher has attempted to provide an easy look at the work done on the concerning topic in the paper under study.

The concept of Human Resource Development (HRD) was formally introduced by Prof. Dr. Leonard Nadler way back in the year 1969 in a Conference organized by American Society of Training and Development (ASTD) as a series of organized activities within the specific period of time and designed to produce behavioral change. In the revised definition, Nadler (1984) stated that HRD is an organized learning experience in a defined time period to increase the possibility of job performance and growth. In Indian context, the concept of Human Resource Development Climate was proposed by T.V. Rao (1999) who explained HRD Climate as, the environment provided by organizations for the learning and development of its employees. According to Manzoor and Shah (2015), when employees perceive a congenial Human Resource Development climate they tend to demonstrate Organizational Citizenship Behavior (OCB). The Organizations that have individuals who exhibit Organizational Citizenship Behaviors are more likely to have enhanced effective and efficient overall performance (Podsakoff, Ahearne, & Mackenzie, 1997). In the literature, one of the most cited definition for OCB is given by its pioneer 'Organ', in the year 1988 as an: "individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective functioning of the organization".

Benjamin (2012) examined the relationship between HRDC, OCB and voluntary turnover intentions among 233 executive and non-executive members of a commercial bank in Weters Nigeria. The study indicated that while HRDC did foster OCB but the relationship between OCB and VTI was found non-significant. Similarly, Nadeem et al., (2012), carried out a study that aimed to explore OCB and its relationship with Job Satisfaction and Commitment, Employee Engagement and Human Resource Development Climate (HRDC) in the banking sector. The study proposed that well established predictors of OCB may lead to promote required behaviors among employees for improved performance and negative voluntary intentions. The results of the study revealed that banks can reduce turnover and promote citizenship behavior by ensuring that a favorable developmental climate occurs within their organizations. In the same way, a study "Human Resource Development Climate and Organizational Citizenship Behavior: A study on the mediating effects of perceived organizational support in the manufacturing sector of Pakistan", undertaken by Sabri (2014), found that perceived organizational support positively and significantly relates to Human Resource Development Climate and organizational citizenship behavior. Manzoor and Shah (2015), also investigated the extent of impact of Human Resource Development Climate (HRD C) on Organizational Citizenship Behavior (OCB) and found a significantly positive correlation between these two with 34% of the variance in OCB being caused by HRD Climate.

In light of the above discussion and literature review, the present study pursued the following set of objectives:

Research objectives

1. To find out the relationship between Human Resource Development Climate and Organizational Citizenship Behavior;
2. to explore the impact of Human Resource Development Climate on Organizational Citizenship Behavior.

Hypotheses

H1: There exists a significant relationship between HRD C and OCB.

H2: HRD Climate predicts OCB.

Research Methodology

Sample and data collection

The sample for the present study was drawn from the two private sector banks located in the UT of J&K namely, HDFC Bank and J&K Bank. All the respondents of the present research endeavour were informed about the academic purpose and relevance of this study. A total of 200 questionnaires were distributed among Branch Heads of the select bank organizations, and only 170 valid responses were retained for final analysis, representing a response rate of 85 percent. The respondents were assured about the confidentiality of their returned questionnaires. For the present study purposes, a partial least square (PLS) approach was undertaken to test the proposed structural relationship. It (PLS) is a soft modeling approach to SEM with no assumptions about data distribution (Vinzi et al., 2010). The kind of benefits offered by PLS influenced the researcher for its utilization for the present study. PLS is very much in demand because of its ability to avoid factor indeterminacy and inadmissible solutions (Chin, 1998), thus offers a high suitability for small data sets. For the use of PLS, Chin (1998) suggests that 10 cases as per the largest number of predicting constructs in the conceptual model is required in order to determine the adequate sample size. However, in the present study model, the OCB is having the highest predicting constructs, therefore, the sample size of 170 is far sufficient than the required PLS sample size of 50.

Measures

For the present study, questionnaires have been adopted from the literature. 38 statements, comprehensive questionnaire on HRD Climate Survey developed by Rao and Abraham (1990) at Centre for HRD Xavier Labor Relations Institute, Jamshedpur encircling three dimensions (namely, General Climate, OCTAPACE Culture, and HRD Mechanisms), and 24 items scale encompassing five dimensions (i.e. Altruism, Conscientiousness, courtesy, Sportsmanship, and Civic-Virtue) developed by Podsakoff,

et al. (1990) was utilized to assess five dimensions of OCB proposed by Organ (1988). The HRD Climate was measured on five point Likert scale and OCB was analyzed on seven point Likert Scale.

Data Analysis

Results

Demographic Profile of Respondents

Out of 170 respondents, a total of 128 (75.3 percent) were male while 42 (24.7 percent) were Female. The age group of the respondents from 47-50 (73 percent), 41-46 (44 percent), >50 (26 percent) account for biggest portion of the sample followed by age group of 36-40 (21 percent) and 30-35 (6 percent) respectively. The majority of respondents who have been with their organization for >20-30 (76 percent) years participated heavily in the present study followed by those who have worked for their organizations for >30 years (66 percent) and >10-20 years (28 percent) respectively. Further, those respondents who have been branch head for >6-9 (47 percent) years participated in abundance than those of >9-12 years (38 percent), above 12 years (33 percent), followed by 1-3 years (30 percent) and >3-6 years (22 percent) respectively.

Measurement model

Following the suggestions of Anderson and Gerbing (1988), analysis of data using PLS was carried in two step approach i.e first, assessment of the measurement model and then followed by the assessment of structural model (Hair et.,al, 2011). The first approach i.e assessment of measurement model was carried in two successive steps. First of all the convergent validity and reliability was assessed as shown in table 1.1, followed by the discriminant validity as reported in table 1.2. Convergent validity was ascertained to ensure that the loadings were greater than 0.4 (Bagozzi and Yi, 1991), composite reliability greater than 0.6 and the average variance extracted greater than 0.5 (Fornell and Lacker, 1981). Thus, in nutshell the psychometric properties of the survey instrument in terms of internal consistency, reliability, convergent and discriminant validity were all analyzed.

Table 1.1

Table 1.1: Results of measurement model				
Model Constructs	Items	Loading	Composite Reliability	AVE*
General Climate	GC11	0.613	0.916	0.523
	GC13	0.705		
	GC2	0.797		
	GC3	0.828		
	GC36	0.716		

	GC4	0.601		
	GC5	0.811		
	GC6	0.659		
	GC7	0.699		
	GC8	0.764		
HRD Mechanisms	HRDM12	0.582	0.927	0.502
	HRDM14	0.565		
	HRDM16	0.505		
	HRDM17	0.574		
	HRDM21	0.648		
	HRDM24	0.650		
	HRDM26	0.658		
	HRDM33	0.612		
	HRDM34	0.623		
	HRDM35	0.625		
	HRDM37	0.614		
OCTAPACE Culture	OCTAPACE10	0.590	0.924	0.504
	OCTAPACE19	0.509		
	OCTAPACE20	0.580		
	OCTAPACE22	0.550		
	OCTAPACE25	0.530		
	OCTAPACE27	0.601		
	OCTAPACE28	0.596		
	OCTAPACE30	0.518		
	OCTAPACE9	0.510		
Altruism	ALT1	0.670	0.852	0.536
	ALT10	0.770		
	ALT13	0.661		
	ALT15	0.783		
	ALT23	0.767		
Civic Virtue	CIVIC11	0.900	0.925	0.754
	CIVIC12	0.864		
	CIVIC6	0.894		
	CIVIC9	0.813		
Conscientiousness	CONSC18	0.821	0.911	0.673
	CONSC21	0.835		
	CONSC22	0.877		
	CONSC24	0.793		
	CONSC3	0.771		
Courtesy	COURT14	0.840		

	COURT17	0.838	0.917	0.688
	COURT20	0.833		
	COURT5	0.832		
	COURT8	0.803		
Sportsmanship	SPORT16	0.843	0.939	0.755
	SPORT19	0.726		
	SPORT2	0.939		
	SPORT4	0.937		
	SPORT7	0.883		

**Average Variance Extracted*

Note: Few Items were deleted because of their low loadings below 0.40.

The table 1.1 divulges that, the constructs used in the present study possess convergent validity and reliability as all the estimated indices are above the threshold of 0.6 for Composite Reliability (CR), loadings 0.50 and 0.5 for Average Variance Extracted (AVE) (Bagozzi& Yi, 1991; Fornell & Larcker, 1981) .

	Latent variable correlation off-diagonal versus the square-root of AVE*							
Constructs	1	2	3	4	5	6	7	8
Altruism	0.732*							
Civic-Virtue	0.273	0.868*						
Conscientiousness	0.601	0.228	0.820*					
Courtesy	0.388	-0.029	0.416	0.829*				
General Climate	0.155	-0.005	0.139	0.049	0.723*			
HRD Mechanisms	0.359	0.099	0.294	0.176	0.200	0.709*		
OCTAPACE Culture	0.268	0.037	0.154	0.154	0.190	0.347	0.710*	
Sportsmanship	0.156	0.101	-0.023	0.070	0.039	-0.010	-0.043	0.869*

Note: Diagonals represent the square root of the average variance extracted while the other entries represent the correlations.

Similarly, the discriminant validity of the model was verified using the Fornell and Lacker (1981) criterion whereby the average variance shared between each construct and its measures should be greater than the variance shared between the construct and other constructs. As is evident from Table 1.2, the correlations for each construct is less than the square root of the average variance extracted by the indicators measuring that construct signifying existence of adequate discriminant validity.

Structural Measurement Model

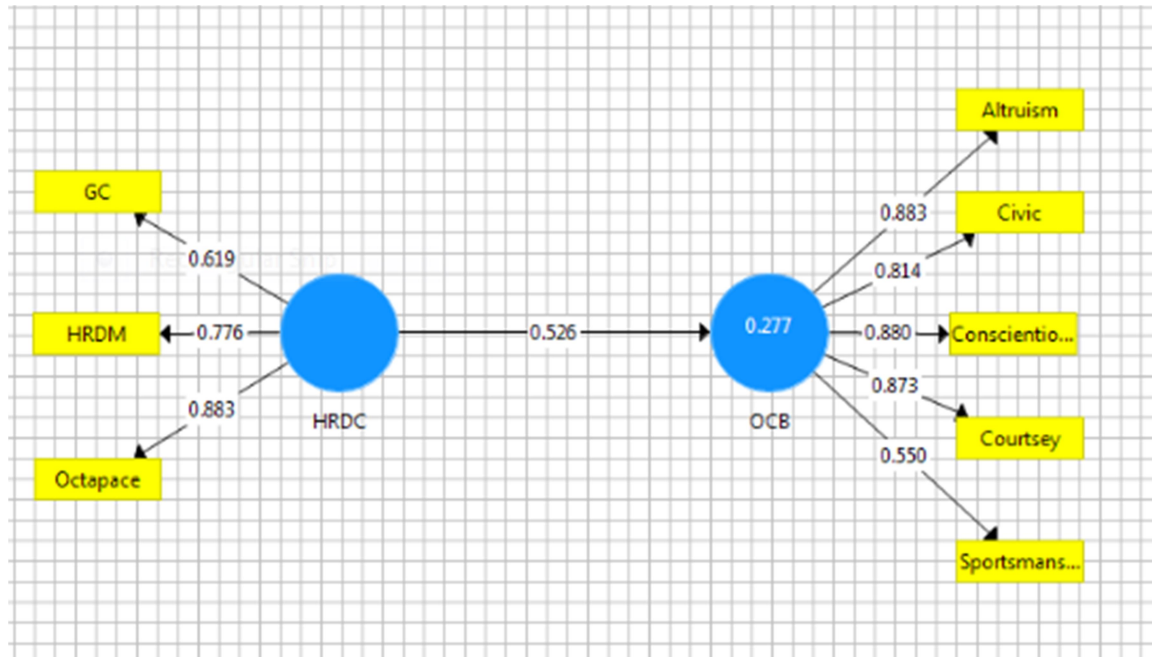


Figure 1.3 Structural model analyses

The figure 1.3 above demonstrates the path coefficients of the conceptual model of the present study. All the path coefficients are significant supporting all the pre set hypotheses.

Table 1.4 Path Coefficients						
Hypothesis	Relationship	Coefficient	R ²	t value	Q ²	P
H1	HRDC → OCB	0.526	0.277	9.86	0.172	0.000

The explanatory power of HRDC in the determination of OCB and its dimensions are explained by the coefficient of determination (R^2), which is a measure of the model’s predictive accuracy and is calculated as the squared correlation between a specific endogenous construct’s actual and predicted values. The determination coefficient (R^2) reflects the level or share of the latent construct’s explained variance and therefore measures the regression function’s “goodness of fit” against the empirically obtained manifest items (Backhaus et al., 2003). The results of structural model as presented in Table 1.4 above and Figure1.3, reveal that as per the value of R^2 of the modeled variable, it can be said that HRDC can explain about 27.7 percent of the variance of the respective dependent variable i.e OCB. The Geisser statistic (Q^2) is 0.172 for OCB thereby, indicating that the model has a moderate predictive relevance.

Furthermore as hypothesized, the results indicated that, the HRDC strongly predicts Altruism ($R^2 = 0.465$), Conscientiousness ($R^2 = 0.463$), and Courtesy ($R^2 = 0.459$), followed by Civic-virtue ($R^2 = 0.428$) respectively. However, it was found that HRDC is a weak predictor of Sportsmanship ($R^2 = 0.2.89$).

Thus, it can be concluded that HRD Climate significantly correlates OCB ($R= 0.526$) as it is evident from the figure 1.3, hence accepting the first assumption that there exists a significant relationship between HRD Climate and OCB. Also, it was found that HRD Climate significantly predicts OCB but the R^2 value ($R^2= 0.277$) signifies that HRDC is a weak predictor of OCB as it could explain only 27.7 Percent of OCB. In the same way other hypotheses were tested and the analysis indicated that, HRDC is a strong predictor of Altruism, Conscientiousness, Courtesy, and Civic-virtue as mentioned above. However, HRDC was found a weak predictor of Sportsmanship. As the paucity of studies concerning the present undertaken research problem is concerned, with almost no such studies available concerning the analysis of impact of HRD Climate in predicting OCB (as far as the researchers search for literature is concerned), the present study is considered to be the first in its approach in the undertaken area.

Conclusion

As mentioned above the present study proposes a new approach of analysis and thus less support could be found in the literature where mainly the focus of researchers have been to estimate the relationship between the two undertaken constructs. The present study thus examined the relationship between HRD Climate and OCB and proposes HRD Climate as a strong antecedent of OCB. The results of this study support the findings in the literature that HRD Climate has a positive correlation with OCB (Nadeem Ahmad et al., 2012, Akinyemi Benjamin in 2012, Sabri, 2014 and Manzoor and Shah. 2015). This study also provided empirical evidence that HRD Climate has a positive effect on OCB and eventually has a positive influence on OCB dimensions. Therefore, banks should make extra efforts in encouraging OCB among their employees. As more the employees display OCB more it will impact the customer perception of service quality at banks, thus more success is expected to be attained.

Implications of the study

Banks should focus on establishing a congenial HRD Climate in their respective organizations and should show benevolence towards the exhibition of OCB by their employees so as to sow a seed of feel among customers that the service provider is interested and is acting in the best interests of them. The private banks in the existing society should develop strategies for the earning of competitive advantage over its competitors. This could be done by encouraging the display of OCB by its employees by providing them with the supportive work climate, as this will elevate customer attention and customer binding. In conclusion, this study should be carried out further and results could be further validated by involving participation from various other banks. This is

expected to lead to a better generalization for the banking sector. The undertaken model can also be improved to include other antecedents of OCB and with the investigation of mediating and moderating effects of other related constructs.

Limitations and future research

The present study like other studies is not flaw free. First and foremost limitations of the present study is that only two private sector banks namely J&K bank and HDFC were taken into consideration keeping in view the time and money constraint. Also only two constructs were taken in the light of present endeavor. However, it is felt that present study should be extended by taking other relevant constructs into kind consideration.

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