IMPACT OF ORGANIZATIONAL CULTURE AND SOCIAL INFLUENCE ON ORGANIZATIONAL CITIZENSHIP BEHAVIOUR WITH MEDIATING EFFECT OF INTERACTIONAL JUSTICE

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ABSTRACT: The paper aims to clarify the relationship between organisational culture, social influence and organizational citizenship behavior with mediational effects of interactional justice. It proposes modelling the organizational culture process and outlining why and how social influence is important throughout building of good soldier in the organization. The study aims to expand the domain of organizational citizenship behavior by including a broader range of constructs like organizational culture, social influence and interactional justice found in the organizational behavior literature. The paper opted for a causal study using the self- administered questionnaire approach of grounded theory. Data set of 550 respondents, employees representing middle and senior management belonging to banking industry was studied. Analysis was conducted by application of SEM to explore the direct and indirect relationship among the constructs. The paper provides empirical insights about how change in the behaviors of employees can be brought through setting of an organizational culture and by how the social influence can influence an individual’s perception. It also suggests the interactional justice as a mediator acts as a source for employees to influence upon each other which might shape their perception about organizational processes. Because of the chosen research approach, the research results may lack generalizability. Therefore, researchers are encouraged to test the proposed propositions further.

Keywords: Interactional Justice, Organizational Citizenship behavior, Organizational Culture, Social Exchange theory, Social Influence.

1. INTRODUCTION:
Social exchange theory is one the most prominent paradigm of organizational behavior acting as base for commencement of various workplace outcomes. SET is based on the belief that a set of interaction taking place between two parties results in the form of interdependence and mutual benefit. This model is premised upon the belief that the social context of organizations, including relationships based on mutual trust and attraction, entail unspecified obligations [1,2]. Thus the dimensionalties involved in this theory pay off way for exploration of an important workplace behavior termed as “Organizational Citizenship behavior” (OCB), the phenomena of becoming a “Good Soldier” of organization. OCB has been defined as a notion of doing something extra for organization- behaviours that are discretionary and that contribute to the organization’s success [3]. It has been recognized as an ability that leads an organization to adapt the environmental changes and attract and retain the best people in the organization [4,5]. The stream of work on this theme is been followed from the era of 1980’s and its relationship has been examined with various other variables of the organization like workplace [6], work group performance [5], Organizational learning [7], changing moods [8], withdrawal attention [9] and counterproductive work behavior [15]. According to Feys et al.[16], OCB can be categorized in interpersonally and organizationally directed behaviors which can provide insight to counterproductive behavior. Organ [3], defined it as “individual behavior 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. By discretionary, we mean that the behavior is not an enforceable requirement of the role or the job description, that is, the clearly specifiable terms of the person’s employment contract with the organization; the behavior is rather a matter of personal choice, such that its omission is not generally understood as punishable”. The definition entails in itself various components of exceeding

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significance describing the aspect that it is a behavior that is voluntary on the part of the employee for doing something more than prescribed formal goals and roles of the organization. Examples of this behavior would include an employee voluntarily performing the tasks of an absent employee, doing a morale act that enhances the image of the organization in public willingly helping co-worker in the task completion.

Organizational culture involves standards and norms that prescribe how employees should behave in any given organization [17]. According to Wagner [18] organizational culture has a strong influence on employees’ behaviour and attitudes Managers and employees thus do not behave in a value-free vacuum; they are governed, directed and tempered by the organization’s culture [19]. It is this interactive environment which encourages the employees to put extra effort and perform outside the prescribed role for the success of organization. Organizational culture defines the ‘should’s’ and the ‘ought’s’ of organizational life [20] by specifying behaviors that are deemed important in the organization, it can be proposed that:

**H1:** Organizational culture has a relationship with organizational citizenship behavior (OCB).

### 2.1 Organizational culture and Interactional Justice

Organizational culture plays an effective role in the understanding of the organizational behavior. The term incorporates its origin from social anthropology defined by Tylor [21] as “complex whole which includes knowledge, beliefs, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society”. Organizational culture is the occurrence that has multiple positive effects on organization’s commitment and performance [22]. Research has established the fact that OC is positively related to commitment, performance, attitudes and beliefs of individuals in organization [17,18] thus employees perception about the organization is very much shaped by the culture. Justice is a construct assembled on social events whereas culture provides guidance to behaviors in society by shaping up the way decisions and actions are made by an individual [23,24] thus it leads to:

**H2:** Organizational culture has a relationship with interactional justice

### 2.2 Mediational Role of Interactional Justice between OC and OCB

Culture plays a significant role in shaping the perceptions of individuals about fairness and reality, and this perception may create motivation to perform extra roles [25]. OCB act as significant base which makes employees reconsider their perception of fairness endowed in the form of social rewards from organization. A number of researches have examined the impact of the organizational justice on the employee work outcomes, organizational citizenship behaviors (OCB) and job performance [26,27]. Though these studies have provided enough discussion of fairness perceptions influence the work behaviors, yet mediating effect of interactional justice on relationship of OC and OCB receives rare attention. So this study hypothesizes that:

**H2s:** Interactional justice mediates the relationship between OC and OCB.

### 2.3 Social influence and Organizational Citizenship behaviour

According to Lisa Roshotte [28] Social influence is defined as “change in an individual’s thoughts, feelings, attitudes, or behaviors that results from interaction with another individual or a group”. Classical research in social influence has shown that people’s behavior is affected by perceptions of others’ responses [29]. Social influence may act as a strong means to effect on the behaviors of the employees in the organization both in positive and negative ways by either promoting the employees to work more efficiently than defined roles or even to inhibit the basic roles to be performed. This leads us to hypothesize that:

**H3:** Social influence has a relationship with Organizational citizenship behaviour

### 2.4 Social Influence and Interactional Justice

According to Geralel and Pfeffer [30] individual is an adaptive organism, so one can say that the type of behaviors and influences by which an individual is surrounded do shed a strong impact on one’s actions and performance. Social influence may affect individuals either by changing their perspective to be conventional to other’s positive expectations, as in case of normative social influence, or it may lead them to accept the information as truth and act accordingly, as referred in informational social influence thus affecting the perception of an individual and making enact in accordance by either perceiving things right or wrong, thus it can be hypothesized that,

**H4:** Social influence has a relationship with social justice

### 2.5 Mediational Role of Interactional Justice between OC and OCB

Social influence carries the ability to alter the behaviors and decisions made by an individual, so the way a person is treated acts an important base through which he or she may influence the other person’s decisions and behavior thus, resulting in positive or negative behaviors. In this study the purpose is to identify the effect I.J, S.I and OCB. We may hypothesize that:

**H4 s:** Interactional justice mediates the relationship between Social Influence and Organizational Citizenship Behavior.

### 2.6 Relationship between Interactional Justice and Organizational citizenship behaviour

Interactional justice is up close and personal. It pertains to the behavior of the organization's leaders in carrying out their decisions for example how they treat those who are subject to their authority, decisions, and actions [31]. It pertains to employee’s perception about how fairly they are treated by the organization resulting from the procedural and policy outcomes. Different researches indicate that according to the norms of reciprocity to employees when perceive fair treatments by the management , they exhibit more positive outcomes in the form of greater commitments to the values, goals and policies of the organization along with enhanced job satisfaction and performance and OCB [23,32]. Similarly Organ [3,33] stated that decision of an employee to be a “good soldier” may be the function of aspect how fairly he or
she has been treated in the organization. So this study hypothesizes that, 

**H5:** Interactional Justice has relationship on Organizational citizenship behavior

### 3 METHODOLOGY

#### 3.1 Data Collection and Sample Selection

Target population for the study is employees of banking industry. For this study the technique of convenient sampling is used and data is collected from different banks of Punjab such as Multan, Kabirwala, Dera-ismail khan, Lahore, Muzafargarh, Layyah, and Rahim Yar Khan. The technique of convenience sampling is applied keeping in view the confidentiality and difficulty of data as it is collected from OGIII-OGI employees being recruited on basis of same qualification and having same compensation. As the employees have been recruited on same selection criterion therefore OCB is demonstrated in homogenous way. Hence use of convenient sampling is justifiable. Eight different banks are selected on the basis of convenient sampling. Banks includes First Microfinance bank, Faysal Bank, Allied Bank, Habib bank limited, Standard Chartered bank, Meezaan Bank, Askari bank and Muslim Commercial bank. Fifty six branches; seven from of aforesaid banks are taken for data collection. Officer grade employees (OGIII-OGI) and executives were contacted for data collection.

In SEM study different views have been on the number of respondents, some have preferred 5 cases per predictor [34], yet studies indicate that 10 per cases provide more effective results [35]. So in this study the number of cases per predictor is 10 leading to a sample size of 530 for the study.

According to Malhotra [36] and Zikmund [37] an appropriate way for an extensive research is through a self-administered survey. Anonymity and confidentiality are key potencies of this technique of data collection [38]. Data has been collected from the employees during their lunch time; they were requested to spare some time and to help us to record their responses. They were described about the scope of the research and how their honest responses can be useful in accessing the phenomena with due consideration of confidentiality.

### 4. DATA ANALYSIS

Data analysis has been carried through the series of steps, initially through exploratory factor analysis (EFA) through the SPPS 16 for exploring the factors of observable items and to access the construct reliability. The results can be analyzed through the measurement and structural model which are discussed further.

#### 4.1 Measurement Model

The means, standard deviations, and correlation matrix are shown in Table I. The results from Table I depicts positive correlation between organizational culture, social influence and interactional justice and organizational citizenship behaviour.

![Figure 1: Conceptual framework of the study](image-url)
Table I: Mean, Standard Deviation and Correlation

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>O.C</th>
<th>S.I</th>
<th>L.J</th>
<th>OCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Organizational Culture</td>
<td>234</td>
<td>0.517</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Social Influence</td>
<td>2.21</td>
<td>0.619</td>
<td>0.678</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Interactional Justice</td>
<td>2.26</td>
<td>0.654</td>
<td>0.653</td>
<td>0.535</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>D. Organizational Citizenship</td>
<td>2.34</td>
<td>0.432</td>
<td>0.594</td>
<td>0.601</td>
<td>0.531</td>
<td>1</td>
</tr>
</tbody>
</table>

Table II: Classification of Factors

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Number of items</th>
<th>Number of Factor</th>
<th>Accumulation % of explained variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>18</td>
<td>5</td>
<td>42.939</td>
</tr>
<tr>
<td>Social Influence</td>
<td>6</td>
<td>2</td>
<td>41.503</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>9</td>
<td>2</td>
<td>49.902</td>
</tr>
<tr>
<td>Organizational Citizenship</td>
<td>20</td>
<td>5</td>
<td>44.697</td>
</tr>
</tbody>
</table>

The Table II reveals how the constructs are sorted in respective factors, such as organizational culture and organizational citizenship is classified in factor of five whereas the construct of social influence and interactional justice are studied under two factors.

In order to ensure the reliability and validity of the measure, different test have been employed. Nunnally [39] defined, reliability as “the extent to which (measurements) are repeatable and that any random influence which tends to make measurements different from occasion to occasion is a source of measurement error” (Pg. 206). In this study the reliability of the overall instrument is satisfactory, the Cronbach’s alpha value 0.7 is considered to be reliable and in this study the value of alpha for the instrument is 0.863 indicating the instrument as reliable in order to measure the constructs of the study. The Cronbach’s alpha (λ) of each construct is elaborated in table III.

Alongwith reliability, it is equally important to certify the validity of the constructs. In order to examine the validity of construct, the AVE and square root of AVE were analyzed. On the basis of items resulted from EFA, a measurement model was generated to study the correlation among the variables. The measurement model was estimated by using the maximum likelihood method. The results of structural model are depicted in the table IV. The elimination of 14-items improved the fit statistics as \( \chi^2 \) value is reduced by 1766.6 (DF 619, p< .001) which also resulted in improvement of overall measurement model alongwith this modification indices also contributed to the measurement fit. Thus, the 39-items of the different constructs provided reasonable appropriate fit between data and measurement model.

The fit indices provided a good model fit with \( \chi^2 \) (DF) and CMIN 2.035. The baseline indices also revealed model fit with CFI .901, IFI 0.902 and TLI 0.900 alongwith RMSEA 0.043 thus ensuring the adequacy of sample size and model. The results indicate that H1, H2, H2a, and H4 are supported whereas results do not support the hypothesis H3 and H4, which are shown in table IV.

Table III: Reliability Analyses

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach’s α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Culture</td>
<td>.844</td>
</tr>
<tr>
<td>Social Influence</td>
<td>.783</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>.870</td>
</tr>
<tr>
<td>Organizational Citizenship</td>
<td>.790</td>
</tr>
</tbody>
</table>

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### Table IV: Path Coefficients and Structural Model

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Proposed effect</th>
<th>Paths</th>
<th>Standardize estimates</th>
<th>P-Value</th>
<th>Results</th>
<th>Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>+</td>
<td>OC → OCB</td>
<td>0.689</td>
<td>0.000</td>
<td>H1 is supported</td>
<td>Direct relationship</td>
</tr>
<tr>
<td>H2</td>
<td>+</td>
<td>OC → IJ</td>
<td>0.863</td>
<td>0.000</td>
<td>H2 is supported</td>
<td>Direct relationship</td>
</tr>
<tr>
<td>H2a</td>
<td>+</td>
<td>OC → OCB</td>
<td>0.843</td>
<td>0.006</td>
<td>H2a is supported</td>
<td>Partial mediation</td>
</tr>
<tr>
<td>H3</td>
<td>-</td>
<td>SI → OCB</td>
<td>0.299</td>
<td>0.136</td>
<td>H3 is not supported</td>
<td>No direct relationship</td>
</tr>
<tr>
<td>H4</td>
<td>-</td>
<td>SI → IJ</td>
<td>0.004</td>
<td>0.980</td>
<td>H4 is not supported</td>
<td>No direct relationship</td>
</tr>
<tr>
<td>H4a</td>
<td>+</td>
<td>SI → IJ</td>
<td>0.372</td>
<td>0.074</td>
<td>H4a is supported</td>
<td>Partial Mediation</td>
</tr>
</tbody>
</table>

Note: *<0.05

**Figure II: Estimated Framework**

The standardized estimates for OC-OCB relationship provides us with significant value of 0.689 alongwith a p-value=0.000 indicating that there exists a positive relationship between both of these constructs. Thus, the findings supports the Hypothesis 1 stating that organizational culture plays an effective role in shaping employees efforts and enhancing the phenomena of organizational citizenship in organization which is consistent with the prior studies [40,41]. Table IV also reports a strong relationship between the organizational culture and interactional justice with the P-value of 0.000, thus an organization which provides a culture that has cushion of trust, communication and social cohesion will lead to employees believe that they are being treated fairly in both informational and interpersonal aspects. Alongwith this table IV also depicts results of continuation of hypothesis 2 which provides a sound reasoning to believe that interactional justice mediates the relationship between organizational culture and organizational citizenship behavior with the standardized beta = 0.823, and a p-value = 0.006 so a environment in which fairness is given priority and a true essence of culture is depicted in organization acts as a strong motive for employees to do more than the prescribed roles of organization. Thus results suggest that OCB depends upon how organizations set and communicates the meaning of culture and equity to its employees.
The P-value = 0.136 of SI-OCB relationship leads to believe that there is no significant impact of social influence in producing organizational citizenship behavior among employees thus it leads to rejection of the H3. Though study results are contradicting to existing literature evidence yet logically it makes sense in current context of research. In banking sector, especially in Pakistan it has been observed that social bonds between employees are purely profession centered hence possess low indulgence capacity given this evidence it can be reasoned that extra role performance for organization on recommendation of peer may not stand possible.

The relationship of SI- IJ also reports a insignificant p-value = 0.980 thus social influence may not have impact on employees perception of justice, whereas when the relationship is studied with interactional justice as a mediator between the social influence and OCB, there are clear indications of mediation between social influence and OCB as it reports a standardized value of 0.381 and p-value = 0.044, so it is stated that if employee perceive being treated fairly they will share their experiences and this may impact on others to become more responsive in performing extra duties for organization thus this partial mediation may act as a statement in accordance with study of Wei et al. [42].

Table IV indicates that interactional justice has a significant impact on OCB with standardized value of -.290 and p value = 0.096, thus if fair treatment and sharing of information may prove a significant role in enhancing extra-role behaviors of employees. The results proves to be inconsistent with the researches being carried out which denotes interactional justice to be an important predictor in examining the effects of OCB [32,43] whereas lies in accordance with study of Sjahruddin et al. [44] stating that direct significant impact cannot be achieved on OCB it because management is not able to communicate the information accurately to the employees that may help to achieve OCB.

5. CONCLUSION
The study adds new relationships in literature which can further be utilized to conceptualize even more complex associations. For instance, mediational role of interactional justice has unveiled a new status of this variable in literature which academically may improve use of this variable in theoretical perspective. The study provided a new dimension in analyzing the antecedents of OCB including OC, SI and IJ, hence incorporating new ideologies in understanding of the construct. Similarly, validating organizational culture as significant predictor of organizational citizenship behavior also adds in academic archives. The study provides as attempt to study social influence as an antecedent for OCB a relationship that has not been focused too much in prior literature [45].

The research though has been conducted through a contemplated and cautious process still it provides further areas to be approached and application of advanced research work. This study lays foundation for exploring research concourse therefore suggestions are as follows:

• Though research has provided solid evidence for validating the conceptual framework still the application to longitudinal data may provide more authenticity to results.
• According to Skarmelas et al. [46] a research may entail a more comprehensive and detailed study if replicating in any developed country therefore, a suggestion would be to apply the work in a developed country and to compare the results to gain insight about discipline of organizational behavior and the environment and treatment being provided to employees.
• The study provide results of a banking sector thus confining it to one areas and can be subjected to other service sector like educational institutes, insurance sector or NGO’s to acknowledge the perspective of OCB and organizational processes.
• The study has used only one dimension of organizational justice (interactional justice) to examine the mediational effect but other forms distributive and procedural justice can be used to measure the overall impact of organizational justice as a mediator.

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