Impact of Rewards and Recognition and Empowerment on Organizational Citizenship Behaviors among Technical Engineers

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ABSTRACT:
In the present scenario each and every industrial organization is surrounded by an unbrokenable mount known as competition. To subdue this arduous mount, organizations have to encourage the citizenship behavior among employees which enhance the success and effectiveness of an organization, because employees are often viewed as invaluable assets of organizations. As an evident of this, earlier studies shows that HR practices have positive relationship with organizational citizenship behavior (OCB). They found organizational citizenship behavior to be of vital importance, which in turn is profoundly impacted by various HR practices. The objective of this study was to examine impact of selected HR practices i.e. Rewards & Recognition, Empowerment on OCB and its importance among professional engineers. Data was collected from 200 respondents of various manufacturing units such as Textile machines, Electric and motor pumps, Auto components and Home appliances especially working in Research and Development, product design and quality checking departments. The study revealed that rewards and recognition have significant relationship with all the four dimensions of OCB (Altruism, conscientiousness, teambuilding and loyalty) while empowerment shown a strong coordination with only teambuilding dimension of OCB i.e. rewards & recognition practices strongly enhance organizational OCB than that of empowerment.

INTRODUCTION

Human resource management practices (HRM) has been gaining augment attention among researchers and human resource practitioners. This concern is decisively important because losing good employees can negatively affect organizations' improvement and it would lead to reduction in productivity and quality. In order to conquer this upheaval situation, organizations manage and retain employees by instituting a variety of HRM practices (Ferratt et al., 2005). By means of practicing a well defined HRM systems would be able to construct a strong linkage between employees and organizations which leads to create more committed, innovative, engaged employees, thus boosting the organizations competitiveness. Although these systems of HRM literary works offer comprehensive scientific proof assisting how HRM methods are able to realize suitable results, it is amazing to observe that past research often seem to neglect how employees behavioral responses impact these connections (Morrison, 1996; Guest et al., 2003 and). The literary works is not able

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to deal with how workers think and respond to HRM methods, thus unable to appreciate how these methods male suitable results. Organizations need workers who predict and observe fast changes in the business, and determine how to deal with these changes to maintain or improve effectiveness (Organ et al., 2006). Therefore, we claim that the employees' organizational citizenship behavior (OCB), in particular, is engaged in their behavioral process to help explain the HRM-performance relationship. This behavior includes extra initiatives that go beyond the opportunity of primary job obligations (e.g., finding out the changes in demand, advocating initiatives to adapt to changing conditions, and exercising a proactive stance toward the efficient implementation of strategic changes).

Need for the Study

The main purpose of this study is to explore how HRM practices (Rewards & Recognition and Empowerment) affect the OCB of employees. This study will show why Rewards & Recognition and Empowerment is important to improve organizational citizenship behavior. This study will highlight the factors which have greater influence on organizational citizenship behavior and will helpful for organizations to establish how to develop these types of employee behaviors.

Literature Review

Various systems of human resource management method literary works existing universalistic viewpoints on human resource management concepts as the primary reasoning behind the connection between human resource management methods and organization citizenship behavior.

Guest et al. (2003) suggested that human resources management undoubtedly has its origins in business mindset and it is built on behavior concepts such as the concepts of dedication and inspiration.

The Effects of Rewards & Recognition on OCB

Research does indeed indicate that individuals who often engage in organizational citizenship behavior do indeed receive more positive performance evaluations (Werner, 1994; Allen and Rush, 1998). In addition, these individuals are more inclined to receive additional rewards as a consequence of these associations (Allen and Rush, 1998; Kiker and Motowidlo, 2002). Employee recognition is the one of the component which drives the human behavior and it is one the source of motivation of the employees (Maslow, 1954; Guest, 1997). Recognition practices talk about non monetary benefits by which an organization tangibly indicates its gratitude of excellent work and accomplishments. These methods also involved those initiatives made by the organization to employee recommendations properly and provide them with frequent feedback. When an organization gives recognition to employees, they feel and required to show greater intensity of loyalty with the organization (Maslach et al., 2001).

H1: Rewards & Recognition practices have significant relationship with organizational citizenship behavior.

The Effects of Empowerment on OCB

Lightfoot (1988) defined empowerment as the opportunities a person has for power, choice, autonomy and responsibility. Rappaport (1987) and his colleagues have described empowerment as a construct that ties personal competencies and abilities to environments that provide opportunities for choice and autonomy in demonstrating those competencies (Zimmerman and Rappaport, 1988). Agarwal and Ferratt (1999) have indicated that companies are now investing in employee empowerment for helping them in function of decision making and work. By using such methods workers believe that the organization bestow value to them and then workers present responsibility towards company. Boblera and Somech (2004) have empirically established a considerable effect of empowerment practices on organizational citizenship behavior.

H2: Empowerment practices have significant relationship with organizational citizenship behavior

RESEARCH METHODO
Site and Sample

With over lots of various manufacturing units, the research population would be nearly lakhs professional engineers. It would be almost impossible to reach all employees in all

manufacturing units. As a result it was necessary to sample the population. As the result will be generalized, it is essential that the sample should ideally be representative of professional engineers. The sampling frame was decided to include only those professional engineers working in textile machines, electric and motor pumps, auto components and home appliances manufacturing units because these four types of industries are the most economic based industries in Coimbatore district. The target populations in the sampling frame were only technical engineers working in research and development, product and design and quality checking departments because these professional possess particular skills that are in high demand and they are autonomous who enjoy occupational advancement and mobility and resist a traditional command and control culture, with their commitment more occupationally oriented than organizationally oriented. Since they often work in teams dealing with problems and issues as opposed to tasks, they are more critical to the long term success of the organization in this information based age as much of an organization's core competencies reside in them.

Procedures

As it was not possible to reach all technical engineers, it was decided to use the convenience sampling method to obtain the study sample. A convenience sample was obtained by giving the hard copy to some technical engineers and the person was requested to refer his/ her colleagues to participate in this research study. The questionnaires were administered with 230 employees and a total of 200 respondents (the response rate was 87%) returned questionnaires.

Measures

Perceived HRM Practices – two underlying HRM dimensions were tested in this research, namely Rewards & Recognition and Empowerment. Rewards & Recognition was measured by seven items selected from Saks (2006) (4 items) and Yung (2012) (3 items). Empowerment was measured by seven items elected from Taylor (2013) (1 item), Lee et al. (2000) (3 items), Mukhtar et al. (2012) (2 items) and Paula et al (1992). (1 item).

Organizational citizenship behavior – four underlying OCB dimensions were tested in this research, namely Altruism, Conscientiousness, Team building and Loyalty. Altruism was measured by five items selected from Solha et al. (2102) (4 items) and Asim et al. (2012) (1 item). Conscientiousness was measured by five items selected from solha et al. (2012) (3 items) and Asim et al. (2012) (2 items). Team building was measured by five items selected from Solha et al. (2012) (4 items) and Piercy et al. (2006) (1 item). Loyalty was measured by five items selected from Caryl et al. (1998) and Solha et al. (2012) (1 item). Figure1 shows the Conceptual Framework of Rewards & Recognition and Empowerment on Organizational citizenship Behaviors.

The first part of the questionnaire contains demographic variables like Age, Gender, Marital Status, Educational Qualification, type of manufacturing organization working, department, designation, experience in the present organization, total experience and salary. The second part contains,

(1) Rewards & Recognition was assessed by a seven item Likert scale (1= strongly disagree; 5= strongly agree). A sample item is 'This organization noticeably celebrates excellent service'. The cronbach's alpha coefficient of this measure was 0.81.

(2) Empowerment was measured by seven item likert scale (1= strongly disagree; 5= strongly agree). A sample item is 'My company gave me significant autonomy in determining how to do my job'. The cronbach's alpha coefficient of this measure was 0.75.

(3) Organizational citizenship behavior – Altruism was measured by five item likert scale (1= strongly disagree; 5= strongly agree). A sample item is 'willingly help others who have work related problems'. The cronbach's alpha coefficient of this measure was 0.71.

(4) Conscientiousness was measured by five item likert scale (1= strongly disagree; 5= strongly agree). A sample item is 'Obey company rules and regulations even when no one is watching'. The cronbach's alpha coefficient of this measure was 0.73.

(5) Team building was measured by five item likert scale (1= strongly disagree; 5= strongly agree). A sample item is 'Encourage others to do

well in their jobs'. The cronbach's alpha (6) Loyalty was measured by five item likert scale (1= strongly disagree; 5= strongly agree). A sample item is 'Always think that my job is probably as good as most'. The cronbach's alpha coefficient of this measure was 0.72.

RESULTS
Preliminary Analysis

Table 1 shows the Demographic profiles of the respondents. It was noticed that all respondents identified were under Male category with 100%. Regarding age criteria, it is found

coefficient of this measure was 0.71. that maximum respondents were found between the age limit of 20-30 years with 62%. Out of 200 respondents, 62.5% of them are married and in view of educational qualification, it is seen that most of them are having graduate education level (81.5%). While considering the experience, it is seen that 80.5% of employees are having experience between 1-5 years in the present organization and 67.5% of employees having total experience between 6-10 years. 47% of employees having monthly salary of above Rs.20,000.
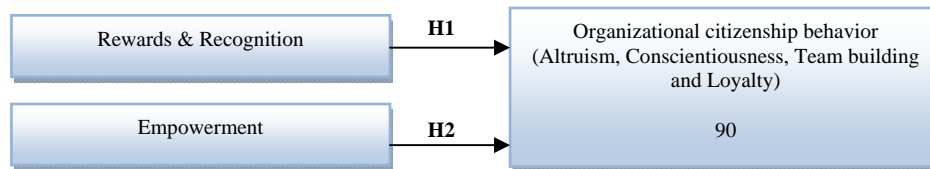

Figure 1: Conceptual framework of rewards & recognition and empowerment on organizational citizenship behaviors

Table 1: Demographic profile of the sample respondents (N = 200)

S. No.	Demographic Variables	Number of respondents (N=200)	Percentage
1.	Age 1. 20-30 years 2. 31-40 years 3. Above 40 years	124 57 19	62% 28.5% 9.5%
2.	Gender 1. Male 2. Female	200 -	100% -
3.	Marital Status 1. Married 2. Unmarried	125 75	62.5% 37.5%
4.	Educational Qualification 1. Graduate 2. Post graduate	163 37	81.5% 18.5%
5.	Experience in the present organization 1. 1- 5 years 2. 6-10 years 3. Above 10 years	51 55 37	80.5% 15.5% 4%
6.	Total Experience 1. 1- 5 years 2. 6-10 years 3. Above 10 years	45 135 20	22.5% 67.5% 10%
7.	Monthly Salary 1. Below Rs. 10,000 2. Rs.10,000-15,000 3. Rs.15,000-20,000 4. Above Rs. 20,000	8 28 35 94	4% 14% 35% 47%

Table 2 shows the means, standard deviations, correlations of all variables used in this study. The results shows that retention – oriented compensation (r = 0.403, 0.400, 0.460, 0.561 p < 0.01) and formalized training (r = 0.282, 0.273, 0.373, 0.367 p < 0.05) was positively related to the four dimensions of organizational citizenship behavior. The above correlations preliminarily supported the proposed relationship between variables shown in figure 1.

Hypothesis Testing

Table 3 shows the results of regression analysis which evaluates the impact of Rewards & Recognition and Empowerment on Organizational citizenship behaviors. It was observed that 16% (altruism), 16% (conscientiousness), 23% (team building) and 31% (loyalty) of the variation in organizational citizenship behavior is accounted by HRM practices (i.e. Retention oriented compensation and formalized training) with F (1,195) = 38.303 (altruism), F (2,197) = 19.193 (conscientiousness), F (2,197) = 25.658 (team building), F (2,197) = 45.976 (loyalty) and P < 0.001. Beta values of Rewards & Recognition= 4.542 (altruism), 4.572 (conscientiousness), 4.854 (team building), 7.285 (loyalty) at P < 0.01 and Empowerment = 2.232 (team building) at P < 0.05 shows that these practices are having significant relationship with organizational citizenship behavior.

Table 2: Means, standard deviations and inter-correlation analysis of studied variables

Variables	Mean	SD	1	2	3	4	5	6
1.Altruism	21.15	2.95	-					
2.Conscientiousness	21.64	3.35	0.547**	-				
3.Team building	21.74	3.14	0.515**	0.506**	-			
4.Loyalty	21.42	3.41	0.388**	0.533**	0.521**	-		
5.Rewards & Recognition	29.03	5.22	0.403**	0.400**	0.460**	0.561**	-	
6.Empowerment	25.36	4.13	0.282**	0.273**	0.373**	0.367**	0.560**	-

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table 3: Regression analysis on HRM practices (Rewards & Recognition and Empowerment) and organizational citizenship behavior (N = 200)

Model	B				Std. Error				Beta				T			
	A	C	T	L	A	C	T	L	A	C	T	L	A	C	T	L
Constant	13.800	13.470	12.092	9.992	1.294	1.470	1.321	1.350					10.666	9.161		
Rewards & Recognition	0.202	0.231	0.221	0.338	0.044	0.051	0.045	0.046	0.357	0.360	0.366	0.517	4.542**	4.572**	4.854**	7.285**
Empowerment	0.059	0.058	0.128	0.064	0.056	0.064	0.057	0.059	0.082	0.071	0.168	0.077	1.044	0.901	2.232*	1.082

A – Altruism;   C – Conscientiousness;   T – Team building;
R2= 0.16, Adjusted R2= 0.15   R2=0.16, Adjusted R2= 0.15   R2= 0.23, Adjusted R2= 0.22
F= 38.303, df= 1,195, P= 0.000   F= 19.193, df= 2,197, P= 0.000   F= 25.658, df= 2,197, P= 0.000

L – Loyalty
R2= 0.31, Adjusted R2= 0.31
F= 45.976, df= 2,197, P= 0.000

**P<0.01
*P<0.05
Note: B= Un-standardized beta; SE= Standard error

DISCUSSION

The analysis of hypothesis has shown that there is a significant relationship of rewards & recognition with all the four dimensions of organizational citizenship behavior. It means when employees receive rewards and recognition from their organization, they will feel obliged to respond with higher levels of engagement. There is a significant relationship in empowerment with only one dimension (loyalty) of organizational citizenship behavior This study has shown that the employee's organizational citizenship behavior is endured when there is a high role of Rewards & recognition practices in the organization when compared with empowerment practices.

Limitations and Future Research Directions

As this study is conducted with small size of sample and in small geographic area, the result obtained may not be suited for all the areas as the employees' mindset is different in different areas. So in future, further research may be conducted with large number of samples and in larger geographic areas so that deep reflection in connection with the impact of human resource management practices on organizational citizenship behavior can be judged through the cross study.

CONCLUSION

Based on the several research concepts, this study tries to explicit the impact of high performance HRM practices on individual consequences. In particular the researchers found that (i) Rewards & Recognition and Empowerment were positively related to organizational citizenship behavior; (ii) out of which Rewards & recognition plays an eminent role in enhancement of organizational citizenship behave or. This study helps us to understand that improving Rewards & recognition and Empowerment practices this organization can improve organizational citizenship behavior of employee's which ultimately results in uplifting the profit of this organization.

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