

PERSONAL CULTURAL VALUES IN ORGANIZATIONS
IN PENANG AND ITS EFFECT ON ORGANIZATIONAL
CITIZENSHIP BEHAVIOR WITH THE POTENTIAL
MODERATOR EFFECT OF MONETARY REWARDS

NG KENG ANN

Research report in partial fulfillment of the requirements for the degree of
Master of Business Administration
Universiti Sains Malaysia

May 2008

ACKNOWLEDGEMENT

I would like to express my thank to my supervisor, Dr. Anees Janee Ali for his guidance and support, especially for his patience and all his flexibility and understanding towards providing support and help for me in completing this paper. I would also wish to thank my co-supervisor, Associate Professor Dr. K. Jayaraman, for his dedication and time in providing me assistance and guidance for conducting the statistical analysis. With him sacrificing his precious time and effort, has made the statistical analysis report possible. Last but not least, I would also like to convey my thanks to Associate Professor Dr. Yuserrie Zainuddin for his constant encouragement and willingness to help whenever needed.

Furthermore, my greatest appreciation goes to my family members, especially to my wife, who has given me full support and encouragement to complete my Master in Business Administration programme. To all those who had directly or indirectly contributed to the completion of this study, all my classmates, and friends, I extend my deepest appreciation.

THANK YOU.

LIST OF TABLES	vi	
LIST OF FIGURES	vii	
ABSTRAK	viii	
ABSTRACT	ix	
Chapter 1	Introduction	1
1.1	Introduction	1
1.2	Background of Employees and Managers in Penang	3
1.3	Problem Statement	4
1.4	Objective of this study	5
1.5	Significance of the study	6
Chapter 2	Literature Review	7
2.1	Introduction	7
2.1.1	Organizational Citizenship Behaviour	9
2.1.2	Cultural values	12
2.2	The influence of the culture in OCB	15
2.2.1	Common Malaysian employees' values	15
2.2.2	Cultural values and Organizational Citizenship Behaviour	17
2.2.3	Demographic Variables And Organizational Citizenship Behaviour (OCB)	18
2.3	Theoretical framework and hypothesis	19
2.3.1	Value-Behaviour linkages	19
2.3.2	Monetary rewards-Behaviour linkages	20

	2.3.3	The framework	21
	2.3.4	Hypotheses	22
Chapter 3		Research Methodology	23
	3.1	Introduction	23
	3.2	Research design	23
	3.2.1	Survey Questionnaires	23
	3.2.2	Sampling procedures and sampling size	24
	3.2.3	Variables	24
	3.2.4	Population	25
	3.2.5	Procedures	25
	3.2.6	Measures	26
	3.2.7	Data Analysis	27
	3.3	Summary	27
Chapter 4		Results	28
	4.1	Introduction	28
	4.2	Profile of Respondents	28
	4.2.1	Culture Values Index	30
	4.3	Goodness of Measures	31
	4.3.1	Reliability Analysis	32
	4.3.2	Factor Analysis	34
	4.3.2.1	Culture Values	36
	4.3.2.2	Organizational Citizenship Behaviour (OCB)	37

4.3.2.3 Monetary Rewards – Moderator	37
4.4 Final Reliability Analysis	39
4.5 Descriptive Statistics	40
4.6 Inferential Statistics : Pearson Correlation	41
4.7 Hypothesis Testing	42
4.7.1 Kruskal-Wallis Test for Race	42
4.7.2 Mann-Whitney Test for Gender	43
4.7.3 T-Test for Organization Tenure	44
4.7.4 Multiple regression Analysis	45
4.8 Summary of results	50
Chapter 5 Discussion and Conclusion	51
5.1 Introduction	51
5.2 Recapitulation of the Study	51
5.3 Discussions of the Findings	52
5.4 Implications of the Study	56
5.5 Limitations of the Study	59
5.6 Recommendations for Future Research	59
5.7 Conclusions	60
REFERENCES	62
APPENDIX A Questionnaire Sample	73
APPENDIX B Frequency: Demographic Profile of Respondents	80
APPENDIX C Reliability Analysis: Independent Variables	82

APPENDIX D	Reliability Analysis: Dependent Variables	97
APPENDIX E	Reliability Analysis: Moderator Variable	113
APPENDIX F	Factor Analysis: Independent Variable	116
APPENDIX G	Factor Analysis: Moderator Variable	127
APPENDIX H	Correlation Analysis	129
APPENDIX I	Descriptive Analysis for Major Variables	130
APPENDIX J	Kruskal Wallis Test	131
APPENDIX K	Mann-Whitney Test	132
APPENDIX L	Independent T-test	133
APPENDIX M	Multiple Regression Analysis	134

LIST OF TABLES

Table 4.1	<i>Demographic Profile of Respondents</i>	29
Table 4.2	<i>Overall Culture Values of Respondents</i>	31
Table 4.3	<i>Initial Reliability Analysis Results</i>	33
Table 4.4	<i>Reliability Analysis Results for Independent variables</i> <i>– Culture Dimension</i>	34
Table 4.5	<i>Reliability Analysis Results for Dependent variables – OCB</i>	34
Table 4.6	<i>Reliability Analysis Results for Moderator variable</i> <i>– Monetary rewards</i>	34
Table 4.7	<i>Factor Analysis Results for Power distance – Culture dimension</i>	36
Table 4.8	<i>Factor Analysis Results for Uncertainty avoidance</i> <i>– Culture dimension</i>	36
Table 4.9	<i>Factor Analysis Results for Masculinity – Culture dimension</i>	36
Table 4.10	<i>Factor Analysis Results for Moderator – Monetary rewards</i>	37
Table 4.11	<i>Anti-image correlation – Monetary rewards</i>	38
Table 4.12	<i>Communalities</i>	38
Table 4.13	<i>Reliabilities coefficients for the Major variables</i>	39
Table 4.14	<i>Descriptive Statistics for the Major variables</i>	40
Table 4.15	<i>Pearson Correlation Matrix</i>	42
Table 4.16	<i>Kruskal-Wallis test for Hypothesis H1</i>	43
Table 4.17	<i>Mann-WhitneyTest for Hypothesis H2</i>	44
Table 4.18	<i>T-Test for Hypothesis H3</i>	44

Table 4.19	Hierarchical Regression using Monetary rewards as a moderator <i>on the relationship between the four dimensions of culture values and OCB.</i>	48
------------	--	----

LIST OF FIGURES

<i>Figure 1</i>	Research Model	21
<i>Figure 2</i>	Path Diagram framework	46

ABSTRAK

Kajian semula kesusasteraan yang boleh didapati, mendedahkan kajian-kajian yang sedia-ada berkenaan hubungan-hubungan antara nilai budaya peribadi di dalam organisasi dan kelakuan kewarganegaraan organisasi, adalah amat terhad, terutamanya dalam konteks Malaysia, khususnya dalam syarikat-syarikat pengeluaran di Pulau Pinang. Nilai budaya peribadi bermula daripada nilai individu seseorang yang menular ke dalam kelakuan pekerja-pekerja yang akan memainkan peranan dalam organisasi. Peranan ini akan mengakibatkan perubahan dalam kelakuan kewarganegaraan organisasi. Oleh yang demikian, tujuan kajian ini adalah untuk memahami ragam dan perhubungan pekerja-pekerja dalam syarikat-syarikat pengeluaran di Pulau Pinang, antara nilai-nilai budaya peribadi dan kelakuan kewarganegaraan organisasi. Adakah budaya peribadi akan menjejaskan secara positif atau secara negatif atas kelakuan kewarganegaraan organisasi yang dipamerkan dalam kerja-kerja seharian? Satu siasatan terhadap nilai-nilai budaya peribadi pekerja-pekerja ini diperlukan untuk memahami pengaruh terhadap kelakuan kewarganegaraan organisasi.

ABSTRACT

The review of available literatures revealed that limited studies have been done on the relationships between personal cultural values of individual in organizations and its effect on the organizational citizenship behavior, particularly in the Malaysian context specifically in the manufacturing environment organizations in Penang. Personal cultural values derived from people's individual values will pervade into the role of employees played in organizations which will invariably affect organizations citizenship behavior (OCB). This study aims to explore this issue by examining the relationships between personal cultural values and their affect on the organizational citizenship behavior of employees in these organizations. Does personal individual cultures affect positively or negatively on the Organizational Citizenship Behaviour exhibited in the daily work. An investigation of employee personal cultural values is necessary to understand their influence on OCB which potentially influence organizational effectiveness.

CHAPTER 1
INTRODUCTION

1.1 Introduction

Organizations are aware of the importance of cultural values towards individual's attitudes. Managements are well aware of the various cultural values of different nationality and ethnic groups that comprise the Malaysian workforce that has manifested at the workplace. To the managers, the understanding of different cultural values of individual are important as this may explain people's attitudes towards how we function at the workplace. Culture values has become an increasing important focus in Management research and aspect such as National Culture have been related to many areas of organizational behaviour, such as foreign investment decisions (Tahir & Larimo, 2004 as cited in Ng, Lee & Sauter, 2006), entry mode decisions (Arora & Fosturi, 2000 as cited in Ng et al., 2006), and international consumer behaviour (Steenkamp et al., 1999 as cited in Ng et. al., 2006), as well as other studies relating between attitudes in the workplace and work outcomes (Ronen & Shenkar, 1985 as cited in Cohen, 2007).

With its diverse racial, ethnic and nationalities groups, such as the Bumiputras (Malays, Kadazans, Ibans, etc.) the Chinese, the Indians and other smaller racial groups, coupled with the many expatriates in Multinational companies; it is no wonder that Malaysia can be considered a "Multicultural Minefields" (Abdullah, 1994). With such a distinct difference in culture values in these diverse groups of people that has influence on the way people perform their job which can be seen in the behaviours demonstrated by employees at the workplace. Employees bring into the workplace differing systems of values which have a bearing on their motivation, performance, how they relate to each other, and organizational citizenship behaviour (OCB).

This proposed study examines the relationship between Organizational Citizenship Behaviour and personal cultural values (individualism-collectivism, power distance, uncertainty avoidance, and masculinity-femininity). In reviewing journals, this researcher found out that there are not many research related to this topic. Most of the findings on the relationship between attitudes in the workplace and work outcomes are based on findings from one culture, generally the North American one (Cohen, 2007). Little research on the effect of individual culture and attitudes in the workplace on Organizational Citizenship Behaviour, particularly in cultures other than North America (Cohen, 2007). Furthermore, majority of studies on cultures have focused on the national level of analysis in that they have compared aggregated scales of cultural values across countries (Hofstede, 1980; Schwartz, 1999). Few studies have examined the effect of personal cultural values on attitudes and behaviour at the individual levels (Cohen, 2007). It is known that cultural values affect people's values and behaviour (Schwartz, 1999); few studies have actually tested this claim in the work setting (Cohen, 2007). Values can influence how an individual perceives and interprets a given situation and the importance he or she gives it (Schwartz, Sagiv, & Boehnke, 2000). Each individual defines a situation differently which will assign priorities interpretations leading to varying individual actions, reactions and responses.

Another concept that is examined in this study is Organizational Citizenship Behaviour (OCB) in the workplace. The OCB concept has been attracting interests of academicians and practitioners in the recent years and it is believed that OCB leads to improved organizational effectiveness (Podsakoff, Ahearne, & MacKenzie, 1997). The concept of OCB has been extensively studied over the past twenty years mainly from the theory put forward by Organ's (1988). Organ's OCB framework consisting of five distinct factors: Altruism (e.g., helping behaviours directed at specific individuals),

Conscientiousness (e.g. going beyond minimally required levels of attendance), Sportsmanship (e.g. tolerating the inevitable inconveniences of work without complaining), Courtesy (e.g. informing others to prevent the occurrence of work-related problems), and Civic Virtue (e.g. participating in and being concerned about the life of the company) (Lievens & Anseel, 2004). These original five factor conceptualization reflects Organ's original thinking about OCB, with more recent research has found support for a three dimensions model of OCB (Podsakoff et al., 1997). In this recent conceptualization, Conscientiousness is removed and Altruism and Courtesy are combined with cheerleading to form a single helping dimension (MacKenzie, Podsakoff, & Fetter, 1991, 1993 as cited in Lievens & Anseel, 2004), resulting in 3 factors (i.e. helping behaviour, civic virtue, and sportsmanship). As most of the earlier studies on OCB stemming from Organ's (1998) literature were conducted in the Western settings, only a few have been conducted in a global context (Farh, Early, & Lin, 1997). It is also noted that researchers have started to focus their studies of OCB in other international contexts such as in China, Singapore, Taiwan, Japan and Hong Kong (as cited in Lievens & Anseel, 2004). Whereas, it will be most interesting to see whether the role of personal cultural values play an important roles in predicting OCB. It examines the relationship between the four cultural values specifically individualism-collectivism, power distance, uncertainty avoidance, and masculinity-femininity – on Organ's popular dimension of OCB (Podsakoff et al., 1997) – namely, Altruism, Conscientiousness, Courtesy, Sportsmanship and Civic virtue.

1.2 Background of employees and Managers in Penang

In Penang, many multinational companies (MNC) have setup manufacturing plants on the Island; manufacturing electrical and electronics products. Furthermore, with the increasing

number of foreign MNCs (USA, Germany, Japanese, and Taiwanese), these MNCs brought together with them foreign expatriates employees and managers whom have to work closely with the local people in the same organization. The result is a diverse intercultural mixed of western and eastern cultural values that influence on the way management practices, management styles, organized and perform work, interact with employees, and manifest their work behaviours. Managers from all cultures seek similar goals of high productivity, commitment, and progress for their organizations. It is therefore important for managers to understand the differing aspect of individual cultural values of different groups of people that may affect their commitment, performance and organizational citizenship behaviour.

1.3 Problem Statement

With the Government push for industrialization in the 70's, making it increasing attractive for many foreign direct investments flowing into Malaysia, in particularly Penang. Many foreign based MNCs companies such as Intel, Motorola, Seagate, Dell, Agilent, etc. have started their operations on the island. This will no doubt bring in foreign technologies, funds, and management cultures together with them. With increasing number of these expatriates that were brought in together with these companies, who mainly consists of westerners, it will be interesting to see whether the multicultural values exhibited by eastern and western cultural values in the organizations affect OCB. Therefore, the aims of the study are as follows:

1. To find out the roles of cultural values play on OCB, whether certain culture values restrict or encourage OCB. Cultural values, ascribing what is good, right, and desirable in a society, may affect the amount of OCB.

2. Furthermore, we would also like to explore the moderating role of monetary rewards on the relationships between the Independent variables (Cultural values) and the Dependent variables (OCB).
3. We want to find out as well if the demographic profile of an individual has any impact on OCB itself.

1.4 Objectives of the study

This study is to enhance to the available literature in the following ways. Firstly, it hopes to increase the coverage of OCB research across cultures. As mentioned earlier, although there were some studies done on OCB, especially so in North America nations (Smith, Peterson and Schwartz, 2000), few have applied the concept of individual cultural values on the impact towards OCB. On the other note, there is one study on cultural values examined the moderating relationship of cultural values towards OCB and Personality (Xu, 2004). Therefore, this study examined the role of cultural values (specifically individualism-collectivism, power distance, uncertainty avoidance, and masculinity-femininity) play on OCB and draw onto the conclusion whether these relationships impact positively or negatively. Secondly, we want to explore the moderating role of monetary rewards on the relationships between the dimensions of cultural values and the dimensions of OCB. It hopes to provide better understanding on this potential moderator of monetary rewards on OCB. Lastly, we also want to determine if the demographic profile of an individual specifically ethnic, gender or tenure will have any impact towards OCB.

1.5 Significance of the study

This study aims to explore the various individual cultural values of the various ethnic groups that comprise the Malaysian workforce, and how these values affect the Organizational Citizenship Behaviour. By understanding what and how these cultural values affect OCB, will enhance the managerial skills of management towards better and effective prediction and management towards the diverse cultural people in a multinational organization. Being managers in a multinational organization, and leaders must continuously identify what values in their workforce that can contribute towards improving organizational performance and effectiveness. He must also work towards discouraging values which may affect and reduce organizational performance. Furthermore, managers must also be aware of the challenges and drawbacks in promoting new and foreign values and work behaviours. Care must be taken to ensure that there is no inherent conflict between what management wants to do and what the workforce wants to preserved (Abdullah, 1994). This will hope to further enrich the understanding of the relationships between personal cultural value dimensions that may affect OCB either positively or negatively; and if monetary rewards will have a moderating impact towards this relationships.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

We will discuss some of the literatures and researches that were conducted earlier. In the course of reviewing related literatures from earlier researchers, few studies have looked at the concept of OCB in different cultures setting. Many of the earlier studies conducted have explored the possible determinants of OCB, with majority of the categories of antecedents such as individual (or employees) characteristics, employees attitudes, dispositional variables, employee role perceptions and demographic variables; task characteristics; organizational characteristics; and leadership behavior (Cohen & Avrahami, 2006). Most of the research that examined the determinants of OCB has concentrated on the employees' relationship with their supervisor or their attitudes toward their job or task. Whereas, the association between personality predictors and OCB has been extensively explored in North America, there has been relatively little cross-cultural research on this topic. Paine and Organ's (2000) postulated that cultural context may encourage or inhibit OCB, and thus attenuate the relations between established OCB antecedents found in North American studies. For example, cultural norms may encourage employees to help each other or motivate them to mind their own business (Paine & Organ, 2000 as cited in Smith, Peterson & Schwartz, 2000). Very few studies have considered how personal psychological characteristics are related to OCB (Cohen & Avrahami, 2006). There may be few studies conducted mainly in North America, but we cannot generalize from these concepts as these studies are conducted in a different cultural setting from Malaysia. For example, are the OCB foci such as Helping Behaviour,

Civic Virtue, and Sportsmanship developed in North America cultural settings can be important in a culture like Malaysia? (Cohen, 2007). Other studies have suggested the importance relationships between OCB and satisfaction, perceptions of pay equity, fairness and commitment (cited in Somech, & Drach-Sahavy, 2004). Do different cultural values then give rise to different affect on the OCB? I would believe so, as mentioned in a study by Clugston, Howell, & Dorfman, 2000; Cohen, 1999b; Cohen & Kirchmeyer, 2005; Mueller, Iverson, & Price, 1999 (as cited in Cohen, 2007), all of them argue that there are great differences between cross-national and cross-cultural research (as cited in Cohen, 2007). They argued that differences between ethnic or cultural groups might be stronger than differences between countries (Cohen, 2007). Clugston et al., (2000) as cited in Cohen, 2007, did also mentioned that differences in employees' commitment could be predicted on the basis of cultural dimensions even within a homogenous work setting within one country. Furthermore, Schwartz (1999) as cited in Cohen, 2007 also argued in that regard that national boundaries do not necessarily correspond to the boundaries of organically developed relatively homogenous societies with a shared culture. It is a mistake to combine homogenous societies into one group as different groups might exhibit different cultural nature. Recent research also offers more evidence on the dimensions of prosocial behaviours (culture values) that have been found to correlate with OCB (Xu, 2004). Podsakoff et. al., 2004 (as cited in Dimitriades, 2007) further mentioned that culture context would possibly affect the forms of citizenship behaviour observed in organizations. Additionally, as mentioned by George and Jones, 1997 (as cited in Chompookum, 2004) that says national culture can influence OCB. Therefore, it is a mistake to assume in the Malaysian workforce, with different ethnic culture coupled with

American, Japanese, etc. in any Multinational organizations will exhibit the same effect and behaviour. It is a fact that Malaysia, consisting of multiracial, multicultural and multinational cultural values (Malay, Chinese, Indian, American, Australians, Japanese, etc.) can exist together, each with its own norms, religion, language, and way of life, provides an opportunity to studies on what affects OCB of employees. That is why this study is important as it focus on the relationship between OCB – specifically Altruism, Courtesy, Sportsmanship, and Conscientiousness and Civic virtue on one hand and culture values of different group of employees on the other.

2.1.1 Organizational Citizenship Behaviour (OCB)

As more and more organizations becoming more dependent on individuals in achieving results, it will be necessary to understand how individuals are committed to contribute to organization's success. OCB refers to actions performed by employees who surpass the minimum role requirement expected by organizations and promote the welfare of co-workers, work groups, or the organizations (Witt, 1991). Examples of these include making innovative suggestions to improve the company, improve processes, orienting new people to their work, helping co-workers with heavy task loads, working in workgroups with other departments in projects works, etc. (Becker & Randall, 1994 as cited in Witt, 1991). As organizations consists of people and dependence on their employees' performance to achieve organizational objectives, therefore, the importance of OCB cannot be denied that it helps to promote positive work climate, tolerate inconveniences without complaint, protect organization resources, and helping each other in the organizations in solving problems (Witt, 1991).

According to Organ (1988), OCB reflects the discretionary behaviours that are not directly or explicitly recognized by formal reward system and it promotes organizational efficiency and effectiveness. In other words, OCB behaviours encourage employees' going the extra mile, or putting additional efforts or being a "good citizen", even though it is not part of the job description or formally required. Accordingly, the dimensions most widely acknowledged and used in research were those proposed by Organ (1998). These dimensions are mentioned as follows:

1. **Conscientiousness:** Discretionary behaviours of employees that exceed the minimum role requirement in organization,
2. **Sportsmanship:** The willingness of employee to tolerate less ideal circumstances without complaining,
3. **Courtesy:** Discretionary behaviours that prevent work-related problems with other employees,
4. **Civic virtue:** The behaviours that indicate employee participate responsibly in, are involved in, or are concerned about the life of the company, and
5. **Altruism:** Discretionary behaviours of helping other employees in an organizationally related task or problem.

However, from the literature review on OCB, there is a lack of consensus about the dimensionality of the construct. According to Podsakoff et al., (2000), the examination of the literature indicates that almost 30 potentially different forms of OCB have been identified, which may be grouped in seven common themes. These are:

1. ***Helping behaviour:*** Involves helping others with, or preventing the occurrence of, work-related problems,
2. ***Sportsmanship:*** Represents the willingness to face with tolerance and ‘fair play’ the inevitable inconveniences and impositions of work without complaining and protest,
3. ***Organisational loyalty:*** Means promoting the organization to outsiders, protecting it against external threats, endorsing organizational objectives, and remaining committed to the organization even when adverse conditions are experienced,
4. ***Organizational compliance:*** Is the most controversial dimension, given its quasi in-role nature, referring to the employee’s internalization and acceptance of the organization’s rules and procedures, which leads to a scrupulous adherence to them, even if no one is observing or monitoring compliance,
5. ***Individual initiative dimension:*** Voluntary creativity and innovation behaviours, aiming at the improvement of individual and/or organizational performance, taking the initiative to solve problems before asking others (e.g. supervisor) to solve them, persisting with extra effort to perform the job, volunteering to assume extra responsibilities, and encouraging fellow coworkers to do the same,
6. ***Civic virtue:*** Willingness to participate actively in the organization governance, to monitor for threats and search for opportunities in favour of the organization, and to look out for the best interests of the organization, even with personal sacrifice. Illustrative behaviours are attending meetings even when not required, expressing one’s opinion about the strategy and policies the organization ought to pursue, keeping up with the changes in the industry that may affect the organization, and reporting suspicious activities that can damage the organization, and

7. *Self development:* Voluntary engagement of employees in self-promoting knowledge, skills and abilities, in order to expand the range of contributions to the organization.

However, this proposal will be looking at the five original OCBs constructs proposed by Organ (1988) cited in Podsakoff et al., (1997). These dimensions have been selected for this study because they have been extensively examined by researchers (Ali, & Khalid, 2006). The 5 dimensions in this study are Altruism, Courtesy, Sportsmanship, Conscientiousness and Civic virtue, as these five dimensions are widely studied by other researchers mentioned earlier. The same construct will be use so that we can make some comparisons towards the other earlier studies that were conducted in North America setting.

2.1.2 Cultural values

Culture has been receiving great attention in the last quarter decade to its importance and potential impact on organizational success and failure. There are many studies of culture values using a variety of different framework examples, Trompenaars (1998), Schwartz (1994), Hall (1976), and Hofstede, (1980) all of them as cited in Kirkman, Lowe and Gibson (2006), that has shown that cultural values are related to workplace behaviours, attitudes and organizational outcomes. The two most popular theories that will be mentioned here are Trompenaars (1998) and Hofstede (1980). This has thus created interest of researchers in the field of cultural values in organizations finding ways and method to understand its effect towards organizations.

Trompenaars (1998) identified five dimensions of how we relate to other people. As organizations consists of people, and people are everywhere in our daily life, thus we are confronted with 3 sources of challenge. These are relationships that we do with other people, such as friends, employees, customers and bosses. Trompenaars (1998) summarize these five dimensions as below:-

1. ***Universalism versus particularism*** (that is rules versus relationships),
2. ***Communitarianism versus individualism*** (the range of the group versus the individual),
3. ***Neutral versus emotional*** (that is the range of feelings expressed),
4. ***Diffuse versus specific*** (the range of involvement), and
5. ***Achievement versus ascription*** (how status is accorded).

As mentioned by Trompenaars, 1998, there are five value orientations that influence our ways of thinking and managing as well as our responses in the face of moral dilemmas. This will guides how our beliefs and actions in our life. For example, how do we see things and resolve issues when we encounter a difficult problem. Every individual will see things and do it differently as individual judgment is influenced by individual behaviour and cultures. Therefore, it is believed that culture will be able to provide answers and guide behaviour that people function and exhibit.

Perhaps the most sort after and used cultural classification is that of Geert Hofstede (Kirkman et al., 2007). Hofstede (1980) claims to have identified the four (later five) 'main dimensions' of national culture. Hofstede's (1980) developed the Value Survey Model (VSM) and has been widely used tool in order to study culture. It is considered the most popular measure of cultural values, holding great promise as

a theoretical framework to guide cross-cultural comparisons (Cohen et al., 2006). The VSM identifies fundamental differences in the way people in various countries perceive and interpret their worlds. These different values structures have profound consequences for the validity of the transfer of theories and technologies from one country to another (Cohen et al., 2006). Hofstede (1980) defines these dimensions as follows:

1. ***Power Distance:*** The extent to which the less powerful members of the organizations and institutions (like the family) expect and accept that power is distributed unequally,
2. ***Uncertainty Avoidance:*** Intolerance for uncertainty and ambiguity,
3. ***Individualism versus Collectivism:*** The extent to which individuals are integrated into groups, and
4. ***Masculinity versus Femininity:*** The extent to which the dominant values in society are masculine – that is assertiveness, the acquisition of money and things, and not caring for others, the quality of life, or people.

These characteristics helped us to come up with the ideas to develop the framework for the present study and measurement for the independent variable of the proposed study which is, “Culture values that can affect OCB”.

It is also believed that cultural values as professed by Hofstede’s (1991) four dimensions is related to organizational citizenship behaviour. This study suggests that cultural values are an important component in the field of organizational behaviour, particularly in trying to understand the context of organizations and motivation of people to perform better.

Schwartz and Bardi (2001) investigated how individuals, groups, organizations, and cultures differ in the values they hold, and how these affect behaviour. They found that some ‘pan-cultural’ motivational values – including: benevolence (preservation and enhancement of the welfare of people with whom one is in frequent contact), self-direction (independent thought and action, choosing own goals), and universalism (understanding, appreciation, tolerance and protection for the welfare of all people), were consistently rated across cultures as being more powerful than other types of values. They realized that employees will be more motivated and exhibit positive performance if organization practices these ‘pan-cultural’ values.

We are aware that different kinds of personalities may display different degrees of OCB. For example conscientiousness, agreeableness, and positive affectivity are found to relate significantly to OCB (George & Brief, 1992 as cited in Chompookum, 2004; Konovsky and Organ, 1996 as cited in Chompookum, 2004). So, cultural context is probably important in predicting OCB.

2.2 The influence of culture in OCB

2.2.1 Common Malaysian employees’ values

2.2.1.1 *Concept of non-assertiveness (femininity)*

Malaysians are normally extremely dedicated to doing a good job. They are eager to please and find it difficult to say ‘no’ or insist on their rights. Malaysians tend to be in harmony with nature and take a stance which is likely to be considered as reactive rather than proactive. Being frank and negative opinion is usually avoided as it undermines harmonious relationships and may cause employee withdrawal leading to poor OCB (Abdullah, 1994).

2.2.1.2 Concept of loyalty, respect for authority – High power distance

In the Malaysian life, we are more inclined to observe ceremonies and protocol related to respect for elders and those in position of power and authorities (Abdullah, 1994). An authoritarian style of management is still predominantly and usually tolerated in many organizations. Subordinates are expected to be loyal to the company and respect for people in position are normally exhibited in all levels of the organization. As can be seen, formality is still an important aspect of culture in especially local organizations. From experience, interactions in western and eastern organizations are completely different. In multinational organizations, employees are usually frank, open, easily approachable and we normally would address colleagues and bosses by the first name! This shows that they are more less status conscious and as such the importance of power is low. Malaysian, si more likely to address leaders and persons up in hierarchy using titles and family name e.g. Mr. Ng, or Yang Berhormat Prime Minister. Even when were are brought up, we were always told to respect elders and address a person up in the hierarchy in a proper way. This indicates that Malaysians are willing to accept inequality in power.

2.2.1.3 Concept of collectivism ('we' orientation), cooperation

Malaysians are expected to work extremely well in a team environment as they have a sense of belonging and ownership. The spirit of collectivism is more important than individualism, and this is often shown in the willingness to give priority to group interests ahead of individual concerns. An example of such is the 'gotong-royong' and "muhibbah" in the Malaysian culture (Abdullah, 1994). This is further enforced especially in the cooperative decisions making in Japanese organizations.

2.3.1.4 *Concept of high uncertainty avoidance*

Malaysians generally tends to have low uncertainty avoidance as they tend to not taking risks. They do not like changes as shown in the behaviour of “take it easy” lifestyle. They also prefer to do things according to their culture and beliefs (Abdullah, 1994).

2.2.2 Cultural values and Organizational Citizenship Behaviour (OCB)

There are many studies relating organizational citizenship behaviours. A few studies have shown that OCB are positively related to indicators of individual, unit, and organizational performance (Yen, & Niehoff, 2002). While there have been a number of studies applying the construct of OCB to Eastern cultures (e.g. Farh, Early, & Lin, 1997; Farh, Podsakoff, & Organ, 1990), none have examined whether cultures has any affect on OCB.

Others studies provides support that organizational commitment influences OCBs directly, whereas, the effect of job satisfaction on OCBs is indirect, through the effect of job satisfaction on organizational commitment (Ackfeldt & Coote, 2000). This is also in consistent with previous research suggesting that job satisfaction has on OCBs (Netemeyer et al., 1997).

In a study by Chompookum (2004) who has demonstrated that in Thailand, employee whom is engaged in OCB does not correlate with OCB. He believes that this is due to cultural difference as “a good citizen” in Thailand and North America are different as both employees exhibit extra-role behaviour differently. As mentioned by Chompookum (2004), in Thailand the importance of informing ones immediate supervisor before taking any important actions is considered not an extra-role behavior as Thais are high on power distance. Furthermore, factors or psychological characteristics of individuals such as personality, psychological needs, and attitudes, appear to be promising OCB predictors. Different kinds of personalities

may display different degrees of OCB. Studies by George and Brief, 1992 (as cited in Chompookum, 2004); Konovsky and Organ, 1996 (as cited in Chompookum, 2004) whom have found that many different kinds of personalities such as conscientiousness, agreeableness, and positive affectivity significantly relate to OCB. As such cultural context is probably important in predicting OCB.

The purpose of this study is to evaluate whether significant OCB takes different forms in varying cultures. The main concern in this study will be more towards the Malaysian context. There are but a few of the published empirical studies on OCB have occurred in North America, primarily in the United States. Thus is it appropriate for us to conduct a study in the context of Malaysian business scenario. Although there are a number of researches using a variety of frameworks have shown that national cultural values are related to workplace behaviours, attitudes and other organizational outcomes (cited in Kirkman, et al., 2006), there are none that I could find the implication of cultural values towards OCB.

2.2.3 Demographic Variables and Organizational Citizenship Behaviour (OCB)

The demographic variables in this study will be examined as independent variables. This research would like to explore the relationship between these demographic variables and OCB. There are studies that have been conducted examining education and OCB, in the belief that employees with a higher educational level would perceive their exchange with the organization as more social than calculative (Cohen, 2006). Research findings on this are not conclusive regarding the relationship between education and OCB. Some found a positive relationship and some did not (Organ & Konovsky, 1989). Some studies were conducted on the relationship between marital status and OCB as one would expect that married employees would have less time to devote to extra-role activities because of time and energy needed.

Employees who are not married have more time and energy for these activities. There is indeed some relationship found between marital status and OCB dimensions (Cohen, 2006). Tenure of employees in organization was also examined in some earlier research (Cohen, 2006; O'Reilly & Chatman, 1996; Morrison, 1991). O'Reilly & Chatman, 1996 as well as Morrison (1993) found that longer tenured employees performed more extra role activities. While another research conducted by Smith et al., (1983) found no relationship between tenure and OCB. I would expect that employees with longer tenure in the organization would exhibit more OCB as these employees would be more loyal to the organizations. Less tenured employees will invest their energies in performing in-role activities to establish their job security. Another two variables that we want to study will be gender and ethnic. Does gender and ethnic exhibit any differences in the relationship towards OCB? According to Lovell et al., (1999), no research has investigated whether employee gender affects the relationship between employees engage in OCB. Are women more likely to perform OCB than men? Lovell et al., (1999) believe that women may be more likely than men to engage in OCB.

2.3 Theoretical framework and Hypotheses

2.3.1 Value-Behaviour linkages

Researchers have quite frequently tested culture-level value dimensions and behaviours. For instance, Hofstede (2001) reviewed several hundred studies that have shown significant links between one or another of his four dimensions and the frequencies of various attitudes, values, and behaviours (Smith, Peterson, & Schwartz, 2000). Only recently, a study was done on cross-cultural study of personal cultural values and commitment in workplace to in-role performance and OCB (Cohen, 2007). Other predictors of behaviour in organizations that has been studied are Organizational Commitment (OC) (Schwartz & Bardi, 2001), different

levels of measurement (individual, group and mixed) (Schnake & Dumler, 2003), gender affect link between OCB and Performance evaluation (Lovell, et al., 1999) and Individual-Collectivism with OCB (Lock, 2005). Further mentioned by Nasurdin et al., (2003), in Malaysia studies on organizational citizenship behaviour have been somewhat limited with non existence studies linking personal psychological characteristics with OCB. Therefore, there is a lack of direct initiatives in cross-cultural behaviours linkages towards OCB. Thus with this lacking in the studies that adequately test theoretically ground relations between cultural values and OCB across a sample of cultures that prompted me to select this relationship for the research. There is only one recent study by Cohen (2006) on the relationship between Individualism/Collectivism on OCB.

2.3.2 Monetary rewards-Behaviour linkages

According to Torlak & Koc, 2007, there are not many studies on the effect of materialism or any other rewards on OCB. He studied the relationship between materialistic attitudes of salespersons and their OCB. His study shows that materialistic attitude is one of the antecedents that have negative impacts on all dimensions of OCB. As mentioned by Organ's (1988) cited in Torlak et al., 2007, "... Individual behaviour 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". In this case, it is believed that OCB will not be affected by monetary rewards. This research will try to prove what has been mentioned by Organ (1998) with monetary rewards used as a moderator. Furthermore, as there is no earlier research that has been carried out using monetary rewards as a moderator, this research will incorporate a self developed measuring tool for this purpose.

2.3.3 The framework

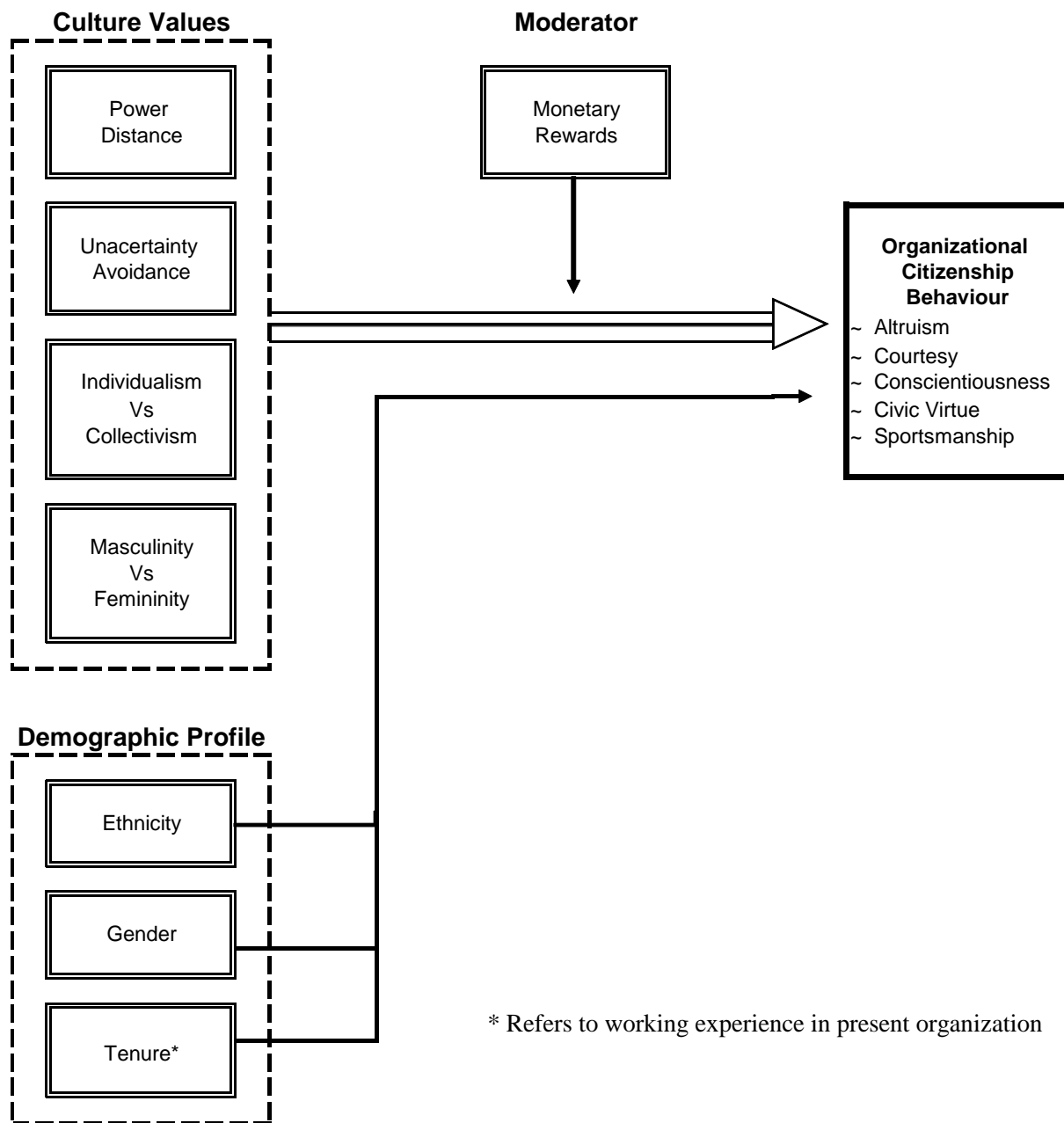


Figure 1

Research Model

2.3.4 Hypotheses

Based on the framework above, the following will be the research hypotheses for this study.

- H 1 : Ethnic group will significantly explain the variance in the five OCB dimensions.
- H 2 : Female will significantly explain the variance in the five OCB dimensions.
- H 3 : Longer organization tenure will significantly explain the variance in the five OCB dimensions.
- H 4 : Lower level of Power Distance construct will positively affect the five OCB dimensions.
- H 5 : Average level of Uncertainty Avoidance construct will positively affect the five OCB dimensions.
- H 6 : Higher level of Collectivism construct will positively affect the five OCB dimensions.
- H 7 : Higher level of Masculinity construct will positively affect the five OCB dimensions.
- H 8 : Monetary reward moderates the relationship between Power Distance and the five OCB dimensions.
- H 9 : Monetary reward moderates the relationship between Uncertainty Avoidance and the five OCB dimensions.
- H 10 : Monetary reward moderates the relationship between Collectivism and the five OCB dimensions.
- H 11 : Monetary reward moderates the relationship between Masculinity and the five OCB dimensions.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

The research is based on direct questionnaires survey on a number of large multinational organizations in Penang. These organizations will have all the different races of people including expatriates from other countries for a complete all round research trying to capture the different cultures values. This will provide the sufficient ethnic and race groups of people to deduce the hypotheses. The survey questionnaires were distributed through Human Resources Department of each organization. Two different target groups of employee's samples – one from Supervisory group and the other from the employees group were proposed.

3.2 Research Design

3.2.1 Survey questionnaires

Survey questionnaires are formulated with the use of Hofstede's (1980) Value Survey Module (VSM) as it is considered the most popular model for measuring cultural values (Erez & Early, 1993 as cited in Cohen, 2007). More importantly, it is considered a proven measure of cultural values, with a good theoretical framework to guide cross-cultural comparisons (Clugston et al., 2000 as cited in Cohen, 2007). Therefore, Hofstede's model was applied in this study. Permission to use this instrument for this case study has been obtained from Prof. Hofstede himself through email.

OCBs are measured with the Organizational Citizenship Behaviour Scale, developed by Podsakoff & MacKenzie (1990). This survey is a modified version of the measure used and validated by Podsakoff et al., (1990). The items included in this scale were based on the

definitions of the five dimensions of OCB described by Organ (1988), namely altruism, courtesy, sportsmanship, conscientiousness and civic virtue. Each dimension has four items. Employees at all level in the organizations were asked to self-assess their OCB questionnaires based on the 5 point Likert scale. Overall OCB was measured based on the responses received (Chompookum, 2004). Chompookum (2004) in his research used a total OCB as the OCB measure and obtained an overall OCB alpha of 0.74. Further, in Podsakoff et al., (1990) research, they reported reliabilities for each factor ranging from 0.70 for civic virtue to 0.85 for altruism. Therefore, based on Chompookum, 2004 research earlier, OCB will be measured as an overall item. Confirmatory factor analysis showed evidence for a five-factor model (Cohen et al., 2006). Permission to use this measurement was obtained from Prof. Podsakoff through email.

3.2.2 Sampling procedures and sampling size

Planned sampling size for this study was 15 survey questionnaires distributed to each targeted large multinational organizations selected randomly – from employees and supervisory/managerial levels. The target group involves all levels in the organizations as I believed that ‘citizen’ does not restrict to the subordinates alone. It is believed that managers and supervisors too exhibit OCB as a citizen in the organization. Distribution of the survey questionnaires will be left to the individual organizations Human Resources Department. A total of 15 organizations were targeted with 225 sets of questionnaires distributed.

3.2.3 Variables

Four independent variables of cultural values - individualism-collectivism, power distance, uncertainty avoidance, and masculinity-femininity (Hofstede’s dimensions)