

ORGANIZATIONAL CITIZENSHIP BEHAVIOR THROUGH LEAN TRANSFORMATION

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Abstract

Organizations implement Lean Training of operational excellence to gain a sustainable competitive advantage. A garment manufacturing company conducted Lean Improvement program using Toyota Production system. Training objective was to implement intuitive and people-friendly practices, for increasing organizational performance by waste identification and elimination. The hypothesis the study was to test whether there is a relation between LEAN implementation and Organization Citizenship Behavior in the employees. Primary research method of Questionnaire and interviews was used. The results illustrated that there was increased Citizenship behavior after the implementation of the Lean Training which in turn significantly improved group level of Organization's performance.

Key words: Lean, Organization Citizenship Behavior , Group level performance, Toyota Production System

Introduction:

Globalization, macroeconomic environments and competitive pressures are compelling organizations to focus on operational excellence as strategic weapon to eliminate waste and gain a sustainable competitive advantage.

Lean is an outcome of Operational Excellence and aims to deliver more with fewer resources. The Toyota Production System is an epitome of Operational Excellence with overriding goals of producing best quality of product/service at lowest cost and shortest lead time with best employee morale. TPS relies on tools and techniques and Continuous improvement of infrastructure to empower people to decide the best course of action for the company. It reinforces positive mindsets and behaviors to implement and sustain change and continuously improve organizational performance on a year-on-year basis. Providing value to the customer is key starting point of Lean Thinking, but the core of Lean Thinking is Problem Solving. Both

require the right mindsets and employees who demonstrate Organizational Citizenship Behavior (OCB).

Successful companies have a strong and sustainable culture of transformation which propels them from GOOD to GREAT. Transformation efforts fail in the companies due to lack of Top Management commitment and Employees Resistance to change. In both cases the root cause for failure is the rigid mindset and the behavior of their Human Resources.

The implementation of Toyota Production System facilitates a change in the mindset and behaviors of individuals/ employees.

Lean Continuous Improvement program was introduced in this garment manufacturing company in September 2010 with a view to eliminate waste and reinforce adaptive mindset to change and improvement.

Objective

- To find out whether Lean transformation aims to bring about a change in the mindsets and behaviors of individuals
- To determine whether change in the mindset and attitude through Lean Training results in Organization Citizenship Behavior(OCB) creation in the workforce
- To identify whether a positive shift in the OCB results in improvement in Performance metrics of the organization

HYPOTHESIS

“Lean Continuous improvement program has a positive impact on the Organization Citizenship Behaviour, thereby facilitating a significant improvement in Individual, Group and Organizational performance”

Review of Literature

Theories generally suggest that OCB is a cluster of personality traits, a social response to supervisors’ and/or peers’ behavior, as well as a possible reaction of the individual to the behavior of his or her superiors or to other motivation based mechanisms in the workplace.

OCB has thus been identified as an important indicator of employees performance that goes beyond formal duties and has a major positive impact on organizational outcomes, service quality, effectiveness, and long-range sustainability (i.e., Mackenzie, Podsakoff, & Fetter, 1993; Podsakoff et al., 1997)^[1]

Organ (1988: 4)^[2] defined organizational citizenship behaviors 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.”

David A Thomas,2004^[3] stated that any major corporate change will succeed only if a few key factors are in place :strong support from the company leaders, an employee base that is fully engaged with the initiative, management practices that are integrated and aligned with the effort, and a strong and wellll –articulated business case for action.

Why not make the work easier and more interesting so that people do not have to sweat? The Toyota style is not to create results by working hard. It is a system that says there is no limit to people’s creativity. People don’t go to Toyota to ‘work’, they go there to ‘think’. - Taiichi Ohno (4)

Toyota works on fundamental assumption that Lean thinking is the starting point of delivering value to the customer. Value can be measured in terms of Quality/Cost or delivery of product/service. As Fig1 & 2 illustrate, Value is delivered to the customer or the end consumer by aligning philosophy, people, process and problem-solving.

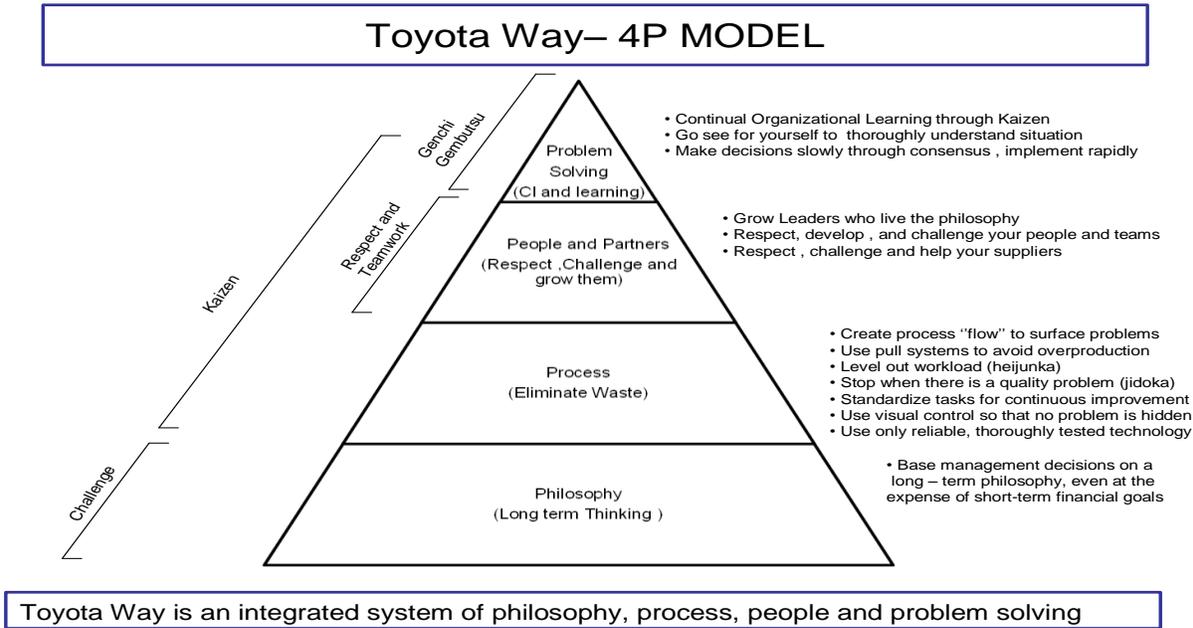
The core of Lean is problem-solving, which is essential for Continuous Learning and growth. TPS focuses on eliminating waste from production system by using tools like JIDOKA, JIT, Kaizen, Heijunka .

However, at the core of the effort is the involvement of people who demonstrate ability to change and learn incessantly. That is the secret of TPS, the ability of employees to solve problems and culture that sustains and promotes creative and lateral thinking.

As shown in Fig1 & Fig 2 , People are the core of bringing sustainable change in the organization. Concept of understanding change,

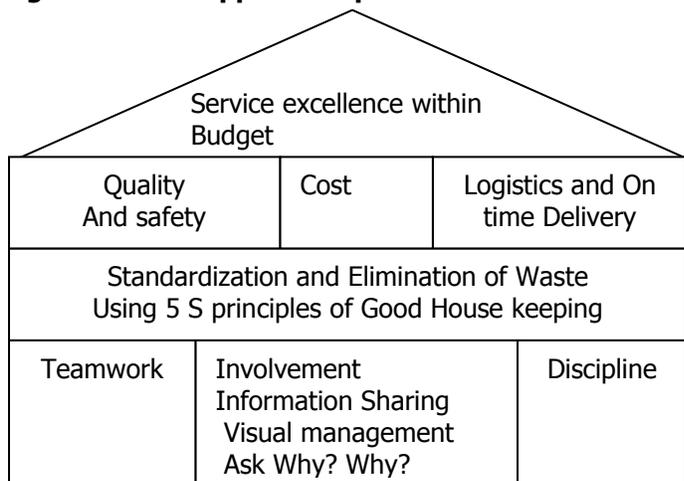
adopting it and then continuously improving it requires flexibility in the **thinking** employees. The cultural and managerial aspects of Lean are more important than the actual tools or methodologies of production itself.

Figure 1: The Toyota way



Source: Liker, Jeffrey K.; Meier, David (2005). *The Toyota Way Fieldbook: A Practical Guide for Implementing Toyota's 4Ps*. McGraw-Hill. (5)

Figure 2: Lean Approach - process illustrated



Source: Illustration based on Gemba Kaizen: A Commonsense, Low-Cost Approach to Management by Musaaki Imai, McGraw-Hill Publications, 1997 (6)

Lean is an outcome of Operational Excellence and aims to deliver more with fewer resources. The Toyota Production System is an epitome of Operational Excellence with overriding goals of producing best quality of product/service at lowest cost and shortest lead time with best employee morale. TPS relies on tools and techniques and Continuous improvement Infrastructure to empower people to decide the best course of action for the company. It reinforces positive mindsets and behaviors to implement and sustain change and continuously improve organizational performance on a year-on-year basis. Providing value to the customer is key starting point of Lean Thinking, but the core of Lean Thinking is Problem Solving. Both require the right mindsets and employees who demonstrate Organizational Citizenship Behavior (OCB).

Methodology

Literature review was done initially as part of the exploratory design. Later in the second stage, a pilot survey was conducted that included questionnaire and interview at various levels in the organization.

A survey was conducted in the Garment Manufacturing company following the training and LEAN implementation for 6 months with about 1400 employees to study the impact of Lean management training on the Organizational Citizenship Behavior (Refer Annexure 1)

Lean trainings imparted to employees in garment factory for 6 months at various intervals

Pilot started in the Cutting department and results reviewed

Lean Transformation then spread to other departments

Survey conducted to gauge the impact of Lean on change in behavior and mindsets of individuals

Results analyzed to conclude the findings

Sample size was 21 (Sample conducted across levels of organization ie Plant manager, Middle Management, team leaders).

The sample represented about 350 workers out of total 1400 employees.

Specific personnel interviews were conducted to validate the findings at all levels

The t test value was 2.10 and it approved the hypothesis. The interview and questionnaire responses were tabulated and illustrated below.

Primary Data Analysis

The OCB dimensions are multifaceted and interrelated. The change in the mindsets of the members was observed by the organization. The dimensions of Altruistic, General compliance, Civic virtue, Courtesy, Conscientiousness, and Sportsmanship are interrelated and overlapping in the behavior of the members. Each behavioral dimension observed in the organization is explicitly explained.

Change

92% observed definitive change in the behavior of the members after the Lean implementation. Lean Improvement program facilitated distinctive change in Behavior of the team members.

Altruism

This dimension is about sacrificing something for someone other than the self- like helping of an individual coworker on a task. There were instances during the Lean Improvement program where a worker would explain the new method of floor- marking to another member.

is that over time, the compilation of employees helping behavior will eventually be advantageous for the organization (Organ et al., 2006).-to-one relationship, between every instance of helping behavior and a specific gain

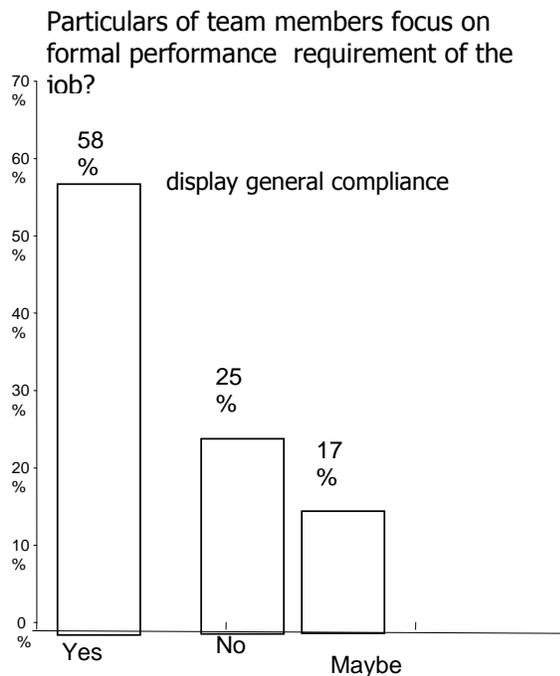
for the organization. The idea is that over time, the compilation of employees helping behavior will eventually be advantageous for the organization (Organ et al., 2006).

General compliance

It represents a person’s obedience to, and compliance with, organizational rules, regulations, and procedures, regardless of who is watching. The team members focus on formal performance as illustrated in Fig 3 for the organization. 58% observed positive job performance by the members.

Figure 3:

Conscientiousness

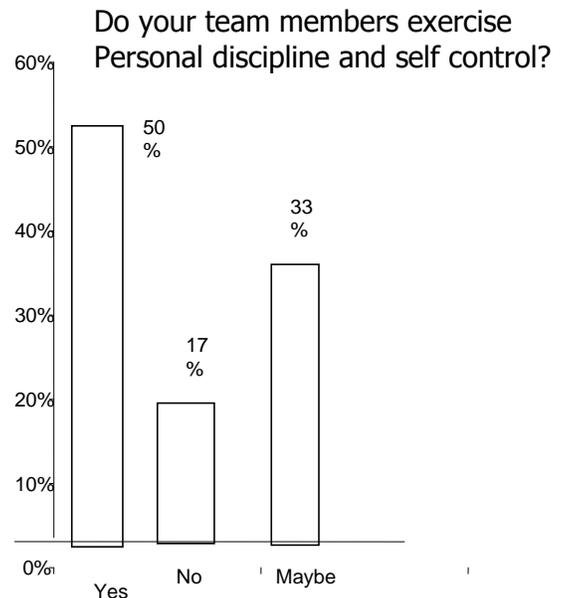


During Lean Improvement program the members accepted and adhered to the rules, regulations, and procedures of the organization. The training brought change in the behavior of the members as illustrated in Fig 4. Members adopted self-discipline, carefulness, thoroughness, deliberation and the tendency to

think carefully before acting. 50% confirmed personal discipline and self control in the members. 50% confirmed pro social behavior in the employees.

Conscientiousness consists of behaviors that go well beyond the minimum role requirements of the organization (Law, Wong, & Chen, 2005). The members need encouragement to volunteer for activities other than work related to build the Company image. (ref fig 5) - pro social behavior encompassing self initiation, volunteering for cultural, team building activities show a positive swing.

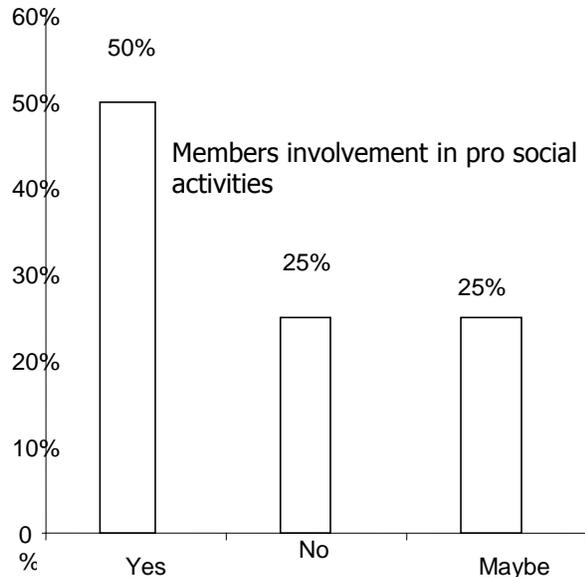
Figure 4: Conscientiousness dimension of OCB



Majority of members

Figure 5: Pro social behavior

Do your team members voluntarily take part in the activities other than work based?

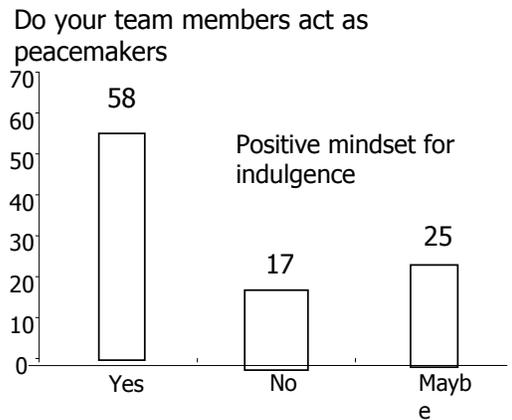


Courtesy

The discretionary behavior that aims to prevent work-related conflicts and prevent problems from

arising is the Courtesy dimension of OCB. The members act as peacemaker when others in the company have disagreements. Implementation of the Lean process required positive mindset in the members to overcome frequent disagreements due to resistance to change. Sections across the Organization (refer fig 6) acknowledged that majority members behaved as peacemakers in resolving disagreements. 58% confirmed members exhibited courtesy and acted as peacemakers.

Fig 6 Courtesy as OCB dimension



Civic virtue

This dimension encompasses positive involvement in the concerns of the organization (Organ et al., 2006). Attending meetings and keeping up with what is going on with the organization in general and engaging himself in policy debates is the behavior exhibited under civic virtue. The respondents mentioned innovative workable suggestions have been on rise since the training, illustrating problem solving approach. 83% confirmed members gave innovative suggestions at work.

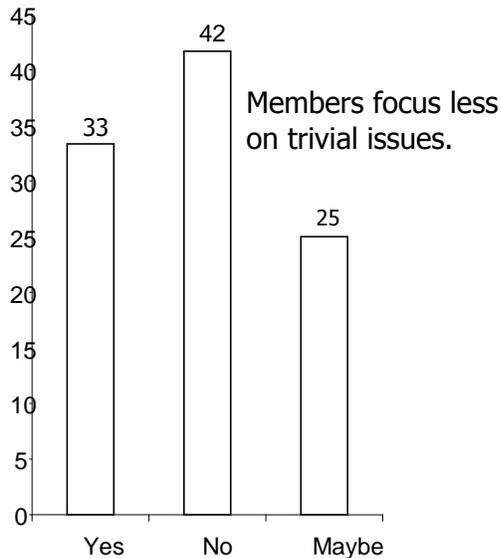
Sportsmanship

The employees in the organization overlook trivial issues to conserve their time and energy. The behavior facilitates employee’s tolerance of less-than-ideal organizational circumstances without complaining and blowing problems out of proportion.

The transformation in the behavior is gradual seen in Fig 7; members need to be trained to discriminate between important and trivial issues. 42% say that team does not waste time on trivial issues and 25% are undecided on this question.

Fig 7: Sportsmanship as OCB dimension

Do team members spend unnecessary time on trivial issues.



CONCLUSIONS:

Survey response from management conclusively proves the hypothesis that Lean positively impacts the OCBs which improves organizational performance significantly. The study suggested further actions for effective implementation of Lean Improvement program. Recreational training and facilities could be enhanced to encourage employee involvement. (50 % respondents observed pro social behavior).

Survey should be conducted again in the next six months to further validate the sustainability of OCB efforts of the organization for bringing transformation through Lean Improvement program was appreciated and reported in the Garment Industry magazine *Stitch World*. (7) The manufacturing company which undertook Lean Program reported positive results as:

- Reduction of inventory by 70%

Increase in floor space utilization by 20%

- 10% savings in manpower

- Improvement in Bottom-up ideas in terms of quality and quantity
- Improvement in Performance metrics by 10%

The result proves the hypothesis that lean improvement training/implementation empowers and promotes OCB, thereby causing a significant improvement in organizational and group performance. Organization took giant leaps in all the performance metrics. While the evidence of impact is conclusive, further actions to encourage change in the sportsmanship and pro social behavior of members is necessary.

The multi dimensions of OCB are interrelated and overlapping in a few cases. OCB efforts are made beyond the requirements specified in the job description, their presence cannot be enforced (Organ, 1988), and their absence cannot be penalized (Van Dyne et al., 1995).

Transformation can only be sustained if resistance to change is consistently fended off by continuously aligning philosophy, people, process and problem solving. Survey response from management conclusively proves the hypothesis that Lean positively impacts the OCB's which in turn drives an increase in organizational performance.

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5. Do you think your team members are utilising their work hours productively?

6. Are your team members spending time doing non- value-add activity or fire fighting?

7. Do your team members persist in overcoming obstacles to complete a task?

8. Do your team members exercise personal discipline and self – control?

9. Do your team members act as a “peacemaker” when others in the team have disagreements?

10. Do your team members voluntary take part in the activities other than work based. (team games, ayudh pooja celebrations or attend functions not required but that help company image etc)

Annexure 1

QUESTIONNAIRE

Name: Department:

Number of people in your team:

1. Have you noticed any change in the behavior of your team members after the Lean training/implementation?
2. Do your team members display altruistic behaviour, i.e. do they support and encourage team work within and between teams?
3. Are your members proud of being a part of the organisation ?
4. Do your team members contribute innovative ideas and suggestions for continuous improvement?

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