

The Effects of Service Worker's Customer Orientation on Organizational Citizenship Behavior

Byung-Ryul Bae* · Gantulga Urandelger** · Sergelen Darkhantuya***

Contents

Abstract	3.3.2 Organizational Citizenship Behavior
1. Introduction	3.3.3 Job Satisfaction
2. Theoretical Background and Hypothesis	3.4 Results
2.1 Customer Orientation	3.4.1 Data Analysis Procedure
2.2 Organizational Citizenship Behavior	3.4.2 Measurement Model
2.3 Job Satisfaction	3.4.3 Structural Model
2.4 Hypothesis	3.4.4 Moderation Effect Analysis
3. Research Methodology	4. Conclusion and Discussion
3.1 Sampling	4.1 Managerial Implication
3.2 Data Collection Procedure	4.2 Limitation and Future Research
3.3 Measures	Reference
3.3.1 Customer Orientation	APPENDIX

Abstract

Every organization needs to maintain its long-term effectiveness through the positive perceptions, attitudes, and behaviors of its members. Customer orientation, job satisfaction, and organizational citizenship behavior (OCB) are the important functioning aspects for the long-term organizational effectiveness. The purpose of this study is to investigate the impact of service-worker's customer orientation on OCB within Korean bank and insurance sector by analyzing the relationship of constructs in the conceptual model.

To achieve research objectives, survey method is employed. Findings of this research reveal that both need and enjoyment dimension of CO are very important in predicting OCB. We sent 220 questionnaires to service workers of the bank and insurance then received 200 valid responses. The research was conducted in bank and insurance agency in J city. The choice of these two types of organizations was dictated by the fact that they have large number of service worker with diverse background at multiple levels in these industries. Results also indicated that the moderating effect of pay satisfaction on the relationship between their OCB and CO had a weak effect.

Keywords: *Customer Orientation, Organizational Citizenship Behavior, Job Satisfaction*

접수일(2014년 3월 14일), 수정완료일(2014년 3월 20일), 게재확정일(2014년 3월 21일)

* Chonbuk National University, Department of Business Administration, Professor, bbr@jbnu.ac.kr

** Chonbuk National University, Department of Business Administration, Ph.D. candidate, go_urnaa@yahoo.com

*** Chonbuk National University, Department of Business Administration, Ph.D. candidate, bg3friend@yahoo.com

1 Introduction

For the last two decades, organizational citizenship behavior (hereafter OCB) has been a major construct in the fields of psychology and management, thus it has received a great deal of attention in the literature (Bateman & Organ, 1983; Niehoff & Moorman, 1993; Organ & Ryan, 1995; Podsakoff, MacKenzie, Paine, & Bachrach, 2000). According to Organ (1988), OCB is an important factor that can contribute to the survival of an organization. Therefore, it is crucial to understand the variables that significantly and positively aid in creating this favorable behavior within the organization.

Determining how OCB contributes indirectly to an organization through the organization's social system has been increasing interest to both scholars and managers. This behavior provides the necessary flexibility to work through many unforeseen contingencies, and it helps employees in an organization to cope with stressful conditions through interdependence (Smith, Organ, & Near, 1983). The extant management literature suggests that OCB affects overall organizational effectiveness (Walz & Niehoff, 1996) and that managers often consider OCB when evaluating employee performance, determining promotions and having pay increases (Podsakoff & MacKenzie, 1997). Thus, employees who engage in OCB are expected to have higher levels of job motivation and job satisfaction than employees who do not. Furthermore, it is suggested that these higher levels of OCB may lead to increased productivity and, consequently, higher profitability.

Customer orientation (hereafter CO) is important for all firms. Because service workers who exhibit a high degree of CO engage in behaviors that increase the satisfaction of their customers (Dunlap

et al., 1988). Kelley (1992) further asserts that customer oriented behaviors lead to the development of long term relationship between the organization and customer that are beneficial to both parties. As firms view long-term relationships with customers as central to business strategies, much interest in determinants for customer-oriented employees (Nor and Azli, 2005). Customer orientation culture influences a service firm's business performance via the development of lasting customer employee relationships (Bove and Johnson, 2000).

Also it focuses on the relationships among customer orientation, job satisfaction, and OCB. This research argues and then produces empirical evidences that job satisfaction has a moderating effect between CO and OCB based on a sample 107 bank customers and 93 insurance customers. The main objective of this research is to answer the following questions:

1. What is the relationship between CO and OCB on bank?
2. What is the relationship between CO and OCB on insurance agency?
3. What is the difference between bank and insurance agency on CO and OCB?
4. Is there any moderating effect of job satisfaction between CO and OCB?

2. Theoretical Background and Hypothesis

2.1 Customer Orientation

The literature in CO is marked by two big approaches: the first approach was proposed by Saxe and Weitz (1982), and the second was evoked by

Brown et al. (2002). It deserves to present both of these approaches and show the difference between them.

For Saxe and Weitz (1982), CO is dedicated to the behavior of the sales force by trying to adjust this one to the benefit of customer satisfaction. Besides, the period of formalization of the first article on the CO by Saxe and Weitz (1982) and the date of publication of the first contributions on the market orientation by Kohli and Jaworski (1990) legitimizes the difference between both concepts. Indeed the market orientation is an organizational concept measured by Narver and Slater's (1990) scale while the customer orientation is an individual concept measured by the Saxe and Weitz's SOCO (Selling Orientation - Customer Orientation) scale (1982). Customer-orientation behavior focuses on the extent to which salespeople practice the marketing concept by helping their customers make purchase decisions that will satisfy their needs (Saxe & Weitz, 1982). Saxe and Weitz (1982) define the customer orientation as being "the degree according to which the salesman applies the notion of the Marketing by trying to accompany the customer in his decisions of purchases so as to answer effectively his needs." More recently, Brown et al. (2002) proposed another definition of customer orientation.

Their perspective emanates from Saxe and Weitz's view (1982) but it is based on the services characteristics and the contact employees' particularity for the company of services. The authors define customer orientation as "an employee's tendency or predisposition to meet customer needs in an on-the-job context"; furthermore, they propose that the customer orientation is composed of two dimensions. The

needs dimension, which ensues from Saxe and Weitz (1982)'s conceptualization, this dimension represents the employees' ability to satisfy customer needs. The second dimension is the enjoyment dimension which represents "the degree to which interacting with and serving customers is inherently enjoyable for an employee" (Brown et al., 2002). They affirm that the two dimensions are necessary to understand a service employee motivation to serve customers and respond to their needs. We agree with the Brown et al.'s view and will use their customer orientation scale in our study.

Customer-oriented attitude is defined as the amount of a salesperson's influence for or against customers. It refers to such issue as affinity to be in contact with the customers and the understanding of the importance of customer orientation for both individual and company's performance. Customer-oriented behavior is conceptualized in a manner consistent with previous research on customer orientation. According to Saxe and Weitz (1982), customer-oriented behavior is defined as the ability of the salespeople to help their customer by engaging in behaviors that increase customer satisfaction. Examples would include behaviors such as trying to help to achieve the customer's goals, discussing the customer's need, and trying to influence the customer with information rather than by pressure. From this concept we can see customer-oriented attitude is similar to customer orientation (need dimension) and also customer-oriented behavior is similar to customer orientation (enjoyment dimension).

2.2 Organizational Citizenship Behavior

Organizational citizenship behaviors (OCB) are

discretionary behaviors on the part of a salesperson that are also believed to directly promote the effective functioning of an organization, without necessarily influencing a salesperson's objective sales productivity. According to Organ (1988), OCB have a variety of forms including altruism, courtesy, sportsmanship, civic virtue, and conscientiousness. Netemeyer et al. (1997) classified OCB into four categories. sportsmanship, civic-virtue, conscientiousness, and altruism. In our research we use three of them these are the altruism, the civic-virtue and lastly the conscientiousness. We excluded sportsmanship because it doesn't fit our service contexts, the bank and the insurance sector.

Altruism is a helping behavior directed at specific individuals. When individuals have specific problems, need assistance, or seek help, altruistic people go an extra mile in assisting them. Altruism and Courtesy have been grouped together by some researchers - and referred to as "helping behavior" (MacKenzie et al., 1998).

Civic Virtue is a behavior which indicates that a salesperson responsibly participates in and is concerned about the life of the company (e.g., attending meetings/functions that are not required but helpful to the company, keeping up with changes in the organization, taking the initiative to recommend company's operations or procedures that can be improved).

Conscientiousness is a discretionary behavior that goes well beyond the minimum role requirements of the organization (e.g., working extra - long days, returning phone calls from the home office promptly, never bending the rules, entertaining only when it is clearly in the best interest of the company to do so). The key elements of OCB are type of behav-

ior that goes beyond what is formally prescribed by the organization discretionary type of behavior not directly rewarded or recognized by the formal structure of the organization; and behavior that is very important for the company performance and operational success (Netemeyer et al., 1997). Walz and Niehoff (1996) noted that OCB represents a set of desirable organizational behaviors, which demonstrate multi-dimensional relationships with positive organizational consequences.

According to Podsakoff et al. (2000), OCB would affect the organizational effectiveness for specific reasons. First of all OCB could help extending the peer performance. Secondly, OCB could improve the managerial productivities. Another, OCB would help improving the use of organizational resource for productive reasons in the efficient manner. The fourth point, OCB could decrease the need of organizational resources for the employee maintenance. Next, OCB may serve as effective basis for the coordination of the activities among team members and work groups. Further more, OCB could improve the organizational ability for hiring and keeping qualified employees by promoting that the organization as an interesting place to work. In addition, OCB could improve the stability of organizational performance. Finally, OCB could improve the ability to adapt with changes in the business environment.

The unique contribution of Organ was to identify a class of employee's work behaviors (organizational citizenship behaviors) whose relationship with job satisfaction, among other variables, might be meaningfully examined in the search for a practically significant workplace behaviors related to employee job attitudes.

2.3 Job Satisfaction

Job satisfaction is how contented an individual is with his or her job. Scholars and human resource professionals generally make a distinction between affective job satisfaction and cognitive job satisfaction (Locke, 1976; Williams, 1991). Affective job satisfaction is the extent of pleasurable emotional feelings individuals have about their jobs overall, and is different to cognitive job satisfaction which is the extent of individuals' satisfaction with particular facets of their jobs, such as pay, pension arrangements, working hours, and numerous other aspects of their jobs. At its most general level of conceptualization, job satisfaction is simply how gratified an individual is with his or her job. At the more specific levels of conceptualization used by academic researchers and human resources professionals, job satisfaction has various definitions. Affective job satisfaction is usually defined as a unidimensional subjective construct representing an overall emotional feeling individuals have about their job as a whole. Hence, affective job satisfaction for individuals reflects the degree of pleasure or happiness their job in general induces. Cognitive job satisfaction is usually defined as being more objective and logical evaluation of various facets of a job. As such, cognitive job satisfaction can be unidimensional if it comprises evaluation of just one aspect of a job, such as pay or maternity leave, or multidimensional if two or more facets of a job are simultaneously evaluated. Cognitive job satisfaction does not assess the degree of pleasure or happiness that arises from specific job facets, but rather gauges the extent to which those job facets are judged by the job holder

to be satisfactory in comparison with objectives they themselves set or with other jobs. While cognitive job satisfaction might help to bring about affective job satisfaction, the two constructs are distinct, not necessarily directly related, and have different antecedents and consequences. Job satisfaction plays a vital role in human life, because it affects positively on the personal and social adjustment of an individual. On the contrary, job dissatisfaction adversely affects on the physical and mental health of a person. The relationship between job satisfaction and employee's performance has always been discussed in organizational behavior and human resource management literature. A highly satisfied employee need not necessarily be profound performer. However, an employee, who is dissatisfied can cause irreparable damage to the organizational effectiveness. Job satisfaction can be defined as an emotional state of mind that reflects an affective reaction to the job and work situation (Dipboye et al., 1994; Farkas & Tetrick, 1989, Lance 1991, Russel & Price, 1988). An employee tends to react negatively towards their job which caused withdrawal of behavior and feeling de-motivated towards their work function. In the context of the job satisfaction components studied were pay, promotion, work itself, supervision and co-workers. We only choose a component of job satisfaction as moderate variables which is the pay satisfaction.

2.4 Hypothesis

We define OCB as the non-compulsive, helpful, and constructive behaviors that are directed to the organization or to its members (Bateman and Organ

1983; Podsakoff and MacKenzie, 1994). Researchers suggest that OCB positively influence the work environment. Several OCB dimensions such as altruism, civic-virtue, conscientiousness have been identified. OCB-altruism is defined as one employee helping another employee who has a work-related problem (MacKenzie, Podsakoff, and Fetter, 1993). MacKenzie et al. (1993) propose that a worker's degree of customer orientation, or disposition to meet customers' needs, is an important construct that is determined more by basic personality traits and the urgency of the specific situational context. Thus, they believe that customer orientation in a service setting is composed of the need dimension and the enjoyment dimension. These dimensions make an employee behave in a customer oriented way. The need dimension represents employees' beliefs about their ability to satisfy customer needs whereas the enjoyment dimension represents the degree to which interacting with and serving customers is inherently enjoyable for an employee. Customer-oriented attitude is defined as the amount of a salesperson's affect for against customers. It refers to such issue as affinity to be in contact with the customers and the understanding of the importance of customer orientation for both the individual and the company's performance. According to Saxe and Weitz (1982), customer-oriented behavior is defined as the ability of the salespeople to help their customer by engaging in behaviors that increase customer satisfaction. Examples would include behaviors such as trying to help to achieve the customer's goals, discussing the customer's need, and trying to influence the customer with information rather than by pressure. From this concept we can see customer-oriented attitude is similar to customer

orientation (need dimension) and also customer-oriented behavior is similar to customer orientation (enjoyment dimension).

We posit that customer-oriented employees are motivated to help fellow employees, never bend the rules, participate and show concerned about the life of the company as a means of ultimately satisfying customers; that is, customer-oriented employees recognize that for successful exchanges with customers to occur, effective internal exchanges must occur first (George, 1990; Gronroos, 1990). This leads to the following hypotheses:

H1-1: Service worker's CO (enjoyment) will be positively associated with his/her OCB-altruism.

H1-2: Service worker's CO (need) will be positively associated with his/her OCB-altruism.

OCB-Conscientiousness is enhances the efficiency of both an individual and the group (e.g., efficient use of time and going beyond minimum expectations, Organ 1988). We posit that customer-oriented employees are motivated to work hard and efficiency as a means of ultimately satisfying customers. This leads to the following hypotheses:

H2(a): Service worker's CO (enjoyment) will be positively associated with his/her OCB-conscientiousness.

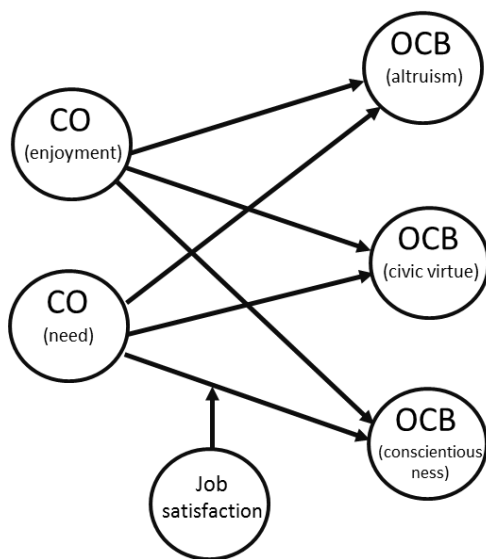
H2(b): Service worker's CO (need) will be positively associated with his/her OCB-conscientiousness.

OCB-Civic-Virtue is defined as a behavior that

indicates the salesperson responsibly participates in and is concerned about the life of the company (e.g., attending meetings/functions that are not required but helpful for the company, keeping up with changes in the organization, taking the initiative to recommend how company's operations or procedures can be improved). We posit that customer-oriented employees are motivated to responsibly participate in life of the company. This leads to the following hypothesis:

H3(a): Service worker's CO (enjoyment) will be positively associated with his/her OCB-civic-virtue.

H3(b): Service worker's CO (need) will be positively associated with his/her OCB-civic virtue.



Note: Job satisfaction moderated for all path. We showed only the relationship between need and conscientiousness for clarity.

Fig. 1. Research model

2.4.1 Moderating Effects of Job Satisfaction

According to Podsakoff et al. (2000), employee job satisfaction is the important determinant of extra-role behaviors, including OCB and CO. We further suggest that as service employees become more satisfied with their jobs, organization citizenship behaviors will increase. It has been shown that job satisfaction is correlated with OCB (Bateman and Organ, 1983; Organ and Ryan, 1995; Smith, Organ, and Near, 1983). Employees who have satisfaction from their job tend to value their task and assignment, responsibly and dedicatedly. Therefore, almost no doubt about the relationship between job satisfaction on OCB. Therefore, the hypothesis being tested:

Hypothesis 4: Service worker's CO and OCB will be moderated by the level of job satisfaction:

H4-1: Service worker's CO (enjoyment) and OCB (altruism) will be moderated by level of job satisfaction.

H4-2: Service worker's CO-enjoyment and OCB-civic virtue will be moderated by level of job satisfaction.

H4-3: Service worker's CO-enjoyment and OCB-conscientiousness will be moderated by level of job satisfaction.

H4-4: Service worker's CO-need and OCB-altruism will be moderated by level of job satisfaction.

H4-5: Service worker's CO-need and OCB-civic virtue will be moderated by level of job satisfaction.

H4-6: Service worker's CO-need and OCB-conscientiousness will be moderated by level of job satisfaction.

3. Research Methodology

3.1 Sampling

For the purpose of achieving research objectives, convenience sampling was used in this study. This study consists of service workers in firms in the banking and insurance industries. The choice of these types of organizations was dictated by the fact that they have large numbers of service workers with diverse background at multiple levels in these industries. Data were analyzed by using the Smart PLS 2.0 (Ringle et al., 2005). The data were ruled out if the participants indicated an inappropriate age or incomplete information. Therefore, the target population of this study was comprised of service workers, who lived in J city Korea.

We collected data from the employees of a financial institution. The financial services industry was appropriate for testing our hypothesis for various reasons. Financial institutions employ hundreds of people in job ranging from low customer contact to high customer contact. Furthermore financial services are one of the pure services in the sense that transactions involve few tangible. Many of the services that financial institutions offer are continuous in nature rather than discrete.

Also we collected data from the employees of midsize banks located in J city. We assured all participants that their individual answers would be held in confidence. All a hundred ten (110) surveys were distributed to three branches of service workers in banks. We received 93 completed surveys, for a response rate is 84.5%. The questionnaire included measures of CO, job satisfaction and OCB, presented in that order. Most respondents were

male (62.4%). We also collected data from the employees of insurance agencies located in J city. One hundred ten (110) surveys were distributed to service workers in insurance agencies and received 107 completed surveys for a response rate 93.6%. Most respondents were male (50.5%).

3.2 Data Collection Procedure

This research collected the data from September to December in 2012. The research was conducted in bank and insurance agency in J city. Two hundred twenty surveys were distributed to two hundred twenty service workers (N = 220) of the three branches in Korean bank and insurance industries. Of this, one hundred ten surveys were distributed to service workers in banks and also one hundred ten were distributed to service worker in insurance companies.

As shown in Table 1, a total of 206 questionnaires were collected. This yielded a 93.6% response rate. Among the 206 employees 6 employees did not fill out the questionnaires completely. Among the 200 usable questionnaires, 93 (46.5%) questionnaires were collected from bank employees, 107 (53.5%) questionnaires were collected from insurance employees.

Tab. 1. Response Rate

Descriptions	Number and percentage
Surveys returned	206
Incomplete questionnaires	6
Percent unusable	9.1%
Net number usable	200
Number and percent of rating of bank employees	93(46.5%)
Number and percent of rating of insurance employees	107(53.5%)

Tab. 2. Demographic profile of respondents of bank and insurance

Variable	Attribute	Number		%	
		Ins	Bank	Ins	Bank
Gender	Male	54	58	50.5	62.4
	Female	53	35	49.5	37.6
Age	Less than 25	22	4	20.6	4.3
	26~39	50	52	46.7	55.9
	40~55	31	36	29.0	38.7
	More than 56	4	1	3.7	1.1
Experience	Less than 5 years	74	31	69.2	33.3
	6~15 years	28	41	26.1	44.1
	Than more 16 years	5	21	4.7	22.6
Income	1.5~2.0 won(million)	13	18	12.1	19.4
	2.01~2.5 won(million)	42	11	39.3	11.8
	2.5~3.0 won(million)	17	17	15.9	18.3
	3.01~3.5 won(million)	9	9	8.4	9.7
	More than 3.51 won (million)	26	38	24.3	40.9
TOTAL		107	93	100%	100%

3.3 Measures

3.3.1 Customer Orientation

The measure of employee customer orientation used the two dimensional scale from Brown et al. (2002). The needs dimension is assessed with six items (e.g., I try to help customers achieve their goals), and the enjoyment dimension with six items (e.g., I find it easy to smile at each of my customers). Each question uses a seven point Likert-type scale anchored on strongly disagree to strongly agree.

In this conceptualization, the first facet reflects the degree to which the individual has the ability

to focus on customer need satisfaction and second reflects the enjoyment received from such a focus.

3.3.2 Organizational Citizenship Behavior

The measure of employees organizational citizenship behavior used three dimensions from MacKenzie et al. (1993). We used 9 items to assess the dimensions of altruism, civic virtue, and conscientiousness based on each 3 items. The respondents evaluated each item on a seven point scale ranging from 1 (strongly disagree) to 7 (strongly agree).

3.3.3 Job Satisfaction

We use the scales developed by Spector (1997) with four items. This scale is an overall measure of the employee job satisfaction. This scale was administrated to bank and insurance service workers. The respondents evaluated each item on a seven point scale ranging from 1 (strongly disagree) to 7 (strongly agree).

3.4 Results

3.4.1 Data Analysis Procedure

Partial least square (PLS) was employed to test model and hypotheses. Henseler et al. (2009) described about the advantages of the PLS path modeling as follows: ① represent latent variable scores of constructs, ② avoid small sample size problems, ③ estimate complex model with many latent and manifest variables, ④ have less stringent assumptions about distribution of variables and error terms, and ⑤ handle both reflective and formative measurement models. Because our research model has many constructs and sample size is small, so

we choose PLS modeling approach. Model estimation was performed by Smart PLS 2.0 (Ringle et al., 2005). To test whether path coefficients are statistically significant different from zero, t-values were calculated using bootstrapping procedure with 1000 re-samples (Chin, 1998).

PLS path models have two sets of linear equation: Inner model (structural model) and outer model (measurement model). Inner model specifies the relationship among unobserved or latent variable, and outer model specifies the relationships between latent variable and its observed manifest variable (Henseler et al., 2009).

Tab. 3. List of items for each constructs in Insurance

Item	Construct	SRW*	CR	AVE	alpha
enjoy 1	CO (enjoyment)	.674	.847	.528	.776
enjoy 2		.708			
enjoy 3		.813			
enjoy 4		.710			
enjoy 5		.718			
need 1	CO (need)	.764	.875	.584	.821
need 2		.773			
need 3		.820			
need 4		.693			
need 5		.766			
altruism 1	OCB (altruism)	.832	.901	.753	.838
altruism 2		.918			
altruism 3		.875			
civic 1	OCB (civic virtue)	.853	.857	.657	.741
civic 2		.813			
civic 3		.763			
cons 1	OCB (conscientiousness)	.780	.844	.643	.729
cons 2		.825			
cons 3		.800			

Note: SRW-Standardized Regression Weights.

* All t-value > 2.00.

Tab. 4. List of items for each constructs in Bank

Item	Construct	SRW*	CR	AVE	alpha
enjoy 1	CO (enj)	.776	.912	.675	.879
enjoy 2		.864			
enjoy 3		.804			
enjoy 4		.802			
enjoy 5		.859			
need 1	CO (Ne)	.803	.914	.681	.883
need 2		.790			
Need 3		.831			
need 4		.839			
need 5		.861			
altruism 1	Alt	.893	.919	.791	.868
altruism 2		.902			
altruism 3		.872			
civic 1	C/vir	.845	.894	.739	.823
civic 2		.878			
civic 3		.855			
cons 1	Cons	.828	.903	.758	.839
cons 2		.923			
cons 3		.857			

Note: SRW-Standardized Regression Weights.

* All t-value > 2.00.

3.4.2 Measurement Model

The general approach recommended by Gefen et al. (2000) for evaluating validity and reliability was followed. Convergent and discriminant validity was examined for the assessment of validity. Convergent validity signifies that a set of indicators represents the same underlying construct. Average variance extracted (AVE) used as a criterion of convergent validity (Fornell & Larcker's, 1981). If AVE is more than 0.5, it indicates that construct has sufficient convergent validity. Composite reliability (CR) used to measure internal consistency. CR must be higher than 0.7. Our data shows that

Tab. 5. Reliability, Convergent and Discriminant Validity (Bank & Insurance)

Constructs	Bank		Insurance		1	2	3	4	5
	CR	AVE	CR	AVE					
1. CO (enjoy)	.912	.675	.847	.528	1.000	.665	.557	.481	.522
2. CO (need)	.914	.681	.875	.584	.783	1.000	.570	.511	.660
3. OCB (altr)	.919	.791	.901	.753	.551	.629	1.000	.552	.562
4. OCB (c/vir)	.894	.739	.857	.657	.605	.594	.626	1.000	.456
5. OCB (cons)	.903	.758	.844	.643	.565	.652	.682	.650	1.000

CR is more than 0.7 and AVE is more than 0.5 so all constructs have a convergent validity.

Fornell and Larcker's (1981) criterion was used to assess discriminant validity. The AVE of each latent variables should be higher than the squared correlations with all other latent variables ($AVE > \phi^2$). Our data shows that all AVE exceed the squared correlation, so all constructs have discriminant validity. Table 5 shows the CR, AVE, and correlations among latent variables.

3.4.3 Structural Model

As outer model shows that data is reliable and valid, so we can evaluate inner model. Structural model (inner model) specifies the relations among latent constructs.

We tested the significance level of path coefficients with a bootstrapping with 1000 re-samples. Insurance results shown in Table 6. Results indicates that hypotheses 1(a), 1(b) and 2(b) to 3(b) are significant, but hypotheses 2(a) is rejected. Path coefficient from CO (enjoy) to OCB (alt) was significant ($t = 3.12, p < .000$), Path coefficient from CO (enjoy) to OCB (civic virtue) was significant ($t = 2.16$), path coefficient from CO (need) to OCB(alt) was significant ($t = 3.18$), path coefficient from CO(need) to OCB(civ) was significant ($t =$

3.17) and path coefficient from CO (need) to OCB (cons) was significant ($t = 4.99$). Bank results shown in Table 7. Results indicates that hypotheses 1(b) and 2(b) to 3(b) are significant, but hypotheses 1(a) and 2(a) are rejected. Path coefficient from CO (enjoy) to OCB (civ) was significant ($t = .238, p < .000$), path coefficient from CO(need) to OCB (alt) was significant ($t = 3.69$), path coefficient from CO (need) to OCB (civ) was significant ($t = 2.10$), and path coefficient from CO (need) to OCB (cons) was significant ($t = 5.33$).

Tab. 6. Parameter estimation of the theoretical models: Insurance

Hypothesis	Path	SC	t-value	Result
H-1a	CO (enjoy) → OCB (alt)	.318	3.127	accepted
H-1b	CO (enjoy) → OCB (civ)	.253	2.163	accepted
H-2a	CO (enjoy) → OCB (cons)	.150	1.184	rejected
H-2b	CO (need) → OCB (alt)	.358	3.185	accepted
H-3a	CO (need) → OCB (civ)	.343	3.179	accepted
H-3b	CO (need) → OCB (cons)	.560	4.994	accepted

Note: SC: Standardized Coefficients.

Tab. 7. Parameter estimation of the theoretical models: Bank

Hypothesis	Path	SC	t-value	Result
H-1a	CO (enj) → OCB (alt)	.152	1.238	rejected
H-1b	CO (enj) → OCB (civ)	.360	2.383	accepted
H-2a	CO (enj) → OCB (cons)	.140	1.398	rejected
H-2b	CO (need) → OCB (alt)	.509	3.693	accepted
H-3a	CO (need) → OCB (civ)	.312	2.102	accepted
H-3b	CO (need) → OCB (cons)	.542	5.334	accepted

Note: SC: Standardized Coefficients.

3.4.4 Moderation Effect Analysis

We choose pay satisfaction as a moderator variable to both CO enjoy and CO need which also connect to OCB altruism, OCB civic virtue and OCB conscientiousness.

We tested the moderator effect but there are no big differences between two models. pay satisfaction doesn't make much effect towards OCB altruism, OCB civic virtue and OCB conscientiousness as we checked both prospects bank and insurance they have the same results. Some researchers already proved that customer oriented people who receive and satisfy a higher pay exert

Tab. 8. Moderation effect analysis: Insurance

Path	Model 1		Model 2	
	path	t-value	path	t-value
CO (enj) → OCB (alt)	.506	7.647	.456	1.442
Pay sat → OCB (alt)	.162	1.701	.084	.137
Pay sat * CO (enj) → OCB (alt)			.108	.139
R ²	.347		.347	
CO (enj) → OCB (civ)	.446	5.497	.552	1.341
Pay sat → OCB (civ)	.116	1.248	.239	.407
Pay sat * CO (enj) → OCB (civ)			-.169	.137
R ²	.254		.254	
CO (enj) → OCB (con)	.454	4.92	.730	2.221
Pay sat → OCB (con)	.190	2.17	.633	1.253
Pay sat * CO (enj) → OCB(con)			-.617	.885
R ²	.315		.320	
CO (need) → OCB (alt)	.530	8.779	.268	.943
Pay sat → OCB (alt)	1.31	1.518	-.404	.635
Pay sat * CO (need) → OCB (alt)			.694	.885
R ²	.358		.362	
CO (need) → OCB (civ)	.484	6.39	.400	1.272
Pay sat → OCB (civ)	.088	.817	-.091	.141
Paysat * CO (need) → OCB (civ)			.229	.277
R ²	.278		.279	
CO (need) → OCB (con)	.617	8.72	.815	3.23
Pay sat → OCB (con)	.110	1.24	.350	.923
Pay sat * CO (need) → OCB (con)			-.541	.759
R ²	.453		.455	

Tab. 9. Moderation effect analysis: Bank

Path	Model 1		Model 2	
	path	t-value	path	t-value
CO (enj) → OCB (alt)	.510	5.505	.667	4.771
Pay sat → OCB (alt)	.188	1.654	.446	.1311
Pay sat * CO (enj) → OCB (alt)			-.362	1.012
R ²	.343		.362	
CO (enj) → OCB (civ)	.589	7.339	.668	4.580
Pay sat → OCB (civ)	.099	.921	.238	.698
Pay sat * CO (enj) → OCB (civ)			-.184	.538
R ²	.386		.390	
CO (enj) → OCB (con)	.547	7.433	.616	6.66
Pay sat → OCB (con)	.088	.817	.167	.892
Pay sat * CO (enj) → OCB (con)			-.144	.828
R ²	.330		.338	
CO (need) → OCB (alt)	.613	6.310	.903	4.067
Pay sat → OCB (alt)	.221	2.108	.901	1.440
Pay sat * CO (need) → OCB (alt)			-.780	1.189
R ²	.448		.475	
CO (need) → OCB (civ)	.592	8.558	.839	2.846
Pay sat → OCB (civ)	.207	1.910	.768	1.088
Pay sat * CO (need) → OCB (civ)			-.628	.849
R ²	.401		.410	
CO (need) → OCB (con)	.645	10.25	.661	3.372
Pay sat → OCB (con)	.111	1.314	.149	.341
Pay sat * CO (need) → OCB (con)			-0.44	0.99
R ²	.441		.441	

more effort to do well at the organization. So it means the pay satisfaction motivates them to act the expected response to customers. However, as we tested our moderator variable to both bank and insurance agencies, it doesn't show any changes. Either there is a pay satisfaction or no pay satisfaction the result is still the same. In addition, we also consider that the prospects for this research can bring different effect.

4. Conclusion and Discussion

In order to sustain the organization's long-term effectiveness in twenty first century, employees

need to do positive individual behavior and attitudes. As stated by Yilmaz and Tasdan (2009), organizations need employees' cooperation, benevolence, self-sacrifice and, at times with extra effort. First, our conceptual model has a good fit with the sampling data. Based on the insurance data, all hypotheses except for hypothesis (H1(b): CO-enjoyment will be positively associated with employee's OCB-conscientiousness) are empirically supported. Based on the bank data, all hypotheses except for two hypothesis (H1(a): CO-enjoyment will be positively associated with employee's OCB (altruism) and (H2(a): CO-enjoyment will be positively associated with employee's OCB (conscientiousness))

are empirically supported. This study examined how service worker's customer orientation influences OCB on bank and insurance context. The results indicate that customer oriented service worker enhances OCB. The findings also reveal that customer orientation development is positively related to OCB. The positive contribution of OCB to organizational performance is well acknowledged by the literatures (e.g., Castro et al., 2004; Podsakoff & MacKenzie, 1997). However, understanding the importance of the dimensionality of OCB can be extremely useful for organizational behavior studies. Although the dimensionality of OCB has been studied in previous researches, no known researches have been found to empirically study the dimensionality of OCB in the J city, Korea context. Hence, this study has added to the growing body of research in OCB by using a series of tests to test for validity and reliability of the constructs. We also examined the moderating role of pay satisfaction in the link between CO and OCB's. Hypothesis 4 examined the moderating role of job satisfaction in the relationship between CO and OCB's. But among the service employees in bank and insurance sector there were no big difference in job satisfaction.

4.1 Managerial Implication

It is vital for all service companies to empirically test the effect of their employee's attitudes and behavior over and above a mere consideration of their performance. For managers, the section on managerial implications discusses the relevance of the findings to the practice of service management and marketing, and makes recommendations for mana-

gerial actions.

Employee job satisfaction moderates the relationship between two CO dimensions and employee OCB. Our results show that OCB is key variable to improve employee customer orientation. Therefore, service managers who want their employees to develop behaviors with extraordinary dedication should inspire the personnel and change their complacency for a set of expectations or challenges to go further than their current way of serving customers. Managers must try to clarify its quality standards and the role of the customer-contact employee, through open and effective communication. It is important to have leaders who help, show interest in knowing employee ideas and opinions, and use internal marketing to implant a vision of service among the customer-contact employees. Only one job satisfaction (pay) does not affect to employee job satisfaction and OCB. One possible explanation of this result may be that the mediating variables not considered in the study. Our results have important repercussions. Bank and insurance industries who wish their personnel to develop more CO will have to place greater emphasis on service leadership, to incentive a culture of OCB and to achieve greater job satisfaction among customer-contact employees.

In turn, it will lead to higher quality of service. In particular, although some managers see OCB as a threat to their authority, they must understand that it is important for customer oriented to become a part of the service culture of the organization.

4.2 Limitation and Future Research

Like all studies, this study also has its limitations.

First, the questionnaire survey was conducted only within two service industries (bank and insurance). Although, We found that there is no significant difference between these two industries, We cannot completely rule out the possibility that the results may differ across other industries. Future research should be directed to look at these relationships across various service sectors.

Several limitations, which leads to future studies within this area. One of the circumstances that may have negatively influenced the results is unsatisfactory number of participants in the present study. Due to limited time, we only admit that 200 service workers from one city in J city may be too small a sample and may have too little of a variability which could reduce correlations between variables making explanation of these correlations by the model more difficult employee's perception. Increasing the sample size, testing this model extensively, thus future research could be generalized.

Finally, as many customer service worker take on an increasingly global presence, this study is limited as all respondents work and live within South Korea. Future research should examine these relationships in a multi-national context. Distinct difference may exist between a US sample and the Korean sample used in this study, that when examined could provide guidance to managers of international sales forces.

References

- [1] Bateman, T. S. and Organ, D. W. (1983), "Job satisfaction and the good soldier: The relationship between affect and employee citizenship," *Academy of Management Journal*, 26, 587-595.
- [2] Bove, L. L. and Johnson, L. W. (2000), "A customer-service worker relationship model," *International Journal of Service Industry Management*, 11(5), 491-511.
- [3] Brown, T. J., Mowen. J. C., Donovan, D. T., and Licata, J. W. (2002), "The customer orientation of service workers: personality trait effects on self and supervisor performance ratings," *Journal of Marketing Research*, 39(1), 110-119.
- [4] Castro, C. B., Armario, E. M., and Ruiz, D. M. (2004), "The influence of employee organizational citizenship behavior on customer loyalty," *International Journal of Service Industry Management*, 15(1), 27-53.
- [5] Chin, W. W. (1998), "The partial least squares approach for structural equation modeling," In G. A. Marcoulides (Ed.), *Modern methods for business research* (pp. 295-236). London: Lawrence Erlbaum Associates
- [6] Dipboye, R. L., Smith, C. S., and Howell, W. C. (1994), "Understanding and Industrial and Integrated Organizational Approach Psychology," Harcourt Brace College Publishers, FortWorth.
- [7] Dunlap, B. J., Dotson, M. T., and Chambers, T. M. (1988), "Perceptions of real-estate brokers and buyers: a sales orientation, customer orientation approach," *Journal of Business Research*, 17, 175-87.
- [8] Fornell, C. and Larcker, D. F. (1981), "Evaluating structural equation models with unobservable variables and measurement error," *Journal of Marketing Research*, 18(1), 39-50.
- [9] Farkas, A. and Tetrick, L. (1989), "A three-

- wave longitudinal analysis of the causal ordering of satisfaction and commitment on turnover decisions,” *Journal of Applied Psychology*, 74, 855-868.
- [10] George, W. R. (1990), “Internal marketing and organizational behavior a partnership in developing customer-conscious employees at every level,” *Journal of Business Research*, 20(1), 63-70.
- [11] Gronroos, C. (1990), “Relationship approach to marketing in service contexts: The marketing and organizational behavior interface,” *Journal of Business Research*, 14, 226-229.
- [12] Gefen, D., Straub, D. W., and Boudreau, M. C. (2000), “Structural equation modeling techniques and regression: guidelines for research Practice,” *Communications of the AIS* 1(7), 1-78.
- [13] Henseler, J., Christain, M., Ringle, R., and Sinkovics (2009), “The use of partial least square path modeling in international marketing,” *Advances in International Marketing*, 20, 277-319.
- [14] Kohli, A. K. and Jaworski, B. J. (1990), “Market orientation: The construct, research propositions and managerial implications”, *Journal of Marketing*, 54(2), 1-18.
- [15] Kelley, S. W. (1992), “Developing customer orientation among service employees,” *Journal of the Academy of Marketing Science*, 20, 27-36.
- [16] Locke, E. A. (1976), “The nature and causes of job satisfaction,” In M. D. Dunnette (Ed.), *Handbook of Industrial and Organizational Psychology*. Chicago.
- [17] Lance, C. E. (1991), “Evaluation of a structural model relating job satisfaction, organizational commitment, and precursors to voluntary turnover,” *Multivariate Behavioral Research*, 26, 137-162.
- [18] MacKenzie, S. B., Podsakoff, P. M., and Fetter, R. (1993), “The impact of organizational citizenship behavior on evaluations of sales performance,” *Journal of Marketing*, 57, 70-80.
- [19] MacKenzie, S. B., Podsakoff, P. M., and Ahearne, M. (1998), “Some possible antecedents and consequences of in-role and extra-role salesperson performance,” *Journal of Marketing*, 62, 87-98.
- [20] Netemeyer, R. G., James, S. B, Daryl, O. M., and Robert, C. M. (1997), “An investigation into the antecedents of organizational citizenship behaviors in a personal selling context,” *Journal of Marketing*, 61(7), 85-98.
- [21] Narver, J. C. and Slater, S. F. (1990), “The effect of market orientation on business profitability,” *Journal of Marketing*, 4, 20-35.
- [22] Niehoff, B. P. and Moorman, R. H. 1993. “Justice as a mediator of the relationship between methods of monitoring and organizational citizenship behavior.” *Academy of Management Journal*, 36, 527-556.
- [23] Nor, A. M. N. and Azli, M. (2005), “Individual Factors that Predict Customer-Orientation Behaviour of Malaysian Life Insurance Agents,” *Journal Pengurusan*, 24(1), 125-149.
- [24] Organ, D. W. (1988), “Organizational citizenship behavior: The good soldier syndrome,” Lexington MA, Lexington books.
- [25] Organ, D. W. and Ryan, K. (1995), “A meta analytic review of attitudinal and dispositional predictors of organizational citizenship behav-

- ior," *Personnel Psychology*, 48, 775-802.
- [26] Podsakoff, P. M. and MacKenzie, S. B. (1994), "Organizational citizenship behaviors and sales unit effectiveness," *Journal of Marketing Research*, 31, 351-363.
- [27] Podsakoff, P. M. and MacKenzie, S. B. (1997), "The impact of organizational citizenship in organizational performance: Review and suggestion for future research," *Human Performance*, 10, 133-151.
- [28] Podsakoff, P. M., MacKenzie, S. B., Paine, J. B., and Bachrach, D. G. (2000), "Organization citizenship behaviors: a critical review of the theoretical and empirical literature and suggestions for future research," *Journal of Management*, 26, 513-563.
- [29] Russell, D. W. and Price, J. L. (1988), "Discriminant validation of measures of job satisfaction, job involvement, and organizational commitment," *Journal of Applied Psychology*, 73(2), 139-146.
- [30] Ringle, C. M., Wende, S., and Will, A. (2005), *Smart PLS 2.0*, Hamburg, <http://www.smartpls.de>.
- [31] Saxe, R. and Weitz, B. A. (1982), "The SOCO scale: A measure of the customer orientation of sales people," *Journal of Marketing Research*, 19(3), 343-351.
- [32] Smith, C. A., Organ, D. W., and Near, J. P. (1983), "Organizational citizenship behavior: Its nature and antecedents," *Journal of Applied Psychology*, 68, 653-663.
- [33] Spector, P. E. (1997), "Job Satisfaction: Application, Assessment, Causes and Consequences," Thousand Oaks, CA: Sage.
- [34] Williams, L. J. and Anderson, S. (1991), "Job satisfaction and organizational commitment as predictors of organizational citizenship and in-role behaviors," *Journal of Management*, 17, 601-617.
- [35] Walz, S. and Niehoff, B. P. (1996), "Organizational citizenship behaviors and their effect on organizational effectiveness in limited menu restaurants," *Academy of Management Meetings*, 37, 765-802.
- [36] Yilmaz, K. and Taşdan, M. (2009), "Organizational citizenship and organizational justice in Turkish primary schools," *Journal of Educational Administration*, 47(1), 108-126.

<APPENDIX>

Sample items for Customer Orientation, Organizational Citizenship Behavior and Job Satisfaction scales.

Constructs	Items
CO (Enjoyment) Brown et al. (2002)	I find it easy to smile at each of my customers
	I enjoy remembering my customers names
	It comes naturally to have empathy for my customers
	I enjoy responding quickly to my customer's request
	I get satisfaction from making my customers happy
	I really enjoy serving my customers
CO (Need) Brown et al. (2002)	I try to help customers achieve their goals
	I achieve my own goals by satisfying customers
	I get customers to talk about their service needs with me
	I take a problem solving approach with my customers
	I keep the best interest of the customer in mind
	I am able to answer a customer's questions correctly
OCB (Altruism) MacKenzie et al. (1993)	Help orient new agents even though it is not required
	Always ready to help or lend a helping hand to those around me
	Willingly give my time to others
OCB (conscientiousness) MacKenzie et al. (1993)	Consciously follow company regulations and procedures
	Turn in budget, sales projection, expense report, etc. earlier than required
	Return phone calls and respond to other messages and requests for information promptly
OCB (civic virtue) MacKenzie et al. (1993)	Keep up with developments in the company
	Attend functions that are not required but that help the company images
	Risk disapproval in order to express my belief about what's best for the company
Job satisfaction Spector (1997)	I feel I am being paid fair amount for the work I do
	Raises are too few and far between (R)
	I am unappreciated by the organization when I think about what they pay me
	I feel satisfied with my chances for salary increases



배 병렬 (Byung R. Bae)

전북대학교 경영학과에서 마케팅으로 박사학위를 취득하였고, 현재 전북대학교 경영학부 교수로 재직 중이다. 미국 인디애나(Indiana) 대학교에서 객원연구원으로 공부한 바 있다.

주요 논문은 유통학회, 유통경영학회지, 산업경제연구, 대한경영학회지 등에 발표되었다. 구조방정식모델링에 많은 관심을 갖고 있어, ‘Amos 19: 구조방정식모델링’, ‘LISREL 9.1: 구조방정식모델링’ 등의 저서가 있다.



간툴가 오란덴갈 (Gantulga Urandelger)

전북대학교 경영학과에서 마케팅으로 석사학위를 취득하였고, 현재 전북대학교 대학원에서 마케팅 박사과정 중이다. 서비스마케팅 분야에 관심을 갖고 연구를 하고 있다



세르겔렌 따라한토야 (Sergelen Darkhantuya)

전북대학교 경영학과에서 마케팅으로 석사학위를 취득하였고, 현재 전북대학교 대학원에서 마케팅 박사과정 중이다. 마케팅유통/온라인마케팅 서비스 분야에 관심을 갖고 연구를 하고 있다