

# **The Relationship between Soft TQM and Organizational Citizenship Behavior: A Case of Islamic Banks in Indonesia**

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## **Abstract**

As global market space is only available for those who offer the best value for their products or services, every business must start to initiate quality measures as an integral part of its corporate strategies, to survive in the market. The purpose of this study is to investigate the relationship between five human related aspects of TQM (also known as soft TQM) with Organizational Citizenship Behavior (OCB) of Islamic banks' employees in Indonesia. A self-administered questionnaire was used as the main instrument to obtain information from employees of Islamic banks located in Central Java, Indonesia. Of the 850 questionnaires sent out, 497 usable questionnaires were returned, resulting in a response rate of 58.5 percent. Factor analysis, Pearson correlation and hierarchical regression method of analysis were applied for hypotheses testing. The results indicated that top management commitment, reward and recognition, education and training, empowerment as well as customer focus showed positive and significant association with OCB. Reward and recognition was perceived as a dominant OCB's determinant in Islamic banks in Indonesia. The result of the study prescribed potential implications for the management of Islamic banks in Indonesia to review their leadership and top management commitment to be aligned with the training and education needs of their employees. Moreover employees' empowerment along with appropriate reward and recognition should be acted upon as an integral part of the company's strategic vision to obtain higher level of employees' citizenship behavior. Additionally this study has contributed in advancing TQM literatures service context by promoting better understanding on the relationship between soft TQM facets with organizational citizenship behavior that would facilitate more research in service industry in developing countries.

**Keywords:** Soft TQM, Organizational Citizenship Behavior, Islamic banking, Indonesia.

## **1.0 Introduction**

## 1.1 Background

Abundant of researches emphasize on the magnitude of quality management as an important requirement for competitive advantage (for example, Ahire *et al.*, 1996; Feigenbaum, 1991; Flynn *et al.*, 1994; Rahman, 2002a; Saraph *et al.*, 1989; Schneider & Bowen, 1995; Sureshchandar *et al.*, 2002b). Most of the previous researches, however, were conducted in developed countries and little studies were performed within developing countries. Total Quality Management, as Western management practice, can possibly be conducted successfully at developing countries despite of high civilization and organizational challenges (Mellahi and Eyuboglu, 2001). Therefore, to contribute to complete description of quality initiatives worldwide, a research needs to be undertaken in a developing country such as Indonesia.

Total Quality Management (TQM) needs flexible, skillful and committed employees, however, the term “quality is everyone’s responsibility” remains as a slogan only (Elci *et al.*, 2007). To get employees total commitment, quality must not be implemented as artificial movements of a company instead it should become the firms’ culture which directs employees’ work behaviors. Employees tend to provide excellent service to customers if there is strong management support to customer driven quality (Robbins, 1995).

Increasing business awareness on the significance of TQM may be attributed to its positive associations with employees work manners and behavior (Dose, 1997). Nonetheless only few researches have attempted to connect between TQM accomplishment with work associated outcomes (see for example the work of Karia and Asaari, 2006; Kivimaki *et al.*, 1997; Lam, 1995; Morrow, 1997; Ooi *et al.*, 2008). Therefore, more studies are needed to scrutinize the correlation between TQM and work related outcomes (WRO). In addition reviews by Ahire *et al.* (1996) concluded that a number of published papers in the field of TQM were mainly conceptual and case study based. Thus, more experimental and explanatory researches are required to support the development of TQM into a formal discipline of study (Rahman, 2002b).

The study results are useful parameters for measuring the degree of success in implementing TQM as stated by Morrow (1997) that “study on TQM’s influences on intermediary outcomes is an interesting topic for research”. Previous efforts made to relate the research were performed in manufacturing environments while few studies were carried out in service settings (Sureshchandar, *et al.* 2001). Therefore, to enhance the literature and theoretical building in the association between TQM and work related outcomes more researches are needed in the service sector.

## 1.2 Research Objectives

Foremost, the aim of the research is to investigate the relationship between each soft TQM dimensions-top management commitment, reward and recognition, education and training, empowerment, and customer focus - with organizational citizenship behavior in the context of Islamic banks in Indonesia. Furthermore, this study is purported to give elucidation regarding paradoxical conclusions on such relationship.

## 2.0 Literature Review

### 2.1 Defining TQM

Some scholars have proposed alternative conceptions of TQM (for instance Tenner and DeToro, 1992; Anderson, Rungtusanatham, and Schroeder, 1994; Dean and Evans, 1994; Shortell and Kaluzny, 1994). TQM is frequently defined as a universal management theory, a managerial system, or a business tactical dedication to nonstop upgrading and fulfilling the desires of current and prospective customers (Dean and Bowen, 1994; Benson, 1992).

TQM is the notion and beliefs of permanent enhancement which set structure and procedure in position to minimally fulfill or even go beyond customers' anticipation. TQM is perceived as a unshakable mission for incessant upgrading via proper records and the utilize of techniques in a problem-solving ambiance that reflects group activities and superior leadership performance (Spanbauer, 1995). Tobin, (1990) defines TQM as the fully amalgamated attempt for obtaining competitive advantage by incessantly enhancing quality on every aspect of business culture". Meanwhile Feigenbaum (1991) identifies TQM as the extensive effect of TQC on business. Moreover, Zahedi (1995) offers a affirmative description to figure out the wideness of the TQM concept. He claims that TQM as a framework, is an anthology of thoughts, theory, and techniques, all intended to foster quality all over a business in all its facets ... The term *total* denotes the all-surrounding characteristics of quality, and the term *management* eliminate detach quality from its solely practical range and oversimplify it to take in managerial and behavioral elements of the business too.

Moreover, some other researchers also propose alternative opinions in explaining the principles of TQM. TQM is basically a management theory turn out to be a favored way for upgrading quality and output (Karia and Abu Hassan Assari, 2005).

TQM is also described by Merlyn and Parkinson (1994) as the amalgamation of quality approach, theories, and philosophies into the business customs to achieve unremitting development. Luthans (1995) alleges TQM as authorizing all staff members to bear duty for upgrading quality within the institution that is participative in nature. Even though it is admitted that TQM is not a precise conception (Hackman and Wageman, 1995), it is commonly perceived as an incorporated business plan for enhancing quality of goods and services (Waldman, 1994).

## 2.2 The Notion of Soft TQM

Theoretically, TQM constructs are segregated into: software dimension and hardware dimensions (Dow *et al.*, 1999; and Powell, 1995). Many analysts contend that for TQM to be fully successful, it requires a wide-ranging adoption of "softer" approaches (e.g Dale *et al.* 1994; Schonberger, 1994) whose dimensions comprises, in essence, element of HRM (Wilkinson, *et al.* 1991; Wilkinson, 1992; Dale *et al.* 1994). Meanwhile as stated by Powell (1995) and Dow *et al.* (1999) the hardware dimensions refers to aspects like statistical process control (SPC) and benchmarking are not related to organizational performance.

Human Resources (HR) has contrasting features to other forms of resources, like technology for example, because of its skill uniqueness which cannot be replicated flawlessly by their rivals and also its natural aptitude for synergy (Evans and Lindsay, 2002; Rahman, 2002). Therefore effective TQM adoption depends mostly on the enthusiasm, expertise, dedication and extra-role behavior of staff members in organizations. While a number of scholars purposely look at the soft sides (people related aspect) of TQM (for instance Powell, 1995, Boselie and Van der Wiele, 2002; Ooi *et al.*, 2005; Ooi *et al.*, 2006; Yang, 2006), the amount is still deficient. For that reason, more inquiries on the soft dimensions of TQM in service settings is certainly needed.

### 2.2.1 Leadership and Top Management Commitment

Despite various versions of theories concerning business prerequisite for successful TQM adoption, majority would accept that the momentum for whichever quality upgrading attempts must be initiated by top management (Pheng and Teo, 2004; Sureshchandar *et al.*, 2002a). Their high dedication to TQM would stimulate business performance and influence other managerial facets (Deming, 1986; Juran, 1986). Moreover, top management's commitment towards shared vision shall lead employees to demonstrate high achievement at work (Jung and Hong, 2008) which is believed to act as supreme priority for preparing institutional culture prior to TQM adoption (Akdere and Schmidt, 2007; Anderson *et al.*, 1995; Antony *et al.*, 2002).

Leadership comprise forward looking, harmonizing the progress of business logical mission, Supervising the expansion of goods services that possess excellent quality and characteristics, finally establishing enthusiastic atmosphere (corporate culture) for people (Evans and Lindsay, 2002).

Leadership refers to charismatic or inspiring leaders who demonstrate constructive values which are meaningful to employees at work (Shamir *et al.*, 1993). Charismatic leaders demonstrate assurance to their workforce, create workers' trusts and initiate improved performance (Ooi, 2007a). Thus, chief executive commitment is the most significant dimensions of TQM aiming at enhancing performance and shifting companies culture prior to and while adopting TQM (Ugboro and Obeng, 2000).

### **2.2.2 Reward and Recognition**

Reward and recognition shall strengthen quality proportionate to short-range monetary concern (Evans and Lindsay, 2002). Reward and recognition are benefits in the forms of higher wages, additional benefit and job promotion resulting from the yearly evaluation of work achievement, which are presented for community confession of outstanding achievement in relation to objectives (Juran and Gryna, 1993). Meanwhile, recognition is perceived, by Herzberg's (1996) in his motivation theory, as one of essential motivators which determine workforce positive behaviors is recognition. Rewards received by workers as a result of their quality endeavors appear to have significant and positive associations with workforce morals (Kassicieh and Yourstone, 1998) and also offer an obvious ways of fostering quality endeavors and providing indication to workers that the companies appreciate their attempts. Hence, it is presumed that valuable compensation would improve workforce dedication at work because without workers' enthusiasms, continuous individual endeavor, well organize group endeavors, and the accumulation of personal efforts that fulfill companies' objectives, TQM is an not viable missions (Evans and Lindsay, 2002). Likewise, Ooi *et al* (2007a) conclude, in their inquiry at six major Malaysian manufacturing firms, that RR have positive correlation with job involvement. Similar finding was also suggested by O'Drissol *et al* (1999), in their inquiries, that the compensations given by a firm have a strong influence on workforce stance towards their work as well as their company.

### **2.2.3. Education and Training**

Training and education refers to actions taken by the firm in the efforts to stimulate job involvement, facilitate the expertise updating, lead the feeling of ownership, welfare and benefits, higher devotions towards the institutions, and strengthen the organization's competitiveness (Acton and Golden, 2002). TQM advocates showed that job-associated proficiency can be preserved after a while by constant training and enhancement program not only in practical parts of the job, but also related to quality-related understanding and expertise (Deming, 1986; Juran, 1989). Education and training is critical factors in the implementation of TQM (Snape *et al.*, 1995). Likewise, Jun *et al.* (2006) reports the influences of LTMC on workers' authorization and joint effort are significantly mediated by training. Consequently, the success of individual and team empowerment is determined by the frequency of workers' training.

Prescriptive TQM theories hold that behaviors are best altered by performing widespread training and allowing early involvement in TQM plan (Zeitz, 1996). Therefore, each worker must be persistently and appropriately trained so as to exhibit favorable actions toward jobs since training would explain TQM elements, procedures and theory (Hunt, 1992). Companies should equip workers with the appropriate training needs because they require different skills in quality orientation. Some quality leaders – such as Deming, Juran and Crosby- enthusiastically support the notion of quality education and training, even two of Deming's 14 points, institute training (as point number sixth) as well as encouraging education and self improvement (as point number 13), are dedicated to these matters.

As service companies necessitate high interaction between provider and their customers, they have to spend extra fund for improving workers', especially front liners, interpersonal skills (Schneider and Bowen, 1992). Meanwhile, training supplies them the competencies that let these inclination to be energetic, thus converting dedication into a expertise (Scheider *et al.*, 1994). Majority of workers have predispositions towards creating higher support to the business objectives (Sureschandar *et al.*, 2001b). In addition, Akdere and Schmidt (2007) report in their inquiry that workers' oriented training program effectively communicate the institutional messages on TQM plan which lead workers to learn a large amount of information regarding TQM practices. As stated by Cherrington (1995), that a

effective training and improvement program would result in positive workers' behavior, higher work devotion and would also assist workers in their individual maturity and job participation. To this end, empirical studies have exhibited widespread evidences whereby education and improvement have favorable influence on job participations within firms (Karia and Ahmad, 2000; karia and Asaarai, 2006, Ooi *et al.*, 2006).

### **2.2.4 Empowerment**

People related activities such as autonomy, appreciation, reward and co-workers' collaboration have significant influence on organizational results (Jung and Hong, 2008). EM is a valuable mechanism for quality traditions that allows the firm to elicit employee participation, improve enthusiasm, enhance satisfaction, conscious determination to stay and devotion to the institutions (Handfield *et al.*, 1998; Karia and Ahmad, 2000; Geralis and Terziovsky, 2003). In order to be practical, EM must describe a real change in the center of power (Sureschandar *et al.*, 2001b).

Empowerment is crucial in two respects (Spreitzer, 1995). First, giving authorization to workers on elements of their adjacent job surrounding which is a pivotal parameter of managerial conviction to employees which possibly lead to higher workers' devotion to the companies' objectives. Second, autonomy provides employees opportunity to apply their understanding and skills (Leach *et al.*, 2001, Wall *et al.*, 1990) therefore improve their motivation towards work (Hackman and Oldham, 1976) and improve productivity (Jackson, 2004). Workers' empowerment can be facilitated by providing them with suitable resources, task and ability to design, classify, employ, gauge their work, and take necessary actions to fully optimize their contributions to the companies in the most valuable ways (Karia and Ahmad, 2000). Additionally, Wilkinson *et al.*, (1998) urge that EM occurs as a result of satisfied employees, participation and dedication towards attaining TQM goals. Workers' views on empowerment, would determine their loyalty, job participation and happiness (Karia and Assari, 2006). Likewise, Ugboro *et al.* (2000) state that improving provider's service capacity, via empowerment, shall affect workers' attitudes and self-esteem.

Service is created and use up simultaneously indicating that, workers must show polite, supple and providing immediate solutions for clients (Schneider and Bowen, 1992). Some service industries have begun to implement several empowerment approaches by giving particular degree of authorization and duty to workers (Sureschandar *et al.*, 2001b). In reality, empowerment entails organized relocation of four key elements: power, information, rewards and knowledge, all over companies from top to bottom (Schneider and Bowen, 1992). Even some service firms have been victorious in adopting the TQM programs by employing empowerment method in their institutions (Zemke and Schaaf, 1989). Similarly, Milakovich (1995) argue to implement TQS effectively, empowerment should be depicted as a feelings or attitude demonstrated by the whole organizational members rather than a set of strict regulations, strategy, and course of action or performance.

### **2.2.5 Customer Focus**

Customer focus denotes the intensity of companies focusing efforts to satisfy their customers' necessity and desires persistently (Philips *et al.*, 1983). Customer orientation implies not only a matter of quality concerns but also organizational practice which directs a firm to gain competitive advantage. Thus, it is obvious that strong positioning in the market is naturally controlled by customer desires and necessity (Wheelwright, 1989). Through customer orientation, the foremost driver for quality, a business can defeat their rivals by accurately fulfill customers' necessity and desires; being able to foresee and correspond to their changing desires and necessity. Study on customer focus in the banking sector in India reveal that foreign banks possess higher score in contrast to the private and public banking (Sureshchandar *et al.*, 2002a). CF is apparent in the work planning facets, which stressing on creating customers association and reaction which would result in improvement in job contentment, communion, work participation and positive discernment of the work outcome (Morrow, 1997). In addition, Oakland and Oakland (1998) urge that majority of well-known business reach

different stages of customer satisfaction because workers are successfully controlled, aggravated, participated and dedicated to fulfill or surpass clients' necessity as well as desires.

### 2.3 Organizational Citizenship Behavior

OCB is a specific form of work behavior which is identified as one's favorable actions useful for the business and are arbitrary, indirectly acknowledged by the proper award procedure. This behavior occurs as a result of individual willingness to do it, hence its absence is not usually detected and penalize. OCB is also described as "employees' voluntary actions that straightly endorse the effective performance of a business independence of an workers' production capacity (Organ, 1988; McKenzie *et al.*, 1998). There is diverse range of terminology used in OCB literatures to denote the adorable workers' mindset such as: superfluous function conduct (Van dyne and Cummings, 1990); institutional naturalness (George and Brief, 1992); and prioritize groups' desire above personal desires (Graham, 1991). Most conceptions have a unity, i.e institutional successfulness depends upon workers initiatives and altruistic to the institution (Van Dyne *et al.*, 1994), whereby those definitions are shaped up (Jung and Hong, 2008). Thus OCBs are believed to have significant effect on the successfulness of teamwork and institutions, consequently improving the entire business productivity (Wikipedia, the free encyclopedia).

Researchers propose diverse version regarding the elements of OCB. Smith, Organ, and Near (1983) conceptualize OCB with two factors: altruism (behavior directed towards assisting others) and widespread obedience (behavior showing obedience to regulations, standards, and hopes). In addition, Organ (1988) identifies five elements of OCBs: Altruism, Courtesy, Civic Virtue, Conscientiousness and Sportsmanship, which was later employed by Bell and Manguc (2002) in their inquiry. Altruism is the discretionary behaviors encourage individuals to assist their co-workers difficulties at work, while courtesy denotes employees' behavior not to inflict others. While conscientiousness indicates employees' extra-role behaviors beyond their job specification and moral values (MacKenzie *et al.*, 1993), sportsmanship refers to workers' keenness to accept surprising conditions without argumentation. Lastly, civic virtue is company's willingness to follow institutional actions to safe the business life in the future (Podsakoff, *et al.*, 1990)

Following Organ's (1988) five-elements of OCB, Williams and Anderson (1991) suggest two dimensions of OCB: OCB-I (activities bound for Individuals; comprising altruistic conduct and courteousness) and OCB-O (activities bound for Organization; encompassing the other aspects of Organ's (1988) conception. Other researchers have also used a uni-dimensional OCB's measurement items in their work (e.g., Decktop, Mangel, and Cirka, 1999). A most recent meta-analysis conducted by Hoffman, Blair, Meriac, and Woehr (2007) suggest that "the present OCB measurements are best seen as dimensions of OCB common factors, there is possibility less benefits are obtained during the implementation of individual indicators measurement as contrast to an entire compound measurement" (p. 562). A comparable view is also proposed by earlier meta-analysis (LePine, Erez, and Johnson, 2002).

In a TQM ambience, it is not easy to distinguish job achievement from OCB (Waldman, 1994). Work performances in quality culture -in forms of custom, principles, and compensation system that stress systemic actions directed towards collaboration with associates- are generally described as workers' ability to fulfill their duties and demonstrating action more than expected, and show willingness to assist their co-workers (Moorman and Blakely 1993; Waldman, 1994). Yet in a TQM environment, such favorable conduct might be both anticipated and officially compensated (Bushe, 1988; Scholtes, 1988; Blackburn and Rosen, 1993).

### 2.4 Relationship between TQM and OCB

Past studies trying to envisage work behavior are condemned for having confined focus and considering only some prerequisite constructs (Blumberg and Pringle, 1982; Griffin *et al.*, 1981; Waldman and Spangler, 1989). As the effort to relate TQM with work related outcomes, OCB is added in the model because it becomes a desired form of employees' behavior at work hitherto. OCB is perceived as flexible, not officially acknowledge in the organizational compensation scheme and

reinforce toward improving teamwork and business success (Moorman and Blakely, 1993; Organ, 1988). Therefore it is slightly hard to distinguish work performance from OCB in TQM environments (Waldman, 1994).

Leaders' involvement in business vision socialization along with their effort to promote changes offers guideline as well as inspires motivation among workers (Jung, 2008). Particularly, OCB-civic virtue would intensify leaders and followers interaction (Bell and Menguc, 2002) resulting in early discovery on potential problems to be mitigated. Thus, TQM is deemed to be positively associated with OCB.

Furthermore, Effective TQM relies heavily on individual' keenness to work solidly as a team although they have to surrender individual rights. For instance, altruism aids new workers to get accustomed to their surrounding at faster speed (Bell and Menguc, 2002). OCB improve co-worker's productive capacity as well as group's efficiency.

Likewise, OCB becomes centre of discussion in service organization lately (George and Bettenhausen, 1990; Zeithaml *et al.*, 1990; Deshpande' *et al.*, 1993; Hartline and Ferrell, 1996) because the only way to maintain quality of services is through seller's superfluous responsibility behaviors (Jung, 2008). Thus, there is apparent association between customer focus as one of TQM elements (Forza and Filippini, 1998), with OCB. Similar view by Hansson (2001) states co-workers participation, is determinant of TQM success, requires high employees' dedication at work that may well be foreseen by OCB.

The adoption of TQM requires entire organization interest, agreement, and contribution due to its effort to transform and development. The forms of changes vary from individual job task up to organization-wide system. OCB especially civic virtue demands for change management. To this end, it is presumed that all TQM dimensions are positively associated to OCB

### **3.0 Methods**

This study is hypothesis testing type which examine the association among latent, and observe variables. Moreover, the nature of the investigation is cross-sectional whereby data is gathered on certain time using mail questionnaire survey. The survey instrument was six-page questionnaire divided into three sections. The first section was designed to obtain the respondent's profile and particulars of the company with regards to nature of business and mode of execution. The second section relates to the implementation of Soft TQM programmes and is divided into five parts. The research statements were developed by the researchers, taking into account the past literature and in consultation with experts in the industry. The third section in the questionnaire relates to employees work related outcomes, however only organizational citizenship behavior is presented in this study.

The variables measured in this study consist of five dimension of Soft TQM as the independent variables, namely: Leadership and Top Management Commitment (X1); Reward and Recognition (X2); Education and Training (X3); Empowerment (X4); and finally Customer Focus (X5). Multiple regression analysis was applied to scrutinize the impact of soft TQM on OCB

### **4.0 Results**

#### **4.1 Description of Study Sample**

Most respondents, 62.5 %, are employees of Islamic Commercial banks because the number of Islamic Commercial Banks (ICB) employees are greater than other banks. Islamic banking units only contributed 13.2 % in the study and 24.3 % responses came from Islamic rural banks. Almost 69 % of respondents who participated in the survey were at the age of 25-40 years old and majority of them, 96.2 %, had work experience between 1 to 10 years. Islamic banks are newcomers in the industry because the first Islamic bank in Indonesia was established in the 1992 and other Islamic banks came after it. This verity explain the fact why most employees of the banks had work experience less than ten years. The proportions of male and female participants were almost the same, which is 56.3 % male and 43.7 % female, with slightly male dominant. Meanwhile respondents education level were

three categories namely senior high school graduates (13.5 %), Diploma (10.1 %), and bachelor degrees and above (76.4 %).

## 4.2 Hypothesis Testing

Before being analyze all variables measures items were tested for its validity and reliability. To test the validity of the instruments, item analysis was performed with Pearson Correlation Method. After performing the correlation between every item with its total value, the result indicated that almost all items, except one, are significant at 0.01 levels. Moreover, the result of the reliability test indicated the Cronbach's alpha of the construct ranges from 0.7640 to 0.9297. Since the result of the reliability scores were more than 0.70, all items are considered reliable.

The main hypothesis states that Soft TQM (STQM) has positive influence on Organizational Citizenship Behavior (OCB). Specifically different dimensions of STQM will give different effect on OCB. Multiple regressions analysis was used to test this hypothesis with five predictor variables namely: Top Management Commitment (TMC), Reward and Recognition (RR), Education and Training (ET), Empowerment (EM) and Customer Focus (CF).

The result of the multiple regression analyses was summarized in Table 1. The regression model was significant ( $F = 379.994$  or sig value of 0.000 which is less than alpha or  $p < 0.05$ ). Because F ratio is greater than the table value (2.237), the hypothesis that Soft TQM had significant influence on OCB was accepted, in other words, the model is fit. Soft TQM explained only 79.8 % of the variation in Islamic banks' employees' citizenship behavior, which constitute sufficient percentage as compared to the influence of unobserved variables. This finding supported previous research works.

**Table 1:** Multiple Regression Results: The relationship between Soft TQM and OCB

Criterion Variables	N = 474	
	Organizational Behavior (OCB)	Citizenship
	Std. Beta	t-sig value
<b>Predictor Variables:</b>		
Top Management Commitment (TMC)	0.205	0.000***
Reward and Recognition (RR)	0.304	0.000***
Education and Training (ET)	0.200	0.000***
Empowerment (EM)	0.216	0.000***
Customer Focus (CF)	0.171	0.000***
R <sup>2</sup>	0.800	
Adjusted R <sup>2</sup>	0.798	
F	379.994	
sig-value	0.000***	

\*  $p < 0.10$ ; \*\*  $p < 0.05$ ; \*\*\*  $p < 0.01$

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The positive effect of STQM on OCB is justifiable by the fact that TQM is people oriented management system which relies heavily on peoples' attitudes at work. Every single person within the institutions, from top to bottom, must involve in TQM Programme and strive for their best effort to minimize production waste. In the preceding chapter OCB is viewed as voluntary, not formally acknowledged by organizational reward systems and more geared toward improving group and



organizational effectiveness (Moorman and Blakely, 1993; Organ, 1988). In a TQM context, it may be difficult to separate work performance from OCB (Waldman, 1994). The score of OCB obtained in this study was 81.3 percent which is considered very good. This is also supported by the fact that 92.1 percent responses showed that employees were always willing to help out others when their co-workers need assistance, while 87.8 percent employees would voluntarily provided constructive suggestions on how to improve their work groups. In addition, 85 percent employees alleged that they were always went out of way to help newer employees felt welcome. In short, employees of Islamic banks had demonstrated high degree of extra-role behaviors as a result of Soft TQM implementation. In fact, five dimensions of soft TQM, top management commitment, reward and recognition, education and training, empowerment and customer focus, were proven to have direct and positive relationship to OCB (see preceding chapter). This finding supported previous work by Jung (2008) which claimed that top management's commitment in shared-vision and change-stimulation provides motivation and guidance for employees. Such practice should be maintained and continuously improved by the management of Islamic banks in Central Java in order to increase employees' extra-role behavior at work. OCB-civic virtue in particular, facilitates greater communication between top management and employees (Bell and Menguc, 2002). As communications increase, potential problems can be detected early and alleviated in advance. These findings support the thoughts that soft TQM may relate to OCB (Waldman, 1994; Bushe, 1988; Scholtes, 1988). The work of Blackburn and Rosen (1993) provide some support for the notion that in a TQM context, OCB might be both expected and formally rewarded. Moreover, in an attempt to explore the relationship between soft TQM and OCB, Jung and Hong (2008) concluded that management should also emphasize on employees' intrinsic motivations represented by OCB rather than mainly stressing on training and education, in a TQM context. The result of this study has supported this view. In the meantime, very little empirical research had been conducted to investigate the relationship between soft TQM and OCB. The result of this study, therefore, should contribute to the vast majority of Soft TQM literatures. Furthermore, most previous research works on people dimension of TQM were focusing on work related outcomes other than OCB.

## **5.0 Conclusion**

To sum up, the results of the inquiry indicate positive and significance relationship between each soft TQM dimensions with organizational citizenship behavior. This finding can be used as philosophy and basic concept to foster favorable attitudes of Islamic banks employees in Indonesia. It is also evidenced in the study that soft TQM emphasized by Islamic banks in Central Java determine employees citizenship behavior, a form of behavior which are not formally rewarded in a system. Most importantly the finding of this study enriches soft TQM-work related outcomes literature. The main focus of the study was soft TQM. Moreover, this study added a new dimension, organizational citizenship behavior to the work related outcomes in its relationship with soft TQM specifically and to the general notion of work related outcomes in its relationship with soft TQM as a whole.

## **6.0 Recommendation for Future Research**

Future studies can use the same model by adding moderating variables. Some variables, such as religiosity/ workplace spirituality, motivation and work environment, which may strengthen the relationship between soft TQM and OCB, may be considered. A much more systematic study needed to identify how other variable interacts with soft TQM that are believed to be linked to work related outcomes. A better study would examine a large, randomly selected sample across sectors and across regions. The sample size can be extended all over Indonesia or even worldwide because the development of Islamic banks is flourishing. In addition, the study might have been more convincing by longitudinal studies. Future researchers might want to study the changes in employees' behavior before and after the implementation of TQM. Exploratory type of research must be employed in order to get detailed information. In depth interview and lab experiment could be among instruments used during the study.

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