

Competence and Organisational Commitment: A Study of the Mediating Role of Organisational Citizenship Behaviour in the Indonesian Banking Industry

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The main purpose of this study is to examine the effect of competence on organisational citizenship behaviour (OCB) as mediated by organisational commitment. 115 employees of PT. Bank Mandiri (Persero) in the Kudus office branch - Indonesia are the respondents. Data analysis uses a multiple linear regression with SPSS version 25. The results of this study prove that competence affects organisational commitment and OCB. Furthermore, organisational commitment cannot mediate the relationship between competence and OCB.

Key words: *Competence, organisational commitment, organisational citizenship behaviour.*

Introduction

The highest rated and largest bank in Indonesia is PT Bank Mandiri TBK, followed by PT Bank Rakyat Indonesia Tbk, PT Bank Central Asia Tbk, and PT Bank Negara Indonesia Tbk. A list of the best companies in the world, released by Forbes, also put four state-owned enterprises (BUMN) on the list: PT Bank Mandiri Tbk ranked 11, PT Telkom Indonesia (Persero) Tbk ranked 112, PT Bank Negara Indonesia (Persero) Tbk ranked 157 and PT Bank Rakyat Indonesia Tbk ranked 186. Investor Magazine identified fifteen national commercial banks as the Best Banks in 2016 and, of these fifteen, Bank Mandiri Tbk is superior with assets exceeding 100 trillion rupiah. The PT Bank Mandiri Tbk superior rating comes with

burdens in managing human resources, including those at the Kudus Branch Office. Many factors need to be addressed to manage human resources in light of the obstacles.

The above conditions impact the way in which employee management is controlled. Employees must be able to meet the targets and undertake considerable tasks that potentially impact on low organisational commitment. On the other hand, what is also important is the existence of a competency development program conducted by PT. Bank Mandiri (Persero) Tbk in the Kudus Branch Office. One of these development programs focuses on education and training. This program assists new employees to interact more effectively with colleagues and to adapt to new working conditions. Additionally, this program is expected to aid new employees to overcome anxiety and apprehension about their work. Employees feel comfortable and assured and quickly complete their tasks well. The following Table presents the training program at PT. Bank Mandiri (Persero) Tbk:

Table 1: Employee Competence Program through Training

Training Program	2016	2017	2018
Number of programs	16	14	12
Class number	14	12	10
Number of participants	35	27	25

Source: HR of PT. Bank Mandiri (Persero) Tbk in Kudus Branch Office

Table 1 above shows competence training programs have decreased every year since 2016. This situation affects employee competencies which, in turn, it impacts on employee work commitments. High commitment leads to positive organisational outcomes such as extra-role behaviour and improvements in group and organisational performance. Another important factor is the decrease in employee cooperation. This condition is one measure of employee involvement, especially in a work team, and is low. In light of this, team cohesion is one characteristic of organisational citizenship behaviour (OCB).

Studies related to these variables show different results. Competence was found to affect organisational commitment in a study by Patulak et al. (2013); Katawneh & Osman (2014), Lotunani et al. (2014), Abdul Jumaat & Jasmani (2014) and, Ransetalu et al. (2016). Conversely, Fakhrol Rozi (2018) and Zainal Berlian (2018) did not find this to be the case as their study found different findings in the relationship between competence and OCB. Competence was found to be an influential factor on OCB in Harahap (2017), Sofiah et al (2015), Anusuiya et al (2017), Rahmawati (2017), Hamsani et al (2017), Sarmawa et al (2015), Shahri et al (2015) and, Kurniawan (2014). Kaburura (2011), on the other hand, did not find this relationship. More importantly, a study on the relationship between competence, organisational commitment and organisational citizenship behaviour needs to be conducted.

Literature Review and Hypotheses Development

Competence is defined as a combination of knowledge, skills and abilities that are formed in the learning process to carry out all activities (Asimov et al., 2009). Competence improves organisational efficiency and effectiveness and the formation of individual competencies is important for organisational development (Pham & Kim, 2019; Liang et al., 2013; Sturm et al., 2017). Competence assessment is a versatile and powerful tool in human resource management. This shows that competence is one way to perform roles effectively in an organisation.

One of these conditions is the formation reciprocal, aiding behaviour between organisational personnel and is called organisational citizenship behaviour (OCB). Organ (1988) defines OCB as discretionary individual behaviour not directly or explicitly recognised by system awards and effectively promotes organisational function. Clearly, OCB does not become a requirement in a job description stated in employment contracts. OCB is behaviour by personal choice. Another factor that affects OCB is organisational commitment (Devece, Palacios-Marques, & Pilar Alguacil, 2016; Leephaijaroen, 2016; Wombacher & Felfe, 2017; Zeinabadi & Salehi, 2011). Employees who have high organisational commitment find it easier to share and help co-workers to deal with work difficulties. Solidarity and collegial cooperation create a cohesive and robust work team. A unified team is one indicator of OCB in the organisation and is also reflected in improved performance of supervisors and co-workers.

The most recent literature review on OCB distinguishes several dimensions by examining the relationship between them (Thiruvankadam & Yabesh, 2017, Ahmad & Ahmad, 2018). While Podsakoff (2000) noted in his study that OCB has seven types, namely: (i) helping behaviour, (ii) sportsmanship, (iii) organisational loyalty, (iv) organisational compliance, (v) individual initiative (vi) civic virtue and; (vii) self-development. Organ, on the other hand, (1988) categorises OCB into five dimensions, namely: (i) conscientiousness, (ii) sportsmanship, (iii) civic virtue, (iv) courtesy and; (v) altruism. Evidently, OCB is work behaviour required by a job description but is indirectly valued as it brings effectiveness in achieving organisational goals.

The Effect of Competence on Organisational Commitment

Katawneh & Osman (2014) found that four competencies, namely communication skills, roles, functions, and self-development increased the organisational commitment of staff at Mutah University, Jordan. Likewise, a study conducted by Ransetalu et al. (2016) found that competence has a positive effect on organisational commitment in fourteen educational and training institutions in South Sulawesi. Lotunani et al. (2014) found a positive effect of

competence on organisational commitment of employees in Southeast Sulawesi. Likewise, a study conducted by Abdul Jumaat & Jasmani (2014) found a strong relationship between competence and organisational commitment of bank employees in Malaysia. Therefore, the following hypothesis is proposed:

H1: That competence positively affects organisational commitment.

The Effect of Organisational Commitment on OCB

Although the term ‘organisational commitment’ describes three very different constructs, namely affective, continuous, and normative commitment, generally the underlying constructs are individual psychological attachments to the organisation. It is a psychological attachment that defines organisational commitment. The three different concepts are evident in terms of relationships between employees and the organisation. Employees with strong affective attachments, strong continuity commitments and those who have strong normative commitments tend to stay with the organisation. Podsakoff et al. (2000) in their study found that high organisational commitment creates good employees OCB. This includes an increase in all OCB dimensions, namely altruism, courtesy, conscientiousness, sportsmanship and civic virtue. Another study conducted by Handayani et al. (2018), Sarmawa et al. (2015), Kurniawan (2015), Sofiah Kadar Khan et al (2015), Udin et al (2017) found that organisational commitment has a positive effect on OCB. This means that commitment is strongly encourages good behaviour. With high commitment, OCB is also high. Thus, the second hypothesis is proposed:

H2: That organisational commitment positively affects OCB.

The Effect of Competence on OCB

Robbins (2007) states that competence is a person's ability to do several tasks. This ability is determined by two factors, namely intellectual and physical ability. Therefore, competence is the nature of possessions or parts of personality that are deep and inherent. Competence is also predictable behaviour, in various circumstances, to carry out tasks effectively.

OCB is a positive behaviour, in this case, a behaviour aimed at achieving other work in the organisation. The contribution shown is in the form of work outside what the employee has to do and where the worker shows helping behaviour to colleagues. Skilled competence will increase employee role behaviour (OCB) to help others achieve organisational goals. Research conducted by Anusuiya et al. (2017), Rahmawati (2017), Harahap (2017), Hamsani et al (2017), Shahri et al (2015), Sarmawa et al (2015), Kurniawan (2014), and Sofiah et al (2015) found, via empirical evidence, that competence has a positive effect on OCB. This



study achieved its objectives by showing that competent lecturers do exhibit OCB. The study of Kagaari (2007) also complements Organ (1988) and Moorman (1991) in that competent employees show wisdom in their behaviour. Therefore, the third and final hypothesis to proposed:

H3: That competence positively affects OCB.

Research Methodology

The subjects of this study are employees of PT. Bank Mandiri (Persero) in Kudus Branch Office, Indonesia. 115 employees comprise the sample: 40 men and 70 women. Undergraduate qualifications (S1) are 110 people and postgraduate (S2) five people. Primary data was collected through a survey using a questionnaire. The data was analysed using multiple linear regression.

Measurement

Competence was measured using six dimensions with 19 indicators, equalling a loading value of 0.432 - 0.913. *Organisational commitment* was measured using three dimensions with 24 indicators, equalling a loading value of 0.475 - 0.877. *OCB* was measured using four dimensions with 12 indicators, totalling a loading value of 0.708 - 0.935.

Results

The results demonstrated that all variables had high-reliability values. The value of means and the standard deviation was also high, while the correlation value between variables showed a weak relationship. It meant that there was no multicollinearity.

Table 2: Means, Reliability, and Correlation

Variables	Mean	SD	OCB					Competence				
			1	2	3	4	5	6	7	8	9	10
1. Altruism	5.85	0.76	0.81									
2. Conscientiousness	5.85	0.69	0.40	0.79								
3. Sportsmanship	5.86	0.81	0.54	0.52	0.81							
4. Civic Virtue	5.86	0.74	0.54	0.56	0.52	0.85						
5. Achievement orientation	5.97	0.72	0.46	0.59	0.58	0.45	0.87					
6. Helping & serving	5.97	0.70	0.49	0.45	0.55	0.52	0.56	0.74				
7. Creating impact	5.82	0.76	0.51	0.50	0.41	0.49	0.49	0.59	0.86			
8. Managerial	5.94	0.75	0.52	0.57	0.53	0.59	0.51	0.54	0.67	0.81		
9. Cognition	5.84	0.85	0.48	0.39	0.43	0.41	0.58	0.50	0.59	0.57	0.76	
10. Personality	6.09	0.79	0.42	0.23	0.28	0.28	0.62	0.56	0.55	0.58	0.58	0.81

The value of alpha Cronbach is on the main of diagonal

The results show that the proposed hypotheses are accepted, as presented in Table 3.

Table 3: Hypotheses Testing

No.	Hypotheses	β	ρ	Results
1	Competence on Organisational Commitment	0.573	0.000	Accepted
2	Organisational Commitment on OCB	0.292	0.000	Accepted
3	Competence on OCB	0.533	0.000	Accepted

Overall, the path coefficient test results showed positive and significant values. Furthermore, the findings of this study are as follows: (i) competence has a positive and significant effect on organisational commitment, with an estimated regression value of 0.573 and probability value of 0.000 < 0.05. This finding supports the study conducted by Ransetalu et al. (2016), Katawneh & Osman (2014), Lotunani et al. (2014), Abdul Jumaat & Jasmani (2014), and Patulak et al. (2013); (ii) organisational commitment has a positive and significant effect on OCB, with an estimated regression value of 0.292 and probability value of 0.000 < 0.05. This supports the findings of Sarmawa et al. (2015), Kurniawan (2015), Sofiah Kadar Khan et al. (2015) and; (iii) competence has a positive and significant effect on OCB, with estimated regression value of 0.533 and probability value of 0.014 < 0.05. This finding is consistent with the concept shown by Organ (1988) and Moorman (1991) that competent employees show wisdom in their behaviour. Likewise, research supported by these findings can be found in Anusuiya et al. (2017), Rahmawati (2017), Hamsani et al. (2017), Shahri et al. (2015), Sarmawa et al. (2015), Sofiah et al. (2015), Kurniawan (2014), and Kagaari (2007). The test results also show no effect of mediation in the relationship between competence and OCB.

Therefore, competence has a direct effect on OCB, meaning that OCB is quickly created from competence, especially managerial competence.

All hypotheses in this study are accepted. However, this is not the case when analysis is carried out at a variable and dimension level. The results of the relationship analysis are presented in Table 4 below:

Table 4: Variable and Dimensional Relationships

Variables	Dimension	OCB			
		A	C	S	CV
Competence	Achievement orientation	Ns	Ns	Ns	Ns
	Helping & serving	0.409	Ns	Ns	Ns
	Creating impact	Ns	0.354	0.433	Ns
	Managerial	0.493	0.975	0.530	0.922
	Cognition	Ns	-0.273	Ns	-0.289
	Personality	-0.164	-0.202	-0.143	Ns

Note: A = Altruism; C = Conscientiousness; S = Sportsmanship; CV = Civic Virtue; Ns = Not significant

Discussion

Competence generally has a direct effect on OCB. Managerial competence has the strongest and most positive effect on all dimensions of OCB, such as altruism, conscientiousness, sportsmanship and civic virtue. Competence of achievement orientation does not affect OCB. This condition shows that to create OCB in the organisation, the most effective step is to develop employee managerial competencies. Successful organisations must be supported by employees who are willing and ready to carry out extra roles by giving their time and energy to achieve set targets. Likewise, employees have to contribute to performing tasks outside their role with respect to customers and co-workers. However, achievement-oriented competencies do not create OCB. This is because employees who are oriented towards achievement often have strong ambitions for their careers, so they rarely pay attention or assist their colleagues.

On the other hand, competence in creating impact only affects conscientiousness and sportsmanship. This competence is reflected in the extent of one's influence on others and the ability to build relationships through their roles. These abilities are proven to foster the creation of OCB that cares for others, especially co-workers. Increased OCB in the organisation is reflected in employees' awareness of rules and procedures that have been determined. This also results in a greater focus on individual duties and responsibilities.



Cognition is found to affect conscientiousness and civic virtue, while competencies of helping and serving only affect altruism. Competence is reflected in how employees see programs that are analytically and conceptually based. Serious and committed employees will always keep abreast of developments relating to their organisation's progress. Besides this, they also consider all risks arising from decisions taken. Everything they do is aimed at maintaining and improving their organisational reputation.

The most effective dimension of competence on increasing OCB is personality. This competence increases OCB, specifically in altruism, conscientiousness and sportsmanship; but it does not affect civic virtue. Employees who are self-confidence, self-controlled and flexible will more quickly create OCB. Employees with relational personalities are always willing to take the time to help co-workers in need. They are also willing to spend time in assisting new employees through the orientation and induction period. These conditions are highly supportive for achieving organisational performance.

The competence dimensions of helping and serving only affects altruism. Employees who have empathy and are highly relatable to others take the time to help. They are willing to help new employees in their orientation period and anyone who needs professional assistance in their role. This condition strongly supports a conducive work environment so that a cohesive working team is created.

Conclusion and Recommendations

The results of this study conclude that:

1. Organisational commitment cannot mediate the relationship between competence and OCB.
2. OCB is created quickly by the competence of employees, especially managerial competencies. This managerial competence is reflected in terms of the ability to cooperate with groups and to direct others properly and;
3. To create OCB, high organisational commitment is needed. This is reflected in treating other people in a respectful, caring, and collaborative manner.

Recommendation for Future Research Direction

The recommendation offered in this study is that the adjusted R² value is relatively small. Therefore, future research in investigating OCB should involve other variables, such as motivation, leadership, person-organisation and person-job fit.

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