ORGANIZATIONAL COMMITMENT AND ORGANIZATONAL CITIZENSHIP BEHAVIOUR: THE MODERATING ROLE OF ETHICAL LEADERSHIP OF APPAREL SECTOR IN KANDY



By

MANAMENDRA ACHARIGE GAMA GAMINI MADUSHANKA

REG NO: EU/IS/2014/MS/54

INDEX NO: MS 1704



A project report submitted to the Faculty of Commerce and Management, Eastern University, Sri Lanka, as a partial fulfillment of the requirement for the Degree of Bachelor of Business Administration (BBA).

DEPARTMENT OF MANAGEMENT FACULTY OF COMMERCE AND MANAGEMENT EASTERN UNIVERSITY, SRI LANKA 2019

ABSTRACT

Ethical leadership, organizational commitment and organizational citizenship behaviour are becoming important concepts to organizations in recent years. The purpose of this study is to empirically investigate whether there is a moderating influence of ethical leadership in the relationship between employee organizational commitment and employee organizational citizenship behaviour at Apparel sector in Kandy. In this study, independent variable is organizational commitment, dependent variable is organizational citizenship behaviour and moderate variable is ethical leadership. According to literature review organizational commitment has three dimensions such as, affective, continuous, and normative. Similarly, organizational citizenship behaviour also has five dimensions such as altruism, conscientiousness, sportsmanship, courtesy and civic virtue.

The researcher has considered two Garment factories for this study, namely Smart Shirts (Lanka) Ltd and Nobles Manufacturing (Pvt) Ltd. The structured questionnaire was used to collect primary data from machine operators of selected Garment factories. It consists of 285 respondents out of 1000 population. The sample was selected through stratified random sampling method. The collected data was analyzed by using descriptive statistics, correlation and regression analysis.

The major findings of the study revealed that, there are high levels of organizational commitment, organizational citizenship behaviour and ethical leadership. The results also showed that, there is significant positive relationships among organizational commitment, organizational citizenship behaviour and ethical leadership. In addition, there is a moderating influence of ethical leadership to the relationship of employee organizational commitment and employee organizational citizenship behaviour. Employee perceptions of high ethical leadership influenced willingness to engage in positive organizational commitment and also organizational citizenship behaviour. By implication, leaders with high ethical conduct have the potential to positively stimulate the commitment of employees towards supporting the organizational values and mission.

Keywords: Organizational Commitment, Organizational Citizenship Behaviour, Ethical Leadership, Apparel Sector.

Table of Contents

ACKNOWLEDGEMENT	. i
ABSTRACT	ii
Table of Contents	iii
List of Tables	X
List of Figuresx	iii
Abbreviationsx	iv
CHAPTER - 1: INTRODUCTION	1
1.1 Background of the study	1
1.2 Problem Statement of the Study	3
1.3 Research Questions of the Study	4
1.4 Research Objectives	4
1.5 Scope of the Study	5
1.6 Significant of the Study	5
1.7 Organization of the Chapters	5
1.8 Chapter Summary.	6
CHAPTER – 2: LITERATURE REVIEW	7
2.1 Introduction	7
2.2 Organizational Commitment	7
2.2.1 Affective Commitment	8
2.2.2 Continuance Commitment	9
2.2.3 Normative Commitment	0
2.3 Organizational Citizenship Behaviour	. 0
2.3.1 Altruism	. 1
2.3.2 Conscientiousness	2

2.3.3 Sportsmanship	12
2.3.4 Courtesy	13
2.3.5 Civic Virtue	13
2.4 Ethical Leadership	13
2.4.1 Characteristics of Ethical Leadership	14
2.5 Relationship between Organizational Commitment and Organ Çitizenship Behaviour	
2.6 Relationship between Organizational Commitment and Ethica	1 Leadership 15
2.7 Relationship between Ethical Leadership and Organizational C Behaviour	_
2.8 Relationship among Organization Commitment, Organization Behaviour and Ethical Leadership	16
2.9 Hypothesis Testing of the Study	16
2.10 Chapter Summary	17
CHAPTER – 3: CONCEPTUALIZATION AND OPERATIONAL	
3.1 Introduction	
3.2 Conceptualization	18
3.3 Variables Related to the Conceptual Model	19
3.3.1 Organizational Commitment	19
3.3.1.1 Affective Commitment	20
3.3.1.2 Continuous Commitment	20
3.3.1.3 Normative commitment	20
3.3.2 Organizational Citizenship Behaviour	21
3.3.2.1 Altruism	21
3.3.2.2 Conscientiousness	21
3.3.2.3 Sportsmanship	22
3.3.2.4 Courtesy	22

3.3.2.5, Civic Virtue	22
3.3.3 Ethical Leadership	23
3.4 Operationalization	23
3.5 Theory of Organizational Citizenship Behaviour and Ethical Leadership	25
3.5.1 Social Learning Theory	25
3.5.2 Social Exchange Theory	26
3.6 Chapter Summary	26
CHAPTER – 4: RESEARCH METHODOLOGY	
4.1 Introduction	27
4.2 Research Philosophy	27
4.3 Research Approach	27
4.3.1 Deductive Approach	28
4.4 Research Strategy	28
4.5 Methodological Choice	28
4.6 Time Horizon	
4.7 Research Site	29
4.8 Population of the Study	29
4.9 Sampling Technique/Method.	
4.10 Sampling Framework and Sample Size	30
4.11 Method of Data Collection and Source	31
4.11.1 Primary Data	31
4.11.2 Secondary data	31
4.12 Research Instruments	31
4.12.1 The Rational for the Question	31
4.13 Source of Measurement	32
4.13.1 Method of measured of Personal Information	32
4.13.2 Method of Measuring the Research Information	33

4.14 The Pilot Study
4.15 Validity and Reliability of Instruments
4.16 Unit of Data Analysis
4.17 Method of Data Analysis
4.18 Method of Data Evaluation
4.18.1 Reliability Test
4.18.2 Univariate Analysis (Descriptive Statistics)
4.18.3 Bivariate Analysis (Inferential Statistics)
4.18.3.1 Correlation Studies
4.18.3.2 Simple Regression Analysis
4.18.4 Moderated Multiple Regression Analysis (MRA)
4.18.5 Method of Hypotheses Testing
4.19 Data Presentation
4.20 Ethical Consideration 40
4.21 Chapter Summary
CHAPTER – 5: DATA PRESENTATION AND ANALYSIS
5.1 Introduction
5.2 Analysis of Reliability
5.2.1 Reliability Analysis for Overall Variables
5.3 Data Presentation
5.3.1 Data Presentation and analysis for Personal Information
5.3.1.1 Gender
5.3.1.2 Experience
5.3.1.3 Educational Qualification
5.3.1.4 Age Level
5.3.1.5 Ethnicity
5.5.1.5 Edition J

5.3.2 Data Presentation and analysis of Research Information	46
5.3.2.1 Univariate Analysis	46
5.3.2.1.1 Level of Organizational Commitment	46
5.3.2.1.2 Level of Organizational Citizenship Behaviour	48
5.3.2.1.3 Level of Ethical Leadership	50
5.3.2.2 Bivariate Analysis	51
5.3.2.2.1 Pearson's Correlation Analysis	
5.3.2.2.1.1 Correlation between Organizational Commitment and Organizational Citizenship Behaviour and Ethical	5.1
Leadership	
5.3.2.3 Simple Regression Analysis	53
5.3.2.3.1 The impact of Organizational Commitment on Organizational Citizenship Behaviour	53
5.3.2.3.2 The impact of Ethical Leadership on Organizational Citizenship	2
Behaviour	54
5.3.3 Moderated Multiple Regression Analysis	55
5.3.4 Testing Hypothesis	
5.3.4.1 Testing Hypothesis 1	57
5.3.4.2 Testing Hypothesis 2	57
5.3.4.3 Testing Hypothesis 3	58
5.3.4.4 Testing Hypothesis 4	58
5.4 Chapter Summary	59
CHAPTER – 6: DISCUSSION	60
6.1 Introduction	60
6.2 Discussion of Personal Information	60
6.2.1 Gender	60
6.2.2 Experience	60
6.2.3 Educational Qualification	60

6.2.4 Age Level	61
6.2.5 Ethnicity	61
6.2.6 Sample distribution of Garment Factories	61
6.3 Research Information	61
6.3.1 Objective one: To identify the existing level of Organizational Commitment, Organizational Citizenship Behaviour and Ethical Leadership	61
6.3.1.1 Level of Organizational Commitment	62
6.3.1.2 Level of Organizational Citizenship Behaviour	62
6.3.1.3 level of Ethical Leadership	62
6.3.2. Objective two: To Identify relationships among Organizational Citizenship Behaviour, Organizational Commitment and Ethical	
Leadership	63
Organizational Citizenship Behaviour 6.3.2.2 Relationship between Organizational Commitment and Ethical Leadership	
6.3.2.3 Relationship between Ethical Leadership and Organizational Citizenship Behaviour	64
6.3.3 Objective three: To Identify the impact of Organizational Commitment on Organizational Citizenship Behaviour	64
6.3.4 Objective four: To Identify the impact of Ethical Leadership on Organizational Citizenship Behaviour	65
6.3.5 Objective five: To identify whether Ethical Leadership Moderates to the Relationship of Organizational Commitment and Organizational	
Citizenship Behaviour	65
6.4 Discussion of Hypotheses Testing	66
5.5 Chapter Summary	67

CHAPTER – 7: CONCLUSIONS AND RECOMMENDATIONS	68
7.1 Introduction	68
7.2 Conclusions	68
7.3 Contribution of the Study	69
7.4 Recommendations	70
7.5 Limitations of the Study	71
7.6 Directions for Future Research	72
LIST OF REFERENCES	80
Appendix 01: Questionnaire use for the study (English)	81
Appendix 02: Questionnaire use for the study (Sinhala)	85
Appendix 03: Output	89