

OCB: Investigating the Impact of Psychological Contract and Perceived Supervisor Support in the Hospitality Industry in South Korea

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ABSTRACT

The purpose of this study was to investigate the impact of transactional psychological contract, relational psychological contract and perceived supervisor support on organizational citizenship behavior of hospitality employees in South Korea. Of 350 employees working in international hotel chains in South Korea, 257 employees completed the survey. The results of the study showed that when hospitality employees in South Korea perceive greater supervisor support, they would demonstrate more organizational citizenship behavior. However, transactional psychological contract and relational psychological contracts did not have impact on organizational citizenship behavior of hospitality employees in South Korea. The study suggests that factors including those have been studied in western countries need to be reexamined to see the impact on organizational citizenship behavior in Asian countries.

Keywords: *OCB, psychological contract, perceived supervisor support, Korean hospitality employees*

INTRODUCTION

The term *organizational citizenship behavior* (OCB) was first proposed by Organ (1988) and refers to individual behaviors that are supportive, discretionary, and beyond normal job requirements and thus not directly or explicitly recognized by the formal reward system. Since its introduction, OCB has gained ample scholarly attention (Podsakoff, MacKenzie, Paine, & Bachrach, 2000) because OCBs contribute to the effectiveness of organizational functioning (Podsakoff, Ahearne, & Mackenzie, 1997). It is especially important to encourage OCB in the hospitality industry because employees in that industry are supposed to offer a high level of

quality services and increase operational efficiency, which often means that they perform extra-role behaviors such as OCBs (Getty & Getty, 2003).

To more effectively encourage hospitality employees' OCBs, it is necessary to understand the antecedents of OCBs and the mechanism of the impacts on OCB in the hospitality industry. The notion of the psychological contract was investigated widely by researchers and was found to have positive influence on OCB (Robinson, 1996; Robinson & Morrison, 1995; Robinson & Rousseau, 1994), but most of the studies pertaining to psychological contracts were conducted in Western societies (Rousseau & Schalk, 2000), and little is known about the hospitality industry in Asian culture. One phenomenon that we should not ignore is that people in the Western world, such as North America and Europe, typically rely on rules and legal protections to enforce contracts (Pearce et al., 1992), while in Asian cultures, including Korea's, personal relationships play an important role (Gaines, 1997). This difference may lead to different effects of the psychological contract on OCB in Korea. Therefore, one of our research goals was to investigate impacts of the psychological contract on OCB in the hospitality industry in South Korea.

Perceived supervisor support (PSS) is another factor that has been studied widely in relation to OCB (Cho & Johanson, 2008; Podsakoff, MacKenzie, Wayne, 1997). . However, Asian cultures, including Korean society, tend to share collectivism culture, whereas most Western societies tend toward individualism (Hofstede, 1991). Griffin, Patterson, and West (2001) indicated that the role of supervisor support was weaker when teamwork (collectivism) was introduced. The combination of these research findings triggered researchers to think about whether the role of supervisor support on OCB would be weaker in Korea, a nation demonstrating strong collectivism. Therefore, another research goal of this study was to investigate the impact of PSS on OCB in the hospitality industry of South Korea.

In summary, the objectives of this study were: (1) to investigate the impact of the psychological contract on OCB in the hospitality industry of South Korea and (2) to investigate the impact of PSS on OCB in the hospitality industry of South Korea.

LITERATURE REVIEW

Organizational Citizenship Behavior

OCB is defined as

individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization. By discretionary, we mean that the behavior is not an enforceable requirement of the role or the job description, that is, the

clearly specifiable terms of the person's employment contract with the organization; the behavior is rather a matter of personal choice, such that its omission is not generally understood as punishable (Organ, 1988, p. 4).

Rodsakoff et al. (2000) summarized previous studies and found that OCB could enhance co-worker and managerial productivity, free up resources so they can be used for more productive purposes, reduce the need to devote scarce resources to purely maintenance functions, help to coordinate activities both within and across work groups, strengthen an organization's ability to attract and retain the best employees, increase the stability of an organization's performance, and enable an organization to adapt more effectively to environmental changes. Effectively encouraging employee OCB is especially critical and valuable in the hospitality industry because hospitality employees are charged with providing a high level of quality services and increasing operational efficiency, which often requires them to perform OCBs (Getty & Getty, 2003).

Many variables have been found to be antecedents of OCB, such as job satisfaction (Podsakoff, MacKenzie, & Bommer, 1996), perceived fairness (Organ & Ryan, 1995), organizational commitment (Organ & Ryan, 1995; Podsakoff, MacKenzie, & Bommer, 1996), leadership behaviors (Podsakoff, MacKenzie, & Bommer, 1996; Chen & Farh, 1999; Wayne, Shore, & Liden, 1997), and psychological contract (Hui, Lee, & Rousseau, 2004).

Studies on OCB have also been conducted with Korean employees. Kim, Ok, and Lee (2009) indicated that two forms of the leader-member exchange relationship (LMX) affect Korean restaurant employees' OCB via employees' perceived justice, and the study's findings were consistent with previous studies conducted in western countries. However, inconsistency with previous studies conducted in western countries on OCB was also reported with Korean employees. For example, job satisfaction influences OCB in North America, but the relationship between job satisfaction and OCB was not confirmed in Korean employees in Kim's (2009) study. Because of the inconsistent findings, it is reasonable to reexamine the relationship between other antecedents and OCB in Korean employees.

Psychological Contract and OCB

The psychological contract is a less formal contract and represents the mutual beliefs, perceptions, and informal obligations underlying a relationship between individual employees and their organization (Sim, 1994).

Social exchange theory provides an approach for understanding the relationship between psychological contract and OCB (Turnley et al., 2003). Social exchange theory posits that all human relationships are formed by the use of a subjective cost-benefit analysis and the

comparison of cost and benefit (Blau, 1964). In an employment relationship, if employees feel the discrepancy between what they were promised and what they receive, they would reduce their contributions, including OCB, to the organization; if employees feel their organization provides more than it promised, they would try to increase their contributions, including OCB, to the organization to achieve balance in the relationship with their organization (Turnley et al., 2003). In practical research, the psychological contract has been shown to have an impact on employee behavior (Malhotra & Murnighan, 2002) and evoke norms of reciprocity, which is the social expectation that people respond to each other by returning benefits for benefits and responding with either indifference or hostility to harms (Gouldner, 1960).

There are two main types of psychological contracts: transactional contracts and relational contracts (Guzzo & Noonan, 1994). Transactional contracts are short-term exchanges concerning specific benefits and contributions that are primarily monetary or economic (e.g., fair pay, fringe benefits), whereas relational contracts are more socioemotional and intrinsic (e.g., loyalty, flexibility, fun work environment, job security, training). Researchers have investigated the impact of each psychological contract type on employee behavior. For example, Hui et al. (2004) found that Chinese business employees are more motivated by transactional contracts. In contrast, Turnley, Bolino, Lester, and Bloogood (2003) found that a relational psychological contract has a positive impact on OCB in business employees and health care employees in the United States. In addition, Cho and Guchait (2009) found that Indian hospitality employees are more concerned with relational psychological contracts. Cho and Guchait's (2009) study also showed that transactional contracts did not affect Indian hospitality employees' intent to leave their organization, but relational psychological contracts did. Because personal relationships, which are relational, play an important role in Korean culture (Gaines, 1997), we hypothesized that:

Hypothesis 1a: Transactional psychological contracts do not have an impact on OCB of hospitality employees in South Korea.

Hypothesis 1b: Relational psychological contracts have an impact on OCB of hospitality employees in South Korea.

Perceived Supervisor Support and OCB

Social exchange theory (Blau, 1964) can also explain the relationship between perceived supervisor support (PSS) and organizational citizenship behavior (OCB). When employees perceive more supervisor support than they expected, they contribute more, including OCB, to the organization; otherwise, they reduce their contribution to the organization.

In addition to social exchange theory, the conservation of resources (COR) theory also provides a foundation for the impact of PSS on employee psychology and employee behavior, including job performance, job satisfaction, and turnover intention (Karatepe & Kilic, 2007). COR explains that individuals seek to obtain, retain, protect, and foster resources (Hobfoll, 1989; Hobfoll, 2002). If employees perceive the loss of these resources—which include supervisor support—ineffective job performance, including ineffective OCB, job dissatisfaction, and increased job turnover intention, will occur (Karatepe & Kilic, 2007). Some empirical studies have also proved the relationship of supervisor support and employee job performance including OCB. For example, supportive leader behaviors were found to be positively related to every form of OCB (Wayne, 1997), and PSS was also found to have an impact on organizational commitment, which is a strong predictor of OCB in Indian hospitality employees (Cho & Johanson, 2008).

Thus, we proposed the following hypothesis:

Hypothesis 2: PSS has a positive impact on the OCB of hospitality employees in South Korea.

METHODOLOGY

Data Collection

A self-administered questionnaire was distributed to 350 employees working in international hotel chains in South Korea. A total of 257 completed questionnaires were returned, yielding a 73% return rate.

Measurements

Psychological Contract. To measure psychological contracts, we asked participants to express their beliefs about what their companies were obligated to provide and what was actually provided. Then, we calculated the differences between the companies' obligations and the actualization. A 7-point Likert scale was used (1 = *not at all*, 7 = *very great extent*), which produced a scale range from -6 to 6 for the psychological contracts. Ten items were adopted from Coyle-Shapiro and Conway's scale (2005). Six items were used to measure the relational psychological contract and four were used to measure the transactional psychological contract.

Perceived Supervisor Support. PSS was measured with the seven items used in Pearce, Sommer, Morris, and Frideger's (1992) study. A 7-point Likert scale (1=*strongly disagree*, 7=*strongly agree*) was used.

Organizational Citizenship Behavior. Nineteen items were adopted from Moorman and Blakely's (1995) study and a 7-point Likert scale was used (1=strongly *disagree*, 7= *strongly agree*).

Data Analysis

SPSS 17.0 (2009) was used to conduct the statistical analysis to test the hypotheses. The data were first analyzed by descriptive statistics to obtain frequencies, means and standard deviations, and reliabilities of the variables. Then multiple linear regression analysis was used to test the hypotheses.

RESULTS

Demographic Characteristics of Respondents

As shown in Table 1, the average age of the respondents was about 30 years and most employees were working full-time jobs. There were 123 (47.9%) female employees and 130 (50.6%) male employees. 48.2% of the respondents have some college experiences, 11.3% of the respondents have high school education level, 20.6% of the respondents are currently pursuing college education.

Table 1
Demographic Characteristic of Respondents

Characteristics	n	Mean	%
Age	248	29.98	
Tenure	155	3.8	
Gender			
Female	123		47.9
Male	130		50.6
Work status			
Full-time	218		84.8
Part-time	29		11.3
Education			
High school	29		11.3

Some college experience	124	48.2
Associate's degree Currently pursuing	15	5.8
Bachelor's degree Currently pursuing	20	7.8
Master's degree Currently pursuing	18	7.0

Reliability of Variables

We employed a Cronbach's alpha to measure reliability. As Table 2 shows, all four variables achieved an acceptable reliability level. The mean value of discrepancy of transactional psychological contract and the mean value of discrepancy of relational psychological contract were -.14 and -.13 which are close to zero which means both transactional psychological contract and relational psychological contract of the respondents of the study were almost fulfilled.

Table 2
Mean, Standard Deviations, and Reliabilities of Variables

Variables	Mean	S.D.	Reliability
Transactional psychological contract	-.14	1.28	.91
Relational psychological contract	-.13	1.20	.88
Perceived supervisor support	4.51	.94	.86
OCB	4.59	.77	.92

Hypotheses Testing

As shown in Table 3, the first regression model only containing control variables showed no significance ($R^2=.09$, $F=1.12$, $p=.36$). None of the control variables had influence on the organizational citizenship behavior of hospitality employees in South Korea. Model 2 containing both control variables and the three independent variables, accounted for 39% variance in OCB ($F=13.29$, and $p<0.001$). As we proposed in hypothesis 1a, transactional psychological contracts did not have an impact on OCB. However, relational psychological contracts did not affect hospitality employees' OCB either; thus, we rejected hypothesis 1b. In hypothesis 2, we proposed that Korean hospitality employees would demonstrate more OCBs when they perceive greater support from their supervisors, and the results confirm the hypothesis.

Table 3
Results of Hypotheses Testing

	Model 1	Model 2
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Independent Variables	Beta	t	<i>p</i>	Beta	t	<i>p</i>
Age	-.02	-.10	.92	.00	.04	.97
Gender	.18	1.5	.16	.05	.50	.62
Work tenure	.06	.34	.73	-.01	-.10	.92
Education						
High school	-.24	-2.0	.05	-.11	-1.03	.31
Some college experience	-.03	-.19	.85	-.04	-.32	.75
Associate's degree	.07	.51	.61	-.15	-1.29	.20
Bachelor's degree	-.00	-.01	.99	-.09	-.94	.35
Work status	.09	.79	.43	.11	1.10	.27
Transactional psychological contract				-.01	-.13	.90
Relational psychological contract				.02	-.16	.87
Perceived supervisor support				.62	5.93	.00
R^2		.09			.39	
Adjusted R^2		.01			.31	
R^2 change					.29	
<i>F</i>		1.12			13.29	
<i>p</i>		.36			.00	

CONCLUSIONS

This study showed that Korean hospitality employees demonstrate more OCBs when they perceive more support from their supervisors. This finding is consistent with the results of the studies conducted in Western societies (Podsakoff, MacKenzie, Paine, & Bachrach, 2000; Wayne, 1997). Although the role of supervisor support was found to be weaker for organizations in collectivist societies (Griffin, Patterson, & West, 2001), the impact of perceived supervisor support on OCB was still significant for hospitality employees in South Korea. A possible explanation for the significant relationship between PSS and OCB may be attributed to the data collected from hospitality employees. The hospitality industry is known for low wages and long work hours (Cho & Guchait, 2009). As the conservation of resources theory suggests, the hospitality employee who works in an unfavorable environment must seek resources through every possible but limited channel, including supervisor support, so that the employee can maintain favorable job performance. Therefore, this study suggests that hospitality employers, regardless of their culture, should recognize the importance of supervisor support for their employees.

We found that transactional psychological contracts did not affect Korean hospitality employees' OCBs, as we hypothesized. This result is consistent with the finding in the previous study of hospitality employees in India (Cho & Guchait, 2009) in terms of the effects of transactional psychological contracts on employee behavior. However, the result in this study contradicts the finding of Hui, Lee, and Rousseau (2004), who studied the impact of transactional psychological contracts on OCBs among Chinese employees. It is worthwhile noting that Korea and China are considered collectivist societies, but employees in the two countries demonstrated different OCBs in response to transactional psychological contracts. These contradictory findings could be attributed to the different types of work in which the participants were employed. Employees in Hui, Lee, and Rousseau's (2004) study were working in a steel company while the employees in this study were employed in the hospitality industry. Therefore, the findings of these studies suggest that improving transactional psychological contracts may be not an effective way to change employees' behavior in the hospitality industry.

Although we hypothesized that Korean hospitality employees would demonstrate more OCBs when they perceived greater relational psychological contracts, the data did not support this hypothesis. This finding is inconsistent with the findings in previous studies conducted in western countries (Turnley et al., 2003), and suggests that improving relational psychological contract may not an effective way to enhance hospitality employees' OCB in South Korea either.

While this study demonstrated that a factor which could enhance OCB in western countries may not work in South Korea. To better understand what factors could be effective to encourage OCB of Korean employees, further study needs to reexamine other factors including those already have been studied in western countries. In sum, the results of this study suggest that in order to encourage employees' organizational citizenship behavior of hospitality employees in South Korea, hospitality companies may want to emphasize supervisor support, while reinforcing psychological contract may be an ineffective way.

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