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# THE IMPACT OF ORGANIZATIONAL CITIZENSHIP BEHAVIOR ON ENVIRONMENTAL PERFORMANCE IN THE SMEs OF PAKISTAN, A MODERATING ROLE OF EMPLOYEE TRAINING

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Organizational Citizenship Behavior, Environmental performance, Employee Training, SMEs, Pakistan.

#### Abstract:

One of the most crucial responsibilities of corporations, businesses, and firms is to keep track of whether their systems assist or cause pollution. A sustainable environment should be undertaken by both the organization and the employee in this responsibility. (Tyteca, 1997) explains environmental performance as "the amount to which a firm includes environmental considerations in its commercial operations and follows acceptable levels, consciousness, and responds to stakeholders". Many ethical activities, such as Organisational Citizenship Behaviour, aid and make it easier to be more environmentally conscious. Organizational Citizenship Behavior (OCB) (independent variable) is defined as individuals (employees) optional or discretionary acts that meet or exceed their specific job requirements to facilitate others within the workplace in accomplishing the organizational goal yet also characterized as social behavior. OCB has been shown in numerous studies to be advantageous to the workplace environment and business success. However, this research looks at how the OCB and its three dimensions from the renowned five have an impact on overall environmental performance. Environmental need and maintenance are required not only by people but also by industries/businesses that directly pollute or benefit from it. Environmental performance (dependent variable) awareness is a requirement these days, and training is a point that many businesses neglect, particularly SMEs, because they assume it is not part of their responsibilities. While environmental awareness is a social responsibility of an employee. Moreover, the study focuses on the moderate function of employee training between OCB and environmental performance.

### 1. INTRODUCTION

The environment is in a state of crisis, environmental destruction is the leading risk factor for death and disease around the globe (Landrigan et al., 2019). Climate change is viewed as a universal concern led by natural fluctuation, human activities, or organized business operations, and is considered one of the greatest challenges ever humanity faces (Umrani et al., 2020; Pham et al., 2020; Gilal et al., 2019; Kim et al., 2019; Robertson and Barling, 2013). This is a well and widely recognized fact. The present period's climate situation is worsening, therefore, adopting green or assuming environmental obligations is critical and a task for any government, nation, or corporation. This is a difficult time for humanity, this will require a huge amount of effort to avoid environmental disasters. Planetary boundaries are further pushed to the limit (Steffen et al., 2015), global warming is approaching and many of its dangers are already being noticed (Intergovernmental Panel on Climate Change IPCC, 2018: Summary for Policymakers. In Global warming of 1.5°C) and the biodiversity of life is disappearing putting the ecosystem services at harm (Dasgupta, 2021; WWF-International, 2020). Whereas nature will most certainly hold up and take its path, the future of mankind's well-being and thriving is far more uncertain.

Populations are reliant on the natural environment and the natural elements it delivers, regardless of whether we are talking further about the south, north, east, or west, it indicates that humanity is eventually, but painstakingly, realizing (or acknowledging) that these are in jeopardy (Helen Tregidga and Matias Laine, 2021).

Pollution has the greatest effect on communities with the fewest capital and resources, and social workers will have to cope with the destructive impacts of these changes on human health and well-being (Kemp & Palinkas, Mason & Rigg, 2015, 2018). Natural disaster losses and the risks associated with them must become a point of debate in politics, organizations, and the mainstream press. Despite this high level of focus and 'activity', there are doubts supported by scientific facts that we barely perceive or act quickly enough (Intergovernmental Panel on Climate Change IPCC, 2018: Summary for Policymakers. In Global warming of 1.5°C). Plastic waste has been viewed as a threat to the natural environment for many years and has become a global concern (Wagner and Reemtsma,

2019). Rapid urbanization and industrialization, mining operations, greater levels of chemical use in agricultural sectors, inadequate environmental management (Afroza et al., 2015; Jeevanantham et al., 2019), and irresponsible waste disposal are all threatening water quality in rivers and other lakes (Ajibade et al., 2019; Adewumi et al., 2019). Likewise, an increase in the concentration of toxic chemicals and particles emitted into the atmosphere poses difficulties for human and environmental health (Sulaymon et al., 2020). Over the last couple of decades, the titles like environmental degradation (ED), environmental pollution, global warming, and changing climate have received much attention from scholars, researchers, policymakers, and energy economists. Various studies have been undertaken from conceptual and empirical perspectives to investigate trends in sustainable behaviors and a variety of answers (Danielle and Masilela, 2020; Hajko et al., 2018). Recently, however, in response to this (in) action, there has been an increase in debate attempting to portray the environmental situation as a disaster and indeed alarming. This is especially visible in the field of climate change, where the term "Climate Emergency" has been coined and attempts have been made to persuade governments to declare one (Rockström, 2020), or those recognizing the significance of the action, such as the UN SDG13 Climate Action (UN, 2021).

Environmental damage has occurred in the Asian region for a variety of reasons. Particle pollution kills about 3.7 million people worldwide each year, with almost 2.6 million of them living in Asia ("Air pollution: Consequences and Actions for the UK, and Beyond", 2016). In terms of increasing environmental deterioration, certain areas in the regions are very contaminated.

These economies have few policies and practices in place to address environmental deterioration and improve environmental conditions. These economies have undoubtedly accomplished a better slope of EG, meanwhile, they have also generated more pollution in the natural environment. Furthermore, the natural environment has provided a variety of resources to many sectors and economies to reach their production and daily demands. Unfortunately, one of the increasing demands on the natural environment is that it must digest toxic by-products in carbon emissions, haze pollution, and other forms of pollution (F. Chien, M. Sadiq, M.A. Nawaz, M.S. Hussain, T.D., 2021).In Pakistan alone, particle pollution resulted in 22,000 premature deaths among adults and 700 deaths in young children (Agha, 2000), and it cost nearly 6% of GDP's yearly environmental health expenditure.

A high level of poisonous metals in the soil, air, and water system could raise the chance of negative health impacts (Hou et al., 2019; Mehmood et al., 2019; Saddique et al., 2018).

Meanwhile, Faisalabad is Pakistan's third-largest urbanized and industrialized metropolis, with a diverse range of land-use types, suggesting that the chemical composition of soil in different land-use situations may reveal significant geographical variation (Muhammad Mohsin Abrar, Adnan Mustafa, 2021).

Faisalabad is an industrialized hub and one of Pakistan's fastest-growing megacities (Khalid Mehmood, Yansong Bao, Roman Abbas, 2021). Faisalabad was declared the third worst polluted city in the world in 2019, according to the World Air Quality Report (2019 WORLD AIR QUALITY REPORT IQAir, 2019). Industries, in particular, have been criticized for their careless attitude toward environmental protection. Corporations or organizations that do not recognize ethical approaches/attributes and behaviors such as Organizational Citizenship Behavior that enhance working and environmental consciousness do not understand their environmental obligations. Thus, according to (Brown et al., 2005), specified leaders are more or less effective in fostering OCB, and disobedience is strongly discouraged. Yet employee behavior is more significant than formal awards and assessment systems in the success of environmental projects (Daily, 2009). In our understanding, no current studies have directly researched the impact of OCB on environmental performance and how employee training can affect the relationship of both variables we consider in this research, also highlights the lack of adoption of ethical behavior (OCB) and ecological responsibilities.

(Tyteca, 1996) describes the environmental performance as "the extent to which an organization incorporates environmental factors in its business operations and follows appropriate levels, consciousness, and responds to stakeholders" (Anser et al., 2020). Employees' volitional practices that go above and beyond their specified job duties to assist others in the workplace in accomplishing the organizational goal are referred to as Organizational Citizenship Behavior (OCB) (Organ, Effect of Workplace Incivility on OCB Through Burnout: the Moderating Role of Affective Commitment, 1988). Employees benefit from OCB since it adds to a positive work environment and job performance (Weiwei Liu, Zhiqing E. Zhou, Xin Xuan Che, 2018). The study also focused on three dimensions of OCB. Even though numerous researches have revealed distinct dimensions of OCB, the most

relevant dimensions according to researchers and most used from the beginning are certain proposed by (Organ, 1988) altruism, civic virtue, conscientiousness, courtesy, and sportsmanship. We are focusing on three of them: conscientiousness, sportsmanship, and civic virtue described below.

'Conscientiousness' shows a tendency of going above and beyond the bare minimum of position and task requirements. It refers to an employee's sincere acceptance of and loyalty to the organization's workplace rules, regulations, and processes, resulting in performance above and beyond the needed fundamental performance levels (Organ, 1988).

An employee's willingness to accept predicted hardship and complete the job without complaining is considered a 'sportsmanship' (Organ, 1988).

Thirdly, 'civic virtue' is linked to employee interest and voluntary participation in social and political activities at work, such as attending meetings, keeping up with organizational developments, and becoming a responsible corporate citizen (Deluga, Organ, 1998, 1988).

According to organizational management specialists, building OCB within each company's environment should be a focal point for any overall success of the company, especially if the organization's sustainability goals are to be met (Park & Shaw, 2013) which describes that OCB focuses on the workplace environment. Whereas OCB and OCBE the Organizational Citizenship Behavior for the Environment are similar, OCBE focuses on employees' proactive environmental behaviors (Paillé and Boiral, Is abusive supervision harmful to organizational environmental performance? Evidence from China, 2013) However, many organizations, particularly small and medium businesses, do not recognize or adopt this behavior. The question remains, OCB is beneficial to employees, yet its training is not widely available or receives rare attention for fulfillment in the small and medium firms.

Pakistan has set up a foundation to help and promote this industry. This government entity is known as the Small and Medium Enterprises Development Authority (SMEDA), and it is in charge of formulating policies for the promotion of SMEs, as well as facilitating funding. It also aids in entrepreneur training and education. Small Medium Enterprises (SMEs) are classified differently in different countries. According to the European Commission (2010), an SME is defined as a company with fewer than 250 employees. If a company employs less than 100 employees in the United States, it is classified as a small business. Pakistani organizations with less than 50 employees are classified as small businesses or SMEs,

according to the Small and Medium Enterprises Development Authority (SMEDA). SMEs are major factors in the country's overall economic performance. Have a strong, well-developed SME, but developing countries like Pakistan's SMEs are not productive and effective (Yousaf Ali, Ahsan Younus, Amin Ullah Khan & Hamza, 2020). It is visible that in underdeveloped countries like Pakistan, the performance of SMEs has remained poor.

A total of 3.2 million SMEs operating in Pakistan cities, contributing approximately 30% to 40% of the country's GDP, 78% of industrial employment, and 30% of overall exports (Rs.140 billion) (Shah and Syed, 2018). Approximately 84% of SMEs generate less than Rs. 0.5 million per year (Qureshi and Herani, 2011). Punjab has the largest percentage of SMEs (65.4%), followed by Sindh, Khyber-Pakhtunkhwa, and Baluchistan, which have 18%, 14.3%, and 2.3%, respectively (Zafar and Mustafa, 2017). Because the study focuses on Small and Medium Enterprises' environmental concerns, it raises the issue that ethical behavior that benefits the environment should be recognized and maintained in SMEs. Most businesses are unaware of these theories, the benefits of OCB, staff training, and environmental sustainability, and hence are unable to use them successfully (Zeeshan et al., 2017). Lack of personnel training, implementation challenges, government support, and an unworkable sustainable environment are just a few of the reasons why SMEs in Pakistan failed to use environmentally sustainable practices and, as a result, fail to report on them (Zeeshan et al., 2017). Due to all these factors, SMEs do not see the value in incorporating environmentally sustainable practices because they are unaware of the benefits. Some small businesses do not even try to be concerned about environmental sustainability which should be shaped and the issue should be tackled.

Previous research has clearly stated that the lack of OCB recognition is a major concern and that as a result of this ignorance, the environmental performance is declining. This study adds to the literature first by examining the relationship between variables such as OCB and its dimensions (independent variable) impact on environmental performance (dependent variable), as well as the moderating role of employee training in influencing the relationship, which we think has not stated thoroughly in previous researches. Second, the study sheds light on OCB's cluelessness in Pakistan's (Faisalabad) Small Medium Enterprise (SMEs), which is causing employees to become more environmentally unconscious or clueless about their responsibility.

Third, the research has made a significant contribution to the literature by using the dependent variable "Environmental performance" and "Employee Training" as a moderator with OCB, which has not yet been used previously in research as far as our knowledge or specifically focused on Pakistan's SMEs.

## **1.1 Research questions:**

The study's objective is to lay the foundation for establishing research questions and identifying a foundation for the research. As a result, the current study's research questions are:

- 1. What is the relationship between OCB and Environmental Performance?
- 2. How does Employee training moderate the relationship between OCB and environmental performance?

## 1.2 The objective of the study:

The purpose of this study is to examine the impact of Organizational Citizenship Behavior (independent) including its three dimensions on environmental performance (dependent) with employee training reflected as a moderator in the SMEs of Pakistan, Faisalabad city, and especially prominent the "unawareness" of these ethical behaviors. The study's secondary objective is to develop different variables and analyze their relationships, as well as to demonstrate the variables' importance in the Small and Medium Enterprises, which places slight focus on ethical behavior and environmental responsibilities.

## 1.3 Study rationale:

Organizational Citizenship Behavior is considered in Western enterprises in particular, but it is less frequent in developing nations. For example, in Pakistan, these notions can be heard in large corporations/firms, but they are rarely noticed and developed in SMEs. As a result, the environment cannot be regarded in companies unless appropriate ethical characteristics are addressed also there is no attention given to the training of these types of notions. Thus, the research raises a concern about ignorance and the necessity for these behaviors in SMEs, which can dramatically improve environmental practices.

### 2.LITERATURE REVIEW

## 2.1 Organizational Citizenship Behavior and Environmental Performance:

The Social Psychology of Organizations argued that and Kahn's (1966) 'spontaneous' and 'innovative' behaviors that go beyond role requirements are essential to an organization's efficient operation. OCB is described by Organ (1988) as a set of discretionary behaviors that, while they increase organizational success in the aggregate, are not formally recognized by the institutional incentives. 'Discretionary behaviors' are defined as those that an individual engages in as a matter of choice rather than as part of their function, employment contracts, or job requirements (Organ, 1988). Various researchers were confused about whether OCB is 'in role' and 'extra-role'. As a result, Organ (1997, p. 95) redefined OCB as "performance that supports the social and psychological environment in which task performance occurs" while also stating that more research is required to develop a more exact description of the concept. The broadened definition allows OCB to be applied to more than just business/cooperate performance. It may also be applied to an employee's "social or psychological environment" understanding. Thus, we link to it as 'in corporate' and 'total environmental performance' (outside organizations). To highlight the OCB's responsibilities and thoroughly investigate them, we chose three

dimensions from the five described below (R. W. Batilmurik, N. Noermijati, A. Sudiro, 2020)

- Conscientiousness: Work passion and a desire to go above and beyond the standard of performance in every way.
- Sportsmanship: Individuals who are willing to accept whatever the organization imposes, even if it is not ideal.
- Civic virtue: Individual behavior in participating in and caring for various activities organized by the organization voluntarily and responsibly.

Whereas, environmental commitments are seen as personal obligations that people believe they must meet if they are not reached (Middlemiss, 2010). The environmental aspect has been viewed as a humanitarian principle by climate researchers in the literature, with a focus on what is right and wrong, as well as the aspect of accountability (Aarnio-Linnanvuori , 2019). (Boiral and Paillé, 2012) reflects a development in the OCB architecture, stating as OCB towards the environment (OCBE). OCBE concentrates on organizational environmental challenges (Lamm et al., 2013). OCBE refers to an individual's free social behavior, not the organization's environmental management system (Boiral, 2009) OCBE is crucial for the successful implementation of an environmental management system that connects environmental strategies to workplace behaviors (Roy et al., 2001). Environmental management is strategically important to firms, as it allows them to respond to changes in the industry (Molina-Azorin et al., 2015). Therefore, as many researchers believe OCB or OCBE benefits the corporate environment, our findings indicated that OCB awareness can cause overall environmental succession. (Chih-Ching Teng, Allan, Cheng Chieh Lu, Zhi-Yang Huang and Chien-Hua Fang, 2020) have proved that an ethical work climate has a positive effect on OCB.

As a result of our study, we link that OCB is also beneficial to overall environmental performance because it motivates employees to be environmentally conscious. Maintaining an ethical climate encourages employees to eliminate the use of harmful environmental resources on a social and psychological level.

• (H1) OCB has a positive effect on Environmental performance.

## **2.2** The moderating role of Employee Training:

Employee training to cope with increasing demands might be viewed as a form of organizational support by the employees. According to previous research, perceived organizational support is positively associated with commitment (Cheung, 2000; Meyer, Allen, and Gellatly, 1990). It's practically impossible to control the presence of citizenship behavior in employees regularly (N. O. A. Ahmed, 2016; Werner, 1994). As a result, organizations might encourage them to display greater OCB when it comes to giving training (K. Ahmad, 2011). Furthermore, employee training is critical in influencing employees' citizenship behavior (N. O. A. Ahmed, 2016; Werner, 1994).

Employee training, according to a prior study, has a positive impact on OCB, similarly, the current study investigates whether employee training is moderating the relationship between OCB and environmental performance. However, the existing literature pays minimal attention to the importance of staff environmental training in terms of environmental performance, several recent studies have attempted to fill in the gaps (El-Kassar and Singh, 2018; Singh and ElKassar, 2019). It necessitates a greater focus on environmental performance for employees. Environmental training for employees is based on an environmental sustainability concept that attempts to improve employees' competencies, willingness, dedication, and participation in the firm's environmental goals (O'Donohue and Torugsa, 2016). Environmental training or ethical training for employees is rarely observed, especially in areas where terms such as OCB or environmental duties are unknown for

instance Small and Medium Enterprises. Lack of awareness of the ethical behaviors (such as OCB) and employee training for this is leading to a lack of environmental performance and damaging our climate in particular.

• (H2) Employee training has a moderating effect on the relationship between OCB and Environmental Performance.

## 2.3 Small Medium Enterprises (SME):

Small and Medium Enterprises are the foundation of any economy's long-term economic and social development. They are the most important players in the business world. For example, according to the Organization for Economic Corporation and Development (OECD, 2017) and Eurostat (2017), SMEs account for 95% of all businesses worldwide. In developed and developing countries, SMEs are seen as critical to helping to ensure long-term economic growth, job creation, innovation, entrepreneurialism, and social integration. Small and Medium-sized businesses (SMEs) account for 90% of all businesses in Pakistan, employing 80% of the workforce and contributing 40% of the country's GDP (Small and Medium Enterprises Development Authority, 2017). Pakistan is also a developing country, and the impact on small and medium-sized businesses cannot be misstated. SMEs in Pakistan are not delivering the expected results, even when compared to those in other developing countries (Saqib Muneer, Rao Abrar Ahmad, Azhar Ali, 2017) because SMEs in Pakistan face numerous challenges. Furthermore, researchers revealed that these businesses have an impact on the living environment and society as a whole (BlueOrchard, 2017; Mahmood, Kouser, Hassan, & Iqbal, 2017). This proposition enables us to establish a link between SMEs' environmental performance.

Few researchers have discovered SMEs' unawareness of the environmental performance and OCB. Therefore, Punjab was chosen because it has the highest contribution in terms of the number of SMEs. In terms of the number of SMEs, Sialkot, Faisalabad, and Lahore are the three largest cities in Punjab, which is why it narrowed our study to Faisalabad's SMEs. Faisalabad was chosen for this study because it is the industrial hub of Pakistan, and is also known as the Manchester of Pakistan. Thus, we recognize that this study's findings can assist policymakers, entrepreneurs, and other business professionals working in the SMEs in focusing their attention on OCB and environmental performance, as well as the employee training, which is affecting the relationship between OCB and environmental performance. According to similar research, OCB is beneficial to the corporate environment and may be applied to preserve the environment, resulting in the glaring fact that OCB improves the environment, giving businesses and organizations a socially responsible position.

Environmental sustainability, leads to organizational success, suggesting that environmental awareness demonstrates to stakeholders or communities that businesses are minimizing the risk of environmental damage. Hence, the current study centers on its awareness in the Small and Medium Enterprises, which are a major part of Pakistan's economy and where employee training can be beneficial. The research framework was established after a comprehensive literature review. In this framework, we have an independent variable called Organizational Citizenship Behavior (OCB) and from five dimensions the three are selected for a brief examination which are conscientiousness, sportsmanship, and civic virtue, the dependent variable is environmental performance, and a moderator employee training. In this study, we can see that OCB (including dimension) has a significant link with the dependent variable, and that employee training moderates the relationship between the independent and dependent variables.

## **Research Framework:**

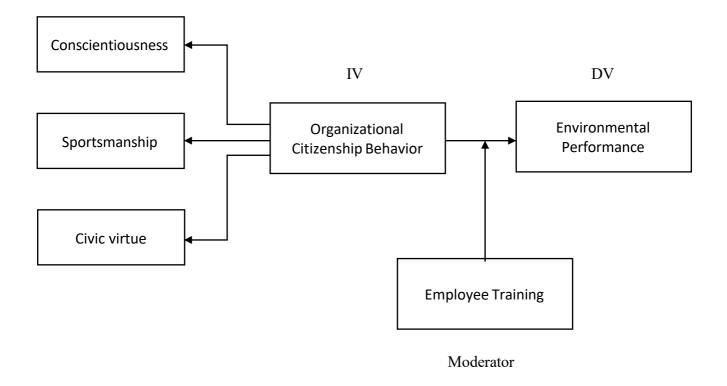


Figure 2.1, Research model

#### 3. METHODOLOGY

## **3.1** Description of Research Design and Procedures Used:

The research sheds light on the issue of OCB minimum detection, which is harming environmental performances, and the prominence of training on this attribute for employees, hence the foundation of this thesis is quantitative and further exploratory. The entire study goal is to draw attention to this issue in the (Faisalabad's) SMEs, which are largely unaware of these notions briefly described in 'the introduction'. The research looked into OCB's visibility in the SMEs, as well as employee training (if any company/organization/business is familiar with it.

Only a few SME organizations/businesses from Faisalabad were included among the participants, therefore data were collected and questionnaires were adapted. The study relies on positivism paradigm research for its authenticity, stability, objectivity, timeliness, and communicability, of conclusions, which contributes to its wider adoption. Each group member of research in this study is committed to performing a key role in their respective areas of research and presenting specific insights based on their results.

#### 3.2 Sources of Data:

The Head IRC (SMEDA), provided a database of Faisalabad's Industrial Establishments, as requested by email which allowed to identify organizations and gather data from them. Primary data of the study was collected. The surveys were conducted both online and physically, research members visited the selected SME organizations/businesses periodically, according to their working hours. With the help of our supervisor's instruction and the teamwork of each group member of the project, we were able to collect data and build forms.

### **3.3 Sampling Procedures:**

The SMEs of Faisalabad is the study's target demographic as we find the least attention to OCB there. The organizations/businesses were chosen from a directory provided by the source. The survey was conducted with as many SMEs as the researchers were able to approach to reach the maximum sample size target of 300 respondents. The required data

for the area is a homogeneous and convenient sampling technique that is used, which is beneficial for a large population. The target population was owners, partners, and managers since the focused enterprises were SMEs.

#### 3.4 Methods and Instruments of Data Collection:

The purpose of this research is to examine exponential components. The most effective approach for getting data for variables is using a questionnaire survey (Mertens, 2018). As a result, we chose the instrument to successfully explain the data by conducting survey questionnaires using the non-probability method approach, further the convenience sampling, which is beneficial in representing the complete population and the most appropriate choice for quantitative data collection.

The questions were adapted from previous research articles and adjusted to match our needs. A Likert-type scale was used to measure. There were five response options for each item: (1) strongly disagree (2) strongly disagree (3) neutral (4) agree (5) strongly agree.

We divided the survey into four segments/parts for the ease of respondents and analysis. First consist of Demographics: Company/organization/business name (short answer), gender (three options), age (four ranges), educational (four options), and occupation (four options).

Second consist of Organizational Citizenship Behavior (IV) which is measured using 12 question survey (adapted from research articles) with three dimensions: conscientiousness (three items), sportsmanship (five items), and civic virtue (four items). The third consist of Environmental performance (DV) which is measured using 5 questions survey (adapted). Finally, the fourth consist of Employee Training (Moderator) which is measured using 5 questions survey (adapted).

The sample size was 300 and we received 290 responses. As previously stated, data were gathered through both physical visits and online surveys. Google forms were used to create online surveys, and the same questionnaire was made. The data was collected by the research members in March 2022, with around 70% online and 30% offline (physical visits). The data was routinely analyzed in SPSS software in April 2022, sample entry, descriptive statistics, correlation, regression, etc. Data analysis and statistics are briefly described in the next section

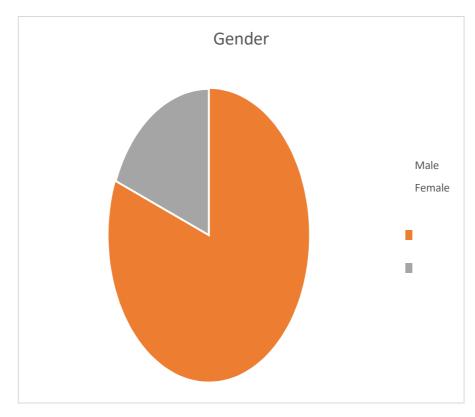
#### **4.RESULT AND DISCUSSION**

## **4.1 Demographic Analysis:**

Table 4.1 represents that out of 290 (100%) respondents from the survey questionnaire, 81.0% (235) of the participants were male and 19.0% (55) were female. This can be observed in the following table and pie chart. It can be seen that the number of males is much more than the number of females, reflecting that females are less involved in enterprises than males.

Table 4.1 Gender

	Frequency	Percent	Valid %	Cumulative %
Male	235	81.0	81.0	81.0
Female	55	19.0	19.0	100.0
Total	290	100.0	100.0	

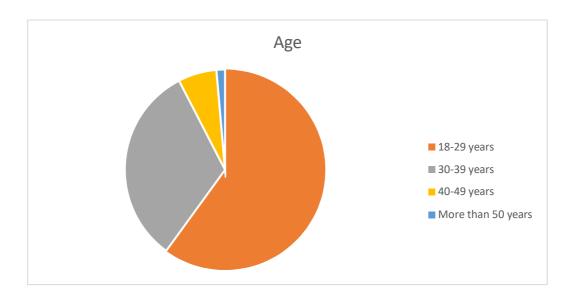


• Figure 4.1, Gender

Secondly, as can be seen in Table 4.2 and the graph, 60.0% (174) of the respondents were between the age of 18-29 years, 32.4% (94) were between 30-39 years, 6.2% (18) were between the age of 40-49 years, and 1.4% (4) were over the age of more than 50 years from 290 responses.

Table 4.2 Age

	Frequency	Percent	Valid %	Cumulative %
18-29 years	174	60.0	60.0	60.0
30-39 years	94	32.4	32.4	92.4
40-49 years	18	6.2	6.2	98.6
More than 50	4	1.4	1.4	100.0
years				
Total	290	100.0	100.0	

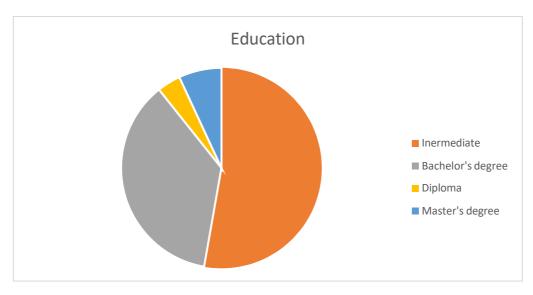


• Figure 4.2, Age

Table 4.3 and the pie chart below indicates the educational backgrounds of the study's participants (responses). Intermediate was 52.8 % (153), Bachelor's degree was 36.6 % (106), Diploma was 3.8% (11) and Master's degree was 6.9% (20). This demonstrates that the majority of persons working in SMEs are only intermediately educated.

**Table 4.3 Education** 

	Frequency	Percent	Valid %	Cumulative %
Intermediate	153	52.8	52.8	52.8
Bachelor's degree	106	36.6	36.6	89.3
Diploma	11	3.8	3.8	93.1
Master's degree	20	6.9	6.9	100.0
Total	290	100.0	100.0	

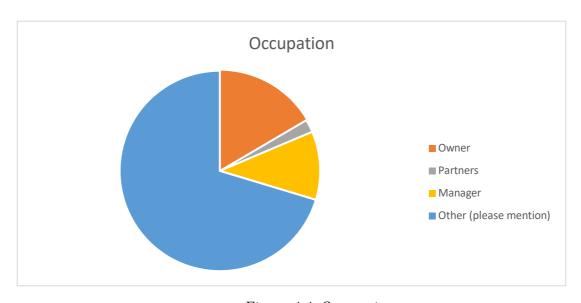


• Figure 4.3, Education

The pie chart and Table 4.4 cover the occupations of 290 respondents. 16.6% (48) were owners, 2.1% (6) were partners, 11.0% (32) were managers, and 70.3% (204) were involved in other businesses/occupations.

**Table 4.4 Occupation** 

	Frequency	Percent	Valid %	Cumulative %
Owner	48	16.6	16.6	16.6
Partners	6	2.1	2.1	18.6
Manager	32	11.0	11.0	29.7
Other (please mention)	204	70.3	70.3	100.0
Total	290	100.0	100.0	



• Figure 4.4, Occupation

## **4.2 Descriptive Statistics:**

The descriptive results presented in Table 4.5 reveal a higher mean of 1.4897 and a higher standard deviation of 1.12 in the descriptive analysis.

**Table 4.5 Descriptive Statistics** 

	N	Mean	Std. Deviation
Age	290	1.4897	.67703
Education	290	1.6483	.84862
Occupation	290	3.3517	1.12555
Valid N (listwise)	290		

#### 4.3 Correlations:

The correlation between variables is depicted in Table 4.6. Correlation analysis was conducted to evaluate the relationship between the variables in the study. Organizational Citizenship Behaviour (OCB) with three dimensions conscientiousness, sportsmanship, and civic virtue are independent variables, whereas Environmental Performance (EP) is dependent (variable) and Employee Training is the moderator (variable). In correlation analysis, the significance level of these variables is 0.01. The OCB has a positive link with environmental performance (r=.127) and employee training (r=.141) as seen in the table below. Which validates the study's H1 that OCB has a positive impact on environmental performance.

Moreover, it leads to the H2 and presents credence to the findings of the research. Employee training positively moderates the relationship between OCB (dimensions) and environmental performance, as shown in Table 4.6, hence our study highlights the problem of lack of employee training for OCB, which is harming ecological performance as well.

**Table 4.6 Correlations** 

		Organizationa l Citizenship Behavior	Environmental Performance	Employe e Training
Organizational	Pearson Correlation	1	.127*	.141*

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Citizenship	Sig. (2-tailed)		.031	.017
Behavior	N	290	290	290
Environmental	Pearson Correlation	.127*	1	.443**
Performance	Sig. (2-tailed)	.031		<.001
	N	290	290	290
Employe	Pearson Correlation	.141*	.443**	1
e	Sig. (2-tailed)	.017	<.001	
Training	N	290	290	290

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

## **4.4 Regression Analysis:**

R square in the below table 4.7 denotes data variations. It demonstrates that the 11.7% is explained by the OCB and its dimensions' strong relationship with environmental performance. To put it another way, 11.7 is the number of independent variables. Likewise, the adjusted R2, which refers to sample estimates of population co-efficient determinations modified for the degree of freedom, is 11.1% The standard error of estimates, which is the raw measure of dispersion, displays the variations around the regression line at 3.02.

**Table 4.7 Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.342ª	.117	.111	3.02491

We validate every hypothesis and conclude that the overall model of this study is statistically significant as the p-value in the ANOVA table 4.8 is .000, which is less than 0.05.

Table 4.8 ANOVA<sup>a</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	347.533	2	173.766	18.991	.000b
Residual	2626.071	287	9.150		

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Total	2973.603	289		

When no hurdles are present, A equals 14.474. In the below table 4.9 coefficients are statistically examined. If one unit of the moderator (employee training) is increased, the environmental performance will increase 23.5 times. The value of OCB (dimensions) on the other hand demonstrates that increasing one unit increases environmental performance by 83.5 times. Positive relationships between variables can be observed in the coefficients.

	Table 4.9 Coefficients <sup>a</sup>							
Model	Unstandardized Coefficients		Standardize d Coefficients	t	Sig.			
	В	Std. Error	Beta					
(Constant)	14.474	5.460		2.651	.008			
Employee Training	.235	.041	1.446	5.725	.000			
Organizational Citizenship	.835	.137	1.537	6.086	.000			
Behavior								

### **CONCLUSION & SUMMARY**

The findings of the study indicate that environmental performance has a strong and positive link with OCB. This study was also influenced by the findings of (Yousaf Ali, A. Younus, Amin Ullah Khan and Hamza, 2020), who confirmed their hypothesis that environmental sustainability has a positive impact on environmental, operational, and business performance. This prompted us to study the importance of environmental issues, notably in SMEs. If sustainability has a positive influence, ethical behavior such as OCB can also contribute, and the current study's statistics revealed a highly significant association between OCB and environmental performance of around 83%.

Meanwhile, the findings show that employee training improves the link between OCB and environmental performance. In other words, our findings show that introducing employee training for OCB will raise employee awareness of their environmental obligations and have a beneficial impact. Whereas OCB cannot be forced, there are a variety of ways to flexibly and decently initiate this ethic, such as providing a consistent environment that minimizes paper waste, product operation waste, and manufacturing waste (this also helps the 'go green' strategy, which has already been adopted by many corporations) in the workplace and the

daily schedule, presenting activities such as introducing workshops related to environmental awareness, prioritizing its importance, and collecting feedback from employees about its training. This will create a positive perception among employees that environmental growth is important beyond their job duties.

It is challenging for small and medium firms to adopt this ethic, according to a study conducted in Pakistan, no SME has released an environmental sustainability report (Zeeshan et al., 2017) hence this study has calculated the variables in Pakistan, Faisalabad's SMEs. Ethical behaviors are not difficult to adopt, precisely as they are in typical changing settings. They can be understood and implemented in everyday interactions. We can certainly see that SMEs pay the least attention to environmental performance and that no steps have been taken to address this issue until the 'going green' concept emerged, which demonstrated that even small businesses can rapidly cut waste that is slowly killing the environment. The current study's model also illustrates that SMEs can foster this ethic in their workplaces by making their employees, managers, partners, owners, or the entire company aware of their social responsibilities.

#### **5.1 Limitations:**

There are several limitations to this study. First, it may be difficult to extend the findings of a study conducted at several SMEs in Faisalabad, Pakistan, the conclusions of this study may not apply to other types of businesses.

Second, while those variables are approximated in research, the effort to achieve ethical behavior and the lack of staff training are not examined in depth.

Third, we found very few previous studies on these variables, so we merged what we could and came up with a novel framework. It can be challenging for researchers to examine distinct or novel variables, but it adds novelty to the study, consequently, current study variables differ from previous studies, making it harder to obtain other researchers' opinions on it.

Last but not the least, because the researchers' access was restricted, the sample size in this study was limited to 300 people from SMEs in Faisalabad.

#### **5.2 Conclusions:**

Environmental catastrophe has been a problem for humankind for decades, but effective solutions can be found. The current study has brought attention to the issue of environmental performance and its lack of understanding in the Small and Medium Enterprises of one of Pakistan's major cities, Faisalabad. It also explains that OCB ethical behavior contributes to greater environmental awareness. Our findings suggest that the analyzed variables OCB and its dimensions as an independent variable have a positive impact on the environmental performance dependent variable. It was also observed that employee training is moderating positively the relationship between OCB and environmental performance. The facts demonstrate that if OCB is implemented in SMEs, environmental performance will be enhanced and become a more prominent role. Employee training can help increase employees' perspectives on ethical behaviors which are not difficult to accomplish and social responsibilities concerning environmental sustainability.

## **5.3** Recommendations for Further Investigation:

More extensive research can be conducted on the lack of employee training in environmental performance and seek wide facilities from which they may assess whether environmental obligations are addressed in other industries or sectors or enterprises outside of the SMEs.

The difficulties in implementing ethical behavior in particular industries are vital to the country. An essential approach is to investigate these types of behaviors, and ethics in undeveloped nations where these topics are hardly addressed, a larger sample size will undoubtedly reveal vast populations' concerns.

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