

## Determinants of Organizational Justice and its impact on Job Satisfaction. A Pakistan Base Survey

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### *Abstract*

*The aim of this study is to explore the quality, strength and significance of the relationship between three type of justice (Procedural, Distributive and Interactional) job satisfaction and work performance. The study will investigate the relationship in the Pakistani context. Data was collected through questionnaire from the employees of educational institutes working in Pakistan. The results showed that employee's perception about Procedural and Interactional justice has a great affect on their job satisfaction while in Pakistani context distributive justice do not have significant impact on job satisfaction . This research can be useful for researchers and managers and can also used in making more suitable strategies to increase job satisfaction of employees.*

**Key Words:** *Job satisfaction, Organizational justice, Procedural justice and Pakistan.*

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### **Introduction:**

The term organizational justice is used in this study the degree to which employees perception about the overall organizational procedures, rules, and policies which are connected to their job should be fair while Job satisfaction means how employees has perception about their job positively or negatively (Mohyeldin & Tahire, 2007). Employees were more satisfied when they felt they were fairly rewarded fairly for the work they have made and these reward are according to their contributions for organization and in harmony with reward policies of organization (Al-Zubi, 2010).

Satisfaction has a significant role in the productivity of employees ultimately plays a crucial role in the progress of an organization. As now world is like a global village so employees can move not only within country but they can move to other countries as well. Due to high competition organizations are always in search of qualified employees and human resource is such type of asset which is most difficult to retain so organization should give concentration to those factors that can effect satisfaction of employees. In these factors organizational justice has key importance which explains how the individual perceives about the fairness of rewards he should get and what actually he receive from the organization (Fernandes & Awamleh, 2010). Highly satisfied employees perceived that their organization would takes care of their quality work so they exhibited OCB, s and were more loyal to the organization and tried to perform more productively (Fatt, Khi, & Heng, 2010).

Justice is one of the most important factor influencing satisfactions of the personal of an organization so that perceiving injustice will result in the personnel dissatisfaction which leave negative influence on their performance.

Although numerous studies have been conducted in the Western and Arabian context on justice (Procedural, distributive and interactional) and satisfaction but no study has tried to study this relationship in Pakistani context.

The purpose of this study is to find out the linkage, rout and impact of organizational justice job satisfaction in the Pakistani context. This research will facilitate the decision makers across the Pakistan to better understand the relationship between justice, job satisfaction and performance of employees which can enhance the productivity and performance of employees. This study could also be useful for human resource managers of Pakistan for formulation of HR practices which can ensure high performance trough job satisfaction by prevailing justice.

## Literature Review:

### Organizational Justice:

Organizational justice is used to illustrate the function of fairness as it has direct effect on employee's performance, particularly organizational justice is deal with the situation when employees conclude about their treatment in their jobs and how this perception effect their work related performance (Moorman, 2009). The organizational justice (procedural, distributive, interactional) has significant impact on job satisfaction is a topic of extensively research in an organization (Viswesvaran & Ones, 2002). We find lot of literature about three types of organizational justice (distributive, procedural, and interactional justice).

### Distributive Justice:

Distributive justice means the perception an individual have in an organization about fairness of rewards he receives from the organization. Rewards may be distributed on the basis of equity and their work performance and individual perceives it fair in comparison with his coworker (Alsalem & Alhaiani, 2007).

Distributive justice is the perceived fairness of rewards. It shows how employees perceive they fairly rewarded and rewards are according to their performance (Gilliland, S.W, 1994). A meta-analysis examined the linkage between distributive justice and job satisfaction and concludes that very high correlation is present between these two variables (Cole M. , Cole. L, 1999). Folger & Konovsky,( 2010) study the relationship between distributive justice perceptions and pay level satisfaction and found a very high correlations between them.

### Procedural Justice:

Procedural justice shows the neutrality of the formal procedures and the rules that control a system (Nabatchi, B., & Good, 2007). It has been observed that employees have perception of procedural justice if supervisors provide sufficient information about their decisions regarding procedures (Greenberg J, 1987). Rules should show constancy of between times span and individuals in form of rewards and promotions between the employees (Hegtvedt, A., & Markovsky, 1995).

### Interactional Justice:

Interactional justice defines as the nature of association between supervisor and subordinates (Mohyeldin & Tahire, 2007) . Cottringer & W. (1999) Fairness creation and its management is very important for the organizations as it affects productivity and behavior of employees. The Perception of fairness effects his/her relationship with peers, subordinates and supervisors (Mohyeldin & Tahire, 2007).

Many workers has the perception of injustices not due to procedural or distributive issues of rewards but they actually more concern about how actually they are treated during instead referred to the manner in which people were treated interpersonally during communication and meetings (Mikula et al, 1990)

Suliman (2000) study the correlation between the interactional justice (supervisors) and employees productivity in Jordanian industries. He conclude that the employees whose perception about his relationships with immediate supervisors is good will perceive positively his performance compare to those

whose perception about with his relationship with his supervisor is negative. The interactional justice is well enlightened in social exchange theory (Cropanzano & Mitchell, 2005). From the social exchange theory points of view, employees anticipate polite, sincere and frank treatments from the peers and supervisor. On the basis of reciprocity norm workers who recognize righteous treatments from supervisor are more likely to exhibit positive attitude and shows great commitment to goals of the organizations, exhibit more OCB,s , demonstrate improved job satisfaction, improved job performances and Low turnover (Cohen-Charash & Spector, 2001).

### **Job Satisfaction:**

Job satisfaction has been defined as connection between what one expects from job and what his perception about getting from job (Lock & A., 1996). Job satisfaction has been extensively studied by researchers from last four decades. Job satisfaction is taken seriously based on assumption that higher job satisfaction lead to higher work performance (Yang, Brown, & Byongook Moon, 2011).

Existence of job satisfaction is very important in a organization as it has significant impact in many fields like human resource management, organizational behavior, Productivity, sociology, and strategic management etc. That why job satisfaction should exists wherever job occur.

Employees received reward not only in the form of salary again their performance but can also be in the form of sense of achievement or feelings of internal satisfaction. Research of Al-Zubi (2010) shows that employees with job satisfaction have positive effect on work which shows the presence justice in the organization.

Job satisfaction is very important in retaining and catching the attention of capable personnel. Job satisfaction is a perception of employees about their duties and the organizations in which they work. Job satisfaction as an employee's feedback to his work, on the basis of comparison between desired rewards and actual rewards (Mosadeghrad, A.M., 2003).

Furthermore, more satisfied employees exhibit loyalty, innovative attitude for continuous betterment and show more involvement in the decision origination process in the best interest of the organizations goals (Kivimaki & Kalimo, 1994). Job satisfaction is also quite correlated to customer's satisfaction. As job satisfaction has great impact on attitudes and behavior of employees and productivity . For many years, researchers illustrate how satisfaction effect and is effected by other organizational variables. Say, individual personality, job characteristics, disposition were detected as the major predictor of job satisfaction. (Schermerhorn et al, 2005). Positive and caring relationships with coworkers also have a positive impact on job satisfaction of employees. An individual that has a better relationship with their coworkers are more likely to be satisfied with their job (Yang, Brown, & Byongook Moon, 2011)

Oshagbemi (1997) conclude that job level has a significant impact on job satisfaction and within specific rank Gender donot effect job satisfaction. Job satisfaction is generally encompasses certain dimentions of satisfaction related to work enviroment, benefits, pay, relationship with peers , promotion opportunities and administarion (Misener, et al., 1996).

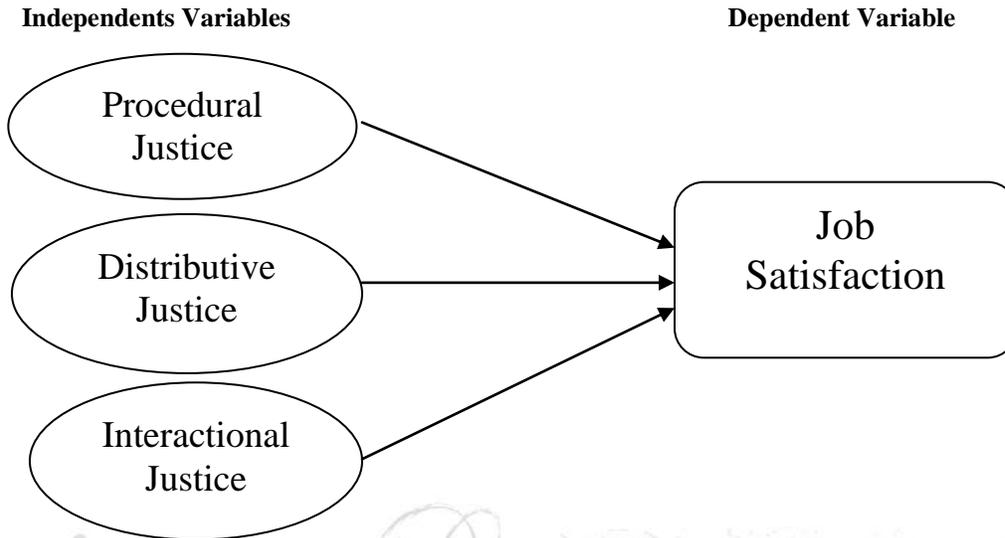
Hackman & Oldham (1976) proposed the JCM (Job Characteristics Model), which is very famous to study the impact of specific job characteristics including job satisfaction on job outcomes. Job satisfaction expresses itself in different ways in different people; its intensity depends on many factors like working environment, person's needs, expectations and individual personality (Bigliardi, Dormio, Galati, & Schiuma, 2012).

We make four Hypothesis out of this literature

H1. (gender, marital status, education and age and job tenure level (organizational tenure, job tenure and job Level) will effect job satisfaction

- H2. Procedural justice will have positive impact on job satisfaction
- H3. Distributive justice will have positive impact on job satisfaction
- H4. Interactional justice will effect job satisfaction in positive direction

**Theoretical model of study:**



**Research Methodology;**

The Questionnaire used in this research was based on questionnaire used by (Colquitt, et al., 2001) and (Mohyeldin & Tahire, 2007) for measuring the relationship between organization justice(Procedural , Distributive and Interactional Justice) and job satisfaction. The reason of selecting this scale is that it was used to find out the link between same variables and tested on reliability. Questionnaire consists of three sections a) Demographics and carrier variable b) Organizational Justice c) Job Satisfaction. Data collected from the employees working in educational instates working in Islamabad and Sargodha Pakistan. Total 150 Questionnaires were distributed out of which 130 were collected back with response rate 87% in which 9 were unusable.

Demographic and career variables. Gender, marital status, age and education were measured using five different scales ranged between two points (e.g. gender) to five points (Age). Likewise, career variables- job level; organizational tenure and job tenure- were also measured using two different scales ranged between three points and five points. Both career and demographic variables’ scales were developed by the researcher.

Organizational justice, job satisfaction and work performance. Justice variable was measured using multi dimensional scale comprised of 20 items, whereas job satisfaction measure during a 7-item scale and work performance is measured by using 5-item scale. All scales were developed by the researcher.

Organizational justice has great impact on work performance as organizational justice is prevailed in an organization job satisfaction of employees is increased which leads to enhancement in work performance.

**Results:**

**Table: 1 Reliability Analysis:**

Variables	Cronbach’s Alpha	No of Items
OJP	.749	7
OJD	.546	3
OJI	.738	7
JS	.768	6

This table shows value of Cronbach, s Alpha of all variables include in our study. Reliability close to .7 is considered as Reliable, Except Distributive justice all variables have cronbach, s alpha more than .7.

**Table: 2 Descriptive Statistics:**

		Frequency	%age
<b>Gender</b>	<b>Male</b>	69	57
	<b>Female</b>	52	43
<b>Marital Status</b>	<b>Married</b>	56	46
	<b>Non Married</b>	65	54
<b>Education</b>	<b>less than high school</b>	1	.8
	<b>high school</b>	3	2.5
	<b>college degree</b>	26	21.5
	<b>graduate degree</b>	71	58.7
	<b>Master or above</b>	20	16.5
<b>Organizational Tenure</b>	<b>Less than 2 yaers</b>	26	21.5
	<b>2-7</b>	65	53.7
	<b>8-13</b>	11	9.1
	<b>14-19</b>	5	4.1
	<b>20 or above</b>	14	11.6
<b>Age</b>	<b>less than 25 year</b>	32	26.4
	<b>25-35</b>	65	53.7
	<b>36-46</b>	14	11.6
	<b>47-57</b>	10	8.3
<b>Job Tenure</b>	<b>Less than 2 years</b>	41	33.9
	<b>2-7</b>	72	59.5
	<b>8-13</b>	3	2.5
	<b>14-19</b>	0	0
	<b>20 or above</b>	5	4.1
<b>Job level</b>	<b>Lower level</b>	17	14.0
	<b>Middle level</b>	51	42.1
	<b>Managerial level</b>	53	43.8

Descriptive Table has given information about demographics; this table gives better understanding about Responses gender, marital status, age, education, Organizational tenure, Job tenure and job level. Most of

respondents are male (57 %), and non married (54%). Respondents having graduate degree having percentage 59 while only one respondent have education less than high school, 54 % having age between 25 to 35 and only 8% having age between 47 to 57. As far as job tenure is concern most respondent have job tenure between 2-7 years. Job level of employees divided into three categories lower level(14%), middle level (42%) and managerial level (44%) . All this information will give us better understanding about data and would helpful in analysis

**Table 3: Correlation**

	Mean	SD	OJP	OJD	OJI	JS
<b>OJP</b>	3.5100	.61024	1			
<b>OJD</b>	3.9752	.55970	.294**	1		
<b>OJI</b>	3.7851	.58032	.460**	.305**	1	
<b>JS</b>	3.6901	.67711	.419**	.113	.556**	1

\*\* P<.01

Correlation Table shows us how much different variables are correlated with each other. As these there is significant relationship between Independent variables but their value are not much high that their chance of multicollinearity exist. Procedural justice and Interactional justice are significantly correlated with job satisfaction. But surprisingly there is insignificant relationship between Distributive justice and Job Satisfaction which means that employees in Pakistan are more concern about procedural Justice and interactional justice. Although research conducted by other researchers in other context shows significant correlation between distributive and job satisfaction but this can be different as culture in Pakistan is quite different than Arabian culture and European culture because HR practices adopted in one culture may not be effective on the context of other cultures (Ayca, et al., 2000).

By using one way ANOVA effect of all demographic on Job satisfaction (Dependent Variable) have been calculated one by one. Found that Job level has significant effect on Job satisfaction so it must be controlled in order to find out the model's independent variables other demographics variables do not have significant impact on Job satisfaction.

**Table 4: Regression**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df 1	df 2	Sig. F Change
1	.289 <sup>a</sup>	.083	.076	.65099	.083	10.823	1	119	.001
2	.606 <sup>b</sup>	.367	.345	.54802	.283	17.307	3	116	.000

a. Predictors: (Constant), joblevel

b. Predictors: (Constant), joblevel, OJD, OJI, OJP

The Value of R<sup>2</sup> indicates that job level can explain variation 7.6% but when we add Procedural, Distributive and interactional justice we found value of R<sup>2</sup> is 0.345 which mean both job level and these three independent variables can explain 34.5 % variation. So in next column change in R<sup>2</sup> value shows that Procedural, distributive and Interactional justice has a significant impact and can explain variation 28.3 %.

**Table: 5**

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.051	.203		15.026	.000
	joblev el	.278	.085	.289	3.290	.001
2	(Constant)	1.111	.440		2.525	.013
	joblev el	.128	.078	.133	1.651	.101
	OJP	.200	.099	.180	2.017	.046
	OJD	-.132	.096	-.109	-1.378	.171
	OJI	.557	.099	.477	5.614	.000

a. Dependent Variable: JS

Beta (  $\beta$  ) value of Procedural and Interactional justice are significant , beta value of procedural justice is 0.18 shows that increase of one unit in Procedural will increase .18 in job satisfaction and increase of one unit in Interactional justice will increase .48 in Job satisfaction . It means that employee in Pakistan are more concern about how actually they are treated by their supervisor and this has major role in Job satisfaction of employees in educational institutions of Pakistan.

**Conclusion:**

This research shows the relationship between organizational justice (Procedural, Distributive, and Interactional Justice) and Job satisfaction. The finding shows that Procedural and Interactional justice has a positive relationship with job satisfaction but Distributive justice has negative relationship with Job satisfaction. It means that employees more take into consider Procedures through reward are given and their relationship with supervisor So Organization more should take care of Procedural and Interactional Justice in order to retain and make their employees happy, as more satisfied employees are more productive than those who are less Satisfied.

**Limitation and Suggestion for future Research:**

Our research has many limitations first data was self reported, so bias may present in the data, secondly sample size is very small which should be increased .As data was collected from educational Institutions which should be from other institutions as well in order to get generalized results.

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