# BEHAVIORAL AND ATTITUDINAL RESPONSES TO ORGANIZATIONAL JUSTICE MEDIATED BY JOB SATISFACTION WITH LOCUS OF CONTROL AS A MODERATOR: A STUDY OF TELECOM SECTOR OF PAKISTAN

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## **ABSTRACT**

The purpose of this study is to explore organizational justice outcomes in telecom sector of Pakistan. The tested model proposes a path through job satisfaction to improve organizational commitment among firms in the competitive industry. Data was collected from 120 telecom employees in three companies. Results from regression analysis show job satisfaction to explain attitudinal response to procedural justice. Mediation effects were not supported for absenteeism. Strict controlling measures in the private sector and fear of job loss do not enable employees in the sector to respond by being absent, despite being dissatisfied. No moderation was seen for procedural justice effects on job satisfaction. Overall implications for telecom sector managers are also discussed.

#### INTRODUCTION

With its roots in the Equity Theory, Organizational Justice has become an important area of study among researchers for its behavioral and subsequent organizational outcomes. Individuals seek to gain a sense of fair play through their outcome/input ratio and through a comparison of their outcomes/input ratio with that of referents both within (internal equity) and outside (external equity), the organization (Adams, 1965). This is reflected in employee(s) overall perception of fairness of the organization, termed as Organizational Justice in research literature. The theory of wage inequity is based on Cognitive Dissonance Theory (Adams & Jacobsen, 1964) and is reflective of an employee's desire to achieve just treatment, and of his/her reaction in ways so as to reduce the dissonance that may result from unfair treatment. Behavioral implications include withdrawal and its forms (Howard & Cordes, 2010), absenteeism (Boer, Bakker, Syroit, & Schaufeli, 2002), theft (Greenberg, 1990), and turnover intentions (Spreitzer & Mishra, 2002; Daileyl & Kirk, 1992). Unjust treatment with colleagues may cause emotional exhaustion even when employees themselves are treated fairly (Bernerth, Walker, Frank, & Hirschfeld, 2011).

The three major dimensions of Organizational Justice studied in literature are Distributive, Procedural and Interactional. These refer to perceptions of fairness of outcomes, processes, and treatment and communication. Organizational Justice dimensions are related to satisfaction with pay levels (Till & Karren, 2011), pay satisfaction (Tremblay, Sire, & Balkin, 2000) and its components (Jawahar & Stone, 2011), job satisfaction (Schappe, 1998; Andrews, Baker, & Hunt, 2008), organizational citizenship behavior (Karriker & Williams, 2009), organizational climate (Taxman & Gordon, 2009), etc.

Responses to justice perceptions are both attitudinal and behavioral which may be either favorable or unfavorable for the organization. The current study investigates organizational commitment, a positive attitude, and absenteeism, an adverse response to employee perceptions of organizational justice. A study by Bagdadli, Quinetta, and Francesco (2006) showed an absence of a significant relationship between Promotional Decisions and employee's Commitment to the organization when controlled for procedural justice. Fairness of procedures is important, not only for victims, but also for potential victims and survivors to reduce possibilities of negative reactions to downsizing decisions (Brockner et al., 1994). Assessing economic and cultural factors, it is assumed that distributive and procedural justice are of prime importance to individuals in Pakistan, as pay and its allocation are central to one's job. The Hierarchy of Needs Theory would propose economic instability in the country, which does not enable individuals to adjust behavior in response to outcome/input inequity from interactional and informational injustice. For the same reason, the current study focused on distributive and procedural forms of justice.

Despite the magnitude of research on the topic, it remains understudy in Pakistan. This holds significance as employee perceptions of their organization's fairness, affect not only employee attitudinal and behavioral responses, but also make way for improvements in overall organizational policies and collective efforts to improve effectiveness and performance, if heeded to by management. The current study aims to test the applicability of previous researches, primarily conducted in the developed world, to Pakistan. These researchesfocusing on findings in western countries- may have somewhat conflicting results in the eastern world (Fields, Pang, & Chiu, 2000) owing to differing societal norms and cultural dimensions.

Telecommunication sector of Pakistan has seen considerable growth in the last decade, resulting in competition within the industry for better skilled and experienced employees. This substantial expansion has also made it a contributor of considerable importance to the GDP of the country. However, increased competition has increased recruitment and training expenses due to availability of incentives elsewhere. Reduction of these expenses should be of concern to managers (Sprietzer & Mishra, 2002). Considering the emphasis placed in research on organizational justice outcomes such as organizational commitment (Warner, Hegtvedt, & Roman, 2005; Harvey & Haines 2005) and the need for committed employees in the competitive Telecom Sector of Pakistan, this research aims to study procedural and distributive facets in the Pakistani context and to propose practical implications for reduction in recruitment and training expenses through employee commitment.

## **REVIEW OF LITERATURE**

## **Organizational Justice**

Described in terms of fairness and fair play, the concept of Organizational Justice may be closely linked with equity. According to (Gouldner, 1960), humans reciprocate behavior and have an inherent tendency to expect their behavior to be reciprocated. Thus, when effort and time are devoted to work, fair treatment and rewards are expected in return. This could be translated as reciprocation of favorable/unfavorable treatment by employees through their behavioral and attitudinal modification as implied by The Equity Theory (Adams, 1965). In terms of Organizational Justice and Equity constructs, this may be understood as employees' anticipation of being rewarded justly.

Employee perceptions regarding various aspects at the workplace are important determinants of behavioral and attitudinal outcomes (Foley, Yue, & Wong, 2005; Lambert & Hogan, 2010; Randall, Cropanzano, Bormann, & Birjulin, 1999; Zhu, May, & Avolio, 2004). Organizational justice is one such construct described as fairness; perception of employees regarding their organization. The equity theory suggests that employees make comparisons with fellow co-workers. Favoritism, on the part of employers for a few selected employees is perceived as unfair, and may hurt the legitimacy of the organization (Lambert & Hogan, 2010). Unfairness also reduces employee trust in the organization. Trust is important for individuals to perceive their organizations as procedurally fair (Kickul, Gundry, & Posig, 2005). Outcome/Input valence employed by the workforce as a measure of the firm's equity and perceived incongruence in comparison with one's fellow workers within and outside the firm, results in injustice perception.

Research indicates fair allocation of rewards is a better predictor of Job Satisfaction (Choi, 2011). Stringer, Didham, and Theivananthampillai (2011) suggest employees to be paid well for them to be satisfied with their jobs. Procedural and Distributive Justice determine employees' organizational commitment and job satisfaction (Foley et al., 2005). Martin and Bennett (1996) found procedural justice to be a weaker predictor of job satisfaction as compared to distributive justice. Igalens and Roussel (1999) found that fixed pay leads to job satisfaction, provided internal and external equity is perceived by employees paid over time. These findings would suggest fairness as an important determinant of satisfaction. An employee will be satisfied with their job when they perceive their organization to be fair.

Hypothesis 1 a. Distributive Justice is positively associated with Job Satisfaction.

Hypothesis 1 b. Procedural Justice is positively associated with Job Satisfaction.

# **Locus of Control (LOC)**

Dispositional approaches to job satisfaction focus on the role of disposition in determining the satisfaction with one's job (Agho, 2012). Personality assessments are important in helping managers assess employee behaviors and attitudes (Goodstein & Lanyon, 1999). Locus of control is an aspect of personality describing one's "perceptions of control" over one's life (Spector et al., 2002). The extent to which people consider themselves in control of their lives is described in terms of internality or externality of one's locus. Internals believe themselves to be their driving force, while externals believe external controlling factors influence their lives. These controlling factors may be individuals, situations or circumstances. Internal Locus of control is negatively related to turnover intentions and absenteeism

(Sawyer, Srinivas & Wang, 2009). It is a moderator of a number of antecedent-outcome relationships in research literature including stressor-stress reactions (Roberts, Capidus & Chinko, 1997; Siu & Cooper, 2008) and is the most studied of all control-related variables (Spector et al., 2002).

Studying moderating effects of Locus of Control in this study holds importance also because the variable is exhibited differently in societies based on individualism/collectivism dimension of culture, and so in a collectivist culture such as the one in which the present study is being conducted. LOC may moderate job satisfaction based on the premise that internals seek to gain control through personal relationships with others (Spector et al., 2002). This manifestation of the internal LOC is distinct from that in individualistic societies.

A review of literature suggests internal locus as a predictor of mostly positive work and job relevant outcomes than external locus. Silva (2006), and Hsu (2011) also suggest recruitment of internals as they are more likely to be satisfied with their jobs. A disposition to accept responsibility for how an employee is treated in terms of reward outcomes and organizational procedures will lead to more favorable responses in the form of job satisfaction, than if predisposed to blame it on the organization itself. Internals' perceived control of their lives and their attribution of rewards as outcomes of their own input to work should lead to favorable responses to injustice in contrast to externals. External locus results in lesser fairness perception regarding processes that lead to rewards (Gulati & Bhal, 2004), and is associated with lower job satisfaction (Muhonen & Torkelson, 2004). Reactions to being promoted/ passed over also vary across time interval for those with external Locus of Control (Lam & Schaunbroeck, 2000). The study showed volatility of job related attitudes for externals; attitudes were relatively favorable following promotions than in the 18 month post test. Internals, on the other hand, retained relatively stable attitudes of organizational commitment and satisfaction with the job. Internality is associated with responsibility, and responsible individuals are more likely to respond objectively to perceptions of fairness. Externals would consider powerful others in control of their lives and thus, would not attribute reactions to unfairness to themselves. Internality and externality of employees is likely to regulate attitudinal response to perceived fairness of reward allocation as well as reward allocation processes.

Hypothesis 2a. Locus of Control will moderate the relationship between Distributive Justice and Job Satisfaction.

Hypothesis 2 b. Locus of Control will moderate

the relationship between Procedural Justice and Job Satisfaction

#### **Job Satisfaction**

Defined as affective response to the job, job satisfaction has gained considerable attention in research owing to implications for wider organizational outcomes. Antecedents of job satisfaction include length of service (Oshagbemi, 2003), emotional stability (Silva, 2006), perceived control (Elst, Cuyper & Witte, 2010), organizational ethics (Koh & Boo, 2001), job variety (Lambert & PaolineIII, 2008) and task involvement (Mottaz, 1987). Poor change management leads to low job satisfaction through employees' reduced trust in their organizations (Bordia, Restubog, Jimmieson & Irmer, 2011). Job stress and job satisfaction are inversely associated (Lambert & Hogan, 2010). Supervisors' personality is also associated with subordinates' attitudes of job satisfaction and organizational commitment (Smith & Canger, 2004). Studies have found gender to be a predictor when compared with another variable such as rank (Oshagbemi, 2003) and Locus of Control (Reed, Kratchman, & Strawser, 1994). Females are generally less satisfied than males (Brush, Moch, & Pooyan, 1987). Women and men perceive jobs differently based on gender roles each is expected to take on in society

The job satisfaction-organizational commitment and organizational commitment-job satisfaction relationship have both been studied in existing literature; one is often studied as a cause of the other. However, they have also been studied as independent variables (Lam & Zhang, 2003). While researchers differ on the causal relationship of job satisfaction and organizational commitment, there is sufficient evidence to support organizational commitment to be an outcome of job satisfaction (Lambert & Hogan, 2009; Foley et al., 2005; Gunlu, Aksarayli & Percin, 2010). Satisfied employees hold positive beliefs regarding their organizations for fulfilling their needs and are thus likely to be more committed (Lambert & Paoline, 2008). Job satisfaction does not totally mediate organizational commitment and its antecedents (Lok & Crawford, 2001).

# **Organizational Commitment**

Recognized as an important factor contributing to organizational success (Lambert & PoilineIII, 2008), It is a measure of employees' psychological association with the organization. While some research has focused on organizational commitment as a single construct (Randall et al., 1999), researchers increasingly recognize it as a multidimensional variable (Allen & Meyer, 1996). Affective commitment is an employee's commitment

due to emotional attachment. Affectively committed individuals are committed because they "want to". Normative commitment refers to an employee's felt obligation to stay: they feel they "ought to" stay. Continuance commitment is employees' decision to stay for reasons of costs associated with leaving i.e., loss of status and lack of employment opportunities elsewhere (Randall et al., 1999). This form of commitment is therefore having - to - stay- commitment. A number of OC studies focus on turnover and intent to turnover relationship with commitment (Allen & Meyer, 1996).

The job satisfaction-commitment relationship is somewhat a "controversial" one in literature. A number of studies discuss one as the outcome of the other, while some discuss them as independent variables with common antecedent/outcome. This rift in literature was studied by Currivan (1999) and Mottaz (1987). Currivan (1999) concluded that common determinants of both constructs contribute to the spurious relationship. Organizational commitment is broader in scope than job satisfaction, because it is the employees' commitment to the organization as a whole than to a sub part. Organizational commitment is an attitudinal response to the organization (Mottaz, 1987), while job satisfaction is one's attachment with one's job itself (Currivan, 1999).

Satisfaction effects on all three dimensions have also been studied (Clugston, 2000). Commitment and satisfaction influence each other while satisfaction is a greater determinant of commitment than vice versa (Mottaz, 1987). Commitment to the organization relies on employee's level of satisfaction. Job satisfaction has a positive effect on organizational commitment (Lambert & Hogan, 2010) and as such, is a powerful predictor (Lambert & PaolineIII, 2008). Employees satisfied with their jobs have their needs met by the organization and so commitment is their responsive behavior (Cohen, 1992). Organizational fairness is positively associated with moral and affective commitment (Lambert & PaolineIII, 2008). Input into decision making has positive impact on moral commitment.

Since outcomes and processes are expected to be perceived as fair when inputs from employees are sought (Lambert & Paoline, 2008), and satisfaction with one's job increases with perceived fairness (Lambert & Hogan, 2009), the findings of their study support our rationale for a positive link between organizational justice and organizational commitment through job satisfaction. In a study describing politics as unfairness, affective commitment is negatively related to politics perceptions (Randall et al., 1999).

Hypothesis 3 a. Job Satisfaction will mediate the relationship between distributive Justice and Organizational Commitment. Hypothesis 3 b. Job Satisfaction will mediate the relationship between Procedural Justice and Organizational Commitment.

## **Absenteeism**

Defined as "non-attendance when an employee is scheduled to work" (Price & Mueller, 1986). This study does not distinguish between voluntary and involuntary absences due to the complexity associated with the distinction (Goldberg & Waldman, 2000).

Antecedents of absenteeism include high negative affectivity (Iverson & Deery, 2001). Controlling absenteeism is also a source of enhancing firm's performance (McHugh, 2001). Job content can also result in absenteeism. When employees feel they don't possess the skills required to fulfill a given piece of work, they tend to adopt absence behavior. Consistent with this notion, a study by Hirschfeld, Schmitt and Bedeian (2002) found high level of absenteeism among public sector employees who believed their job required complex skills. Absenteeism may be significantly reduced by promoting a more ethical climate at workplace which will, in turn, facilitate reduction of absenteeism (Lishchinsky & Rosenblatt, 2009). Absenteeism has also been found to be a predictor of turnover (McElroy, Morrow & Fenton, 1995). Pfeifer (2010) found varying effects of wage levels relative to those of colleagues on absenteeism. This study found absenteeism to be lower among individuals receiving higher relative remuneration due to fear of loss of the status associated with their job if absenteeism behavior was adopted.

Distributive and Procedural Justice were found to have negative relationship with work-outcomes like absenteeism amongst less powerful employees than more powerful ones (Lam, Schaubroeck & Aryee, 2002). Fair treatments impact individual behaviors such as absenteeism (Colquitt, Conlon, Wesson, & Porter, 2001; Howard & Cordes, 2010). Unfairness at work can cause some serious health issues resulting in sick leaves (Boer et al., 2002). Employees may also develop a behavior to remain absent from work.

Though researchers report that absenteeism is not associated with job satisfaction (Goldberg & Waldman, 2000), others such as Wegge, Schmidt, Parkes, and Dick (2007) report employees resort to increased absenteeism in response to low job involvement when unsatisfied with their jobs. Scott and Taylor (1985) addressed conflicting findings on job satisfaction and absenteeism in their meta-analytic review and found a strong negative relationship between job satisfaction and absenteeism.

The cited literature suggests the path from distributive and procedural justice to attitudinal (organizational commitment) and behavioral (absenteeism) is not direct, but mediated through job satisfaction. Lower levels of fairness perceptions affect one's satisfaction with work which ultimately affects employee attitudes and behaviors. Employees perceiving their organizations to be fair will be satisfied at work; the satisfaction ultimately influencing behavioral and attitudinal responses to justice. Unfairness on the part of the organization will affect employee's perceptions of equitable treatment, affecting satisfaction at work and ultimately resulting in increased absenteeism and reduced commitment to reduce the inequity.

Hypothesis 4a. Job Satisfaction will mediate the relationship between Distributive Justice and Absenteeism

Hypothesis 4b. Job Satisfaction will mediate the relationship between Procedural Justice and Absenteeism.

#### RESEARCH METHODOLOGY

#### Instrumentation

Data was collected using questionnaires. 180 questionnaires were distributed of which 120 were returned, making the response rate approximately 66 percent. Scoring for each construct was done using a five-point likert scale with 5 representing "very much" agreement/satisfaction and 1 representing "very much" disagreement/dissatisfaction with each item.

Distributive and Procedural justice were measured using the scale developed by Niehoff and Moorman (1993). The scale consists of three subscales each measuring a dimension of perceptual justice. The distributive justice subscale determines one's perceptions of fairness of work outcomes such as rewards and pay, and it has reported alpha values ranging from 0.72 to 0.74. A higher alpha value of 0.85 has been reported for the procedural justice subscale which is comprised of six items that measure perceived equity in decision making at the workplace. The cronbach's coefficient alphas for our study were reported as 0.85 and 0.71 for distributive justice and procedural justice respectively. We used only these two subscales omitting the third for reasons of relevance to our study.

Commitment to the organization was measured using the scale developed by Meyer and Allen (1997). The scale consists of three subscales each with originally eight instruments to measure affective, normative and continuance commitment. The scale was later revised and consists of six items for each commitment dimension. Revised scale was used in our research. Alpha values for the three subscales were from 0.77 to 0.88, from 0.65 to

0.86 and from 0.69 to 0.84 for affective, normative and continuance commitment respectively. Organizational commitment coefficient alpha for the current study were found to be 0.70.

Job satisfaction was measured using the Global Job Satisfaction questionnaire devised by Warr et al., (1979). It consists of 15 items and takes into account overall job satisfaction, unlike other scales that attempt to measure the construct in dimensions or facets. Global Job Satisfaction scale considers satisfaction at intrinsic and extrinsic levels. Thus the two subscales consist of statements that measure intrinsically satisfying factors such as "work conditions" and "the opportunity to use one's abilities" while extrinsic factors such as "chances of promotion" and "job security". The scale has previously reported alpha values ranging from 0.80 to 0.91. Our study reported the cronbach's coefficient alpha for job satisfaction as 0.87

Locus of Control was measured using the Work Locus of Control scale developed by Spector (1988). The work locus of control measure gauges individual's locus as either internal or external based on responses on a five-point likert scale with point 5 representing extreme disagreement and 1 representing extreme agreement with each of the sixteen items comprising the scale. The cronbach's coefficient alpha for the scale was found to be 0.66.

Absenteeism was assessed using the scale developed by Katou and Budhwar (2006). The cronbach's coefficient alpha for the three-item scale was 0.71

# Population and sample

The target population was employees of telecom sector in the Islamabad and Rawalpindi region. Data was collected from a selected number due to the difficulty posed in attempting to incorporate a larger population. Data was collected from a sample of 120 employees. 78 of the participants were males while 42 were females.

#### **Findings**

In Table 1, results of descriptive statistics and correlations among the variables are presented. Insignificant correlation is observed for absenteeism with all variables except organizational commitment, thus organizational commitment and absenteeism are negatively correlated. Correlation analysis shows positive and significant correlations between both distributive and procedural justice and job satisfaction. Job satisfaction is significantly and positively correlated with organizational commitment at .61. Job satisfaction and locus of control is also positively and significantly correlated at .234.

TABLE I
Means, Standard Deviations, Correlations, and Reliabilities

Variables	Mean	s.d.	1	2	3	4	5	6	7	8
1. Education	3.500	0.684								
2. Tenure	1.658	0.715	.232*							
3. Distributive Justice	3.058	1.102	058	.595**						
4. Procedural Justice	2.926	0.745	101	.396**	.686**	(.71)				
5. Job Satisfaction	3.096	0.739	110	.512**	.860**	.753**	(.87)			
6.Organizational Commitment	3.157	0.467	011	.515**	.655**	.392**	.615**	(.70)		
7. Locus of Control	3.485	0.435	.158	.279**	.277**	.156	.234*	.422**	(.66)	
8. Absenteeism	2.536	0.794	054	.000	080	080	010	240**	.060	(.60)

<sup>\*</sup> p < .05, \*\* p < .01, \*\*\* p < .001

Education and tenure were control variables for all regressions in the first step. To test the hypotheses predicting a positive relationship between organizational commitment and procedural and distributive justice, we regressed organizational commitment on both justice types. The results showed a highly significant relationship

between job satisfaction and distributive justice ( $\beta$  = 0.86, p < .001) and procedural justice ( $\beta$  = .75, p<.001) thus accepting both Hypotheses 1a and 1b. However contrary to our expectations no significant relationship was found between distributive/procedural justice and absenteeism as shown in Table 2.

TABLE 2
Results of Regression Analyses for Organizational Commitment and Absenteeism

	Job Satisfaction				Absenteeism			Organizational Commitment		
	β	$\mathbb{R}^2$	$\Delta \mathbf{R^2}$	β	$\mathbb{R}^2$	$\Delta \mathbf{R^2}$	β	$\mathbb{R}^2$	$\Delta \mathbf{R^2}$	
Predictors										
Organizational Justice										
Step 1										
Control Variables		.318			0.09			.283		
Step 2										
Distributive Justice	.86***			-0.09			.64***			
Procedural Justice	.75***	.56	.242***	-0.07	0.06	0.02	.47***	.460	.176***	
Job Satisfaction										
Step 1										
Control Variables								.283		
Step 2										
Job Satisfaction							.275***	.433	.150***	

<sup>\*</sup> p < .05, \*\* p < .01, \*\*\* p < .001

To test the interactive effect of locus of control and justice types on job satisfaction, we used moderated regression analyses. In first step control variables were entered. In second step, locus of control and justice types were entered to predict job satisfaction. Step 2 shows both distributive and procedural justice to be significantly associated with job satisfaction ( $\beta$  =.619, p<.001) and ( $\beta$  =.567, p<.001). In step 3

we regress job satisfaction on interactional term of locus of control and distributive justice and the results showed that locus of control does moderate the relationship between distributive justice and job satisfaction ( $\beta = -.221$ , p < .01), but for procedural justice no significant results were obtained as shown in Table 3. Hypotheses 2a was accepted while 2b was rejected.

TABLE 3
Results of Moderator and Mediator Analyses for Job Satisfaction and Organizational Commitment

Predictors		Job Satisfacti	ion	O	rganizational Com	mitment
	β	$\mathbb{R}^2$	$\Delta \mathbf{R^2}$	β	$\mathbb{R}^2$	$\Delta \mathbf{R}^2$
Moderator analyses: Distributive Justice						
Step1						
Control Variables		.318				
Step 2:						
Distributive Justice	.619***					
LOC	008	.744	.426***			
Step 3:						
LOC x Distributive Justice	221**	.76	.016**			
Procedural Justice						
Step 1:						
Control Variables		.318				
Step 2:						
Procedural Justice	.567***					
LOC	.138	.639	.321***			
Step 3						
LOC x Procedural Justice	185	0.648	.009			
Mediator analyses						
Mediation: Job Satisfaction						
Step1						
Control Variables					0.283	
Step 2						
Job Satisfaction				0.61***	.433	0.31***
Step 3						
Distributive Justice				0.51**		
Procedural Justice				0.20	.481	0.07**

<sup>\*</sup> p < .05, \*\* p < .01, \*\*\* p < .001

To examine whether job satisfaction mediates the relationship between justice types and organizational commitment, we used mediator regression analyses. For absenteeism mediator regression analyses was not possible because both justice types had insignificant relationship with absenteeism as results in Table II confirm; not fulfilling the requirements given by (Baron & Kenny, 1986) for mediator regression analysis. Thus hypotheses 4a and 4b were not accepted.

For mediation, in first step we entered the control variables, in second step we regress organizational commitment on job satisfaction while controlling the effect of both justice types, yielding highly significant results ( $\beta = 0.61$ , p < .01), in the third step we regressed organizational commitment on both justice types while controlling for job satisfaction. Distributive and procedural justice contributed ( $\beta$ =.64, p<.01) and ( $\beta$ =.47, p<.01) towards organizational commitment as shown table II. Introducing job satisfaction into the

equation reduced their contribution to ( $\beta$ =.51, p<.01) and ( $\beta$ =.20, insignificant) in table III, providing support for mediated effect for procedural justice. Hypotheses 3b was accepted. Hypotheses 3a was only partially accepted.

#### **DISCUSSION**

As hypothesized, procedural justice and job satisfaction were positively associated. This is explained by greater satisfaction, provided procedures for job outcomes are perceived as fair. Similar positive association was seen between distributive justice and job satisfaction. Individuals in the Pakistan Telecom sector are satisfied with their jobs provided job outcomes and procedures used to determine those rewards are perceived as fair. Fairness of both rewards as well as procedures is important for employees to be satisfied with their jobs.

While the observed data showed a relationship

between distributive and procedural justice with job satisfaction, the insignificant results with absenteeism show that fairness of rewards and procedures may not influence absenteeism. It may indicate that absenteeism in the selected sample is influenced by factors other than justice perceptions. The mediating role of job satisfaction between justice and absenteeism, rendered void according to the results also show job satisfaction mediates justice outcomes for attitudinal (organizational commitment) but not for behavioral (absenteeism) responses. An explanation could be that control systems for the sample are strict which do not enable employees to remain absent from their jobs. Fear of job loss also contributes to this relationship. The current economic condition and unemployment rates also do not enable absenteeism behavior among these employees, thus, lower job justice perceptions do not necessarily lead to greater absences.

Locus of control moderated the effects of distributive justice on job satisfaction while no moderation was seen for procedural justice outcome on job satisfaction. The results showed locus of control weakens the relationship between distributive justice and satisfaction. Mean value for Locus of Control for the sample shows greater externality. Externals, in other words, are less satisfied than internals. This is supported from literature which reports more positive aspects for internals than for externals. The current study suggests locus of control influences responses to distributive justice perceptions and not procedural justice perceptions. Distributive justice is, in other words, more important when considering locus of control. Externals probably value fairness of reward outcomes more than procedures. A sample higher on externality on average believes in 'luck' and contacts for promotions and incentives. In a country like Pakistan, distributive justice outcomes are comparatively more significant. Pay and promotions are the most important factors determining satisfaction with jobs. There may be a number of reasons for this. While procedures may not be clearly defined, there are very much chances that a majority of employees are not aware of exact procedures in place. It may also be concluded from common observation that a number of factors that may otherwise be considered unjust in developed countries are accepted here as the norm, owing to a lack of awareness as to what may constitute an individual's right to information and access to supervisors/managers. Considering internality/ externality of locus may not affect the procedural justice-job satisfaction relationship, whereas distributive justice-job satisfaction relationship is considerably weakened for external locus of control

No mediating effect of job satisfaction between distributive justice and organizational commitment is explained by considering rewards being given to employees that comprise the selected sample. While these employees are satisfied with rewards and procedures in place for allocating monetary rewards, their job satisfaction does not explain the distributive justice-organizational commitment relationship. Other factors may explain how distributive justice brings about organizational commitment. Job satisfaction, as suggested by the results may only partially explain the path to organizational commitment. Mediation is fully explained in case of procedural justice. Our discussion with some individuals indicated contacts with people at more authoritative positions to be important for better rewards. Promotions, they believe, follow other factors that may not be entirely relevant to performance. In other words, links with the right people within the organization may itself be considered as a "procedure" for reward allocation. So individuals in the telecom sector are more committed as a result of job satisfaction arising from procedural justice. It has also been discovered that different procedures are in place for contract based and permanent employees. But overall, mediating effect of job satisfaction shows that for contract based as well as permanent employees, fair procedures are important for ultimate organizational commitment that will take effect through satisfaction with the job.

# **Implications**

The tested hypotheses have implications for practical utility. Managers in the telecom sector may benefit by realizing the importance of procedural and distributive justice for satisfaction with the job. Individuals who do not feel they are treated well would be low on job satisfaction and ultimately be less committed. Making procedures and the consequent rewards fair can enhance employee satisfaction with the job. Job satisfaction, through its effect on organizational commitment, as is evident from the results of this research, shows the importance of job satisfaction for employee retention. Current market conditions, while indicative of unemployment levels on the rise, also show competition among existing firms to compete in attracting and retaining more skilled employees. Results of our tested hypotheses may be thus of use to managers in understanding the importance of fairness.

## Limitations

A major limitation of the research is the small sample size. The data was also collected within Rawalpindi/Islamabad region. While the results do indicate new findings for the relevant variables, similar research covering a larger geographical region within the country and a larger sample size may enable the findings to be

more generalizable. Due to time constraints, the current research could not focus on individual dimensions of organizational commitment and job satisfaction facets. Thus these findings should not be treated as final results for organizational justice mediated and moderated outcomes, rather, a further probe into various dimensions of the selected variables within the same model should be carried out.

#### **Future Research Directions**

Future researches should study if job satisfaction mediates other justice responses. Absenteeism and organizational commitment were the only behavioral and attitudinal factors investigated in the current study. Other positive and adverse attitudinal and behavioral outcomes of justice perceptions should be investigated. The study also did not study a complete model for the selected variables. Job satisfaction and organizational commitment were considered as a whole and not in terms of individual dimensions. Future researches should consider various facets of job satisfaction for the tested model. While the mediated effects of all proposed hypotheses for overall job satisfaction could not be proved, individual facets like satisfaction with the supervisor and colleagues could have somewhat varying results. Organizational commitment should also be tested in terms of the three dimensions of continuous, affective and normative commitment. Testing the model for all organizational justice dimensions should also result in a better understanding.

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