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An Analysis of Correlation Between Organizational Justice and Job Satisfaction

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ABSTRACT

This study was an attempt to explore the relationship between organizational justice, encompassed by three components: (distributive justice, procedural justice, and interactional justice) and job satisfaction, that is employees' perceptions of workplace justice. This study, indeed, investigated the relationship among these justice measures in the Iranian environment. The data were collected through the distribution of questionnaires among 229 employees of Furniture Manufacturing Company through a stratified random sampling. The study findings showed that only one significant relationship existed between the age of respondents and their perceptions of organizational justice. The findings also suggested that this was a positive association organizational justice and job satisfaction. Employee job satisfaction depended upon the organizational justice of managers. Nevertheless, in measuring the three dimensions of organizational justice, the current study used survey items asking employees whether something is generally fair or not. Finally, although, this study was conducted in Iran, it was expected that the findings might have the relevance on a broader scale. The results could be very helpful for developing a new model of organizational justice with new implementation techniques by replicating this study in different countries and contexts.

Key words: Job satisfaction, justice, Furniture Manufacturing Company

INTRODUCTION

Organizations are social systems where human resources are the most important factors for effectiveness and efficiency. Organizations need effective managers and employees to achieve

their objectives. Organizations cannot succeed without their personnel's efforts and commitment (Rad and Yarmohammadian, 2006). Employee job performance and satisfaction are considered key variables that can influence the organization performance. In highly competitive environment, global businesses must strive to identify factors that influence the employees' performance and job satisfaction. One factor is organizational justice, that is individual's perception of the fairness of treatment received from an organization and their behavioral reactions to such perceptions (Fernandes and Awamleh, 2006). Employees would be more satisfied when they felt they were rewarded with justice for the work was done by making sure these rewards were for genuine contributions to the organization and were consistent with the reward policies. The reward could include a variety of benefits and perquisites other than monetary gains. Employees with higher job satisfaction feel important as they believed that the organization would be of tremendous future in the long run and would care about the quality of their work; therefore, they were more committed to the organization with higher retention rates and tended to have higher productivity (Fatt *et al.*, 2010). This paper will start with reviewing the related literature and move to description of the sampling design, selection of measurement scales and data analysis techniques, followed by lengthy discussion of findings and conclusion.

LITERATURE REVIEW

Organizational Justice

In an article assessing the past, present, and future states of research on organizational justice Greenberg (1990) suggested that organizational justice research may potentially explain many organizational behavior outcome variables. In fact, organizational justice is a term used to describe the role of fairness as it directly relates to the workplace. Specifically, organizational justice is concerned with the ways in which employees are treated. If they have been treated fairly in their jobs and the ways in which those determinations influence other work-related variables (Moorman, 1991). Organizational justice can explain why employees retaliate against inequitable outcomes or inappropriate processes and interactions (Alsalem and Alhaiani, 2007). Employee's perceptions relate to three dimensions of organizational justice: distributive justice, procedural justice, and interactional justice (See figure 1).

Distributive Justice

Distributive justice refers to the perceived fairness of the outcomes that an individual receives from organization. Outcomes may be distributed on the basis of equality, need or contribution and individuals determine the fairness of distribution through comparison with others (Alsalem and Alhaiani, 2007). Perceptions of an unfair distribution of work rewards can create tension in an individual and this individual can be motivated to resolve the tension (Adams, 1963).

Procedural Justice

Procedural justice refers to participants' perceptions about the fairness of the rules and procedures that regulate a process (Nabatchi et al., 2007). Whereas distributive justice suggests that satisfaction is a function of outcome, procedural justice reveals that satisfaction is a function of process. Among the traditional principles of procedural justice are impartiality, voice or opportunity to be heard, and grounds for decisions (Bayles, 1990). Procedural issues such as neutrality of the process (Tyler and Lind, 1992), treatment of the participants (Bies and Moag,

1986; Lind and Tyler, 1988), and the trustworthiness of the decision making authority (Tyler and Bies, 1990) are important to enhance the perceptions of procedural justice. Extensive literature supports procedural justice theories of satisfaction. In general, research suggests that if organizational processes and procedures are perceived to be fair, participants will be more satisfied, more willing to accept the resolution of that procedure, and more likely to form positive attitudes about the organization (Bingham, 1997; Tyler and Lind, 1992).

Interactional Justice

Organizational justice researchers developed the notion of interactional justice, defined it as the quality of interpersonal treatment received during the enactment of organizational procedures (Bies and Moag, 1986). In general, interactional justice reflects concerns about the fairness of the non-procedurally that dictated aspects of interaction; however, research has identified two

subcategories of interactional justice: informational justice and interpersonal justice (Folger and Cropanzano, 1998). These two subcategories of informational and interpersonal justice overlap considerably. However, the outcomes point out that they should be considered separately, as each has a differential effect on justice perceptions (Colquitt, 2001; Colquitt et al., 2001). Interactional justice includes various actions displaying social sensitivity, such as when supervisors treat employees with respect and dignity. Mikula *et al.* (1990) reported that a considerable proportion of perceived injustices did not concern distributive or procedural issues in the narrow sense, but instead referred to the manner in which people were treated interpersonally during interactions and encounters.

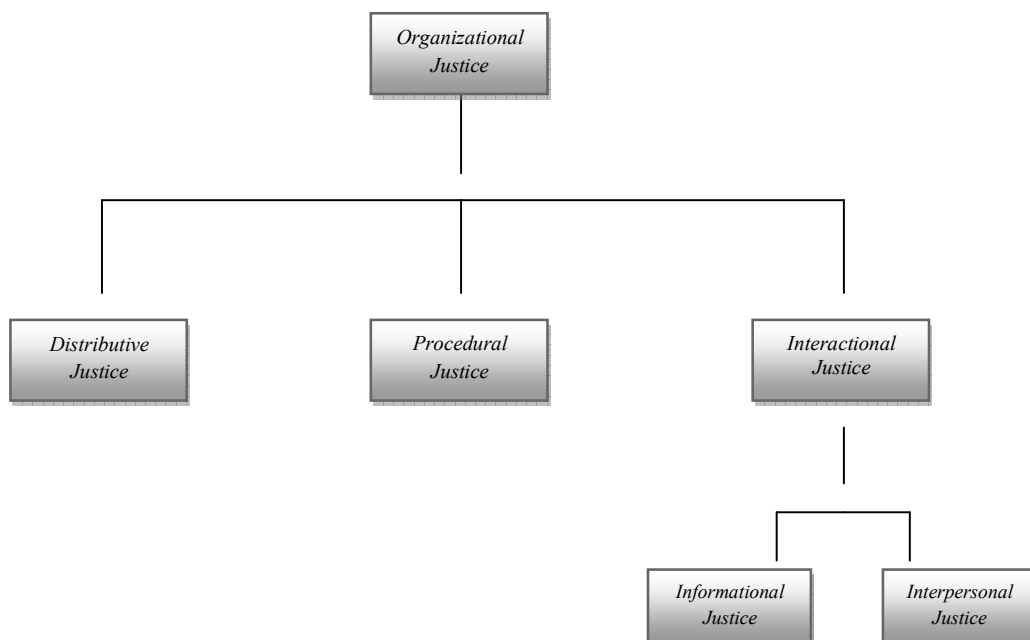


Figure 1: Dimensions and Sub-dimensions of Organizational Justice

Job satisfaction

Job satisfaction has been widely studied over the last four decades of organizational research. Job satisfaction has been defined and measured both as a global construct and as a concept with multiple dimensions or facets (Lund, 2003). In general, overall job satisfaction has been defined as “a function of the perceived relationship between what one wants from one’s job and what one perceives it as offering” (Locke, 1969). Job satisfaction is critical to retaining and attracting well-qualified personnel. Job satisfaction is an attitude that people have about their jobs and the organizations in which they perform these jobs. Methodologically, we can define job satisfaction as an employee’s effective reaction to a job, based on a comparison between actual outcomes and desired outcomes (Mosadeghrad, 2003). Job satisfaction is generally recognized as a multifaceted construct that includes employee feelings about a variety of both intrinsic and extrinsic job elements. It encompasses specific aspects of satisfaction related to pay, benefits, promotion, work conditions, supervision, organizational practices and relationships with co-workers (Misener et al., 1996). Furthermore, more satisfied employees have more innovative activities in continuous quality improvement and more participation in decision-making in organizations (Kivimaki and Kalimo, 1994). Job satisfaction is also found to be positively-related to customer’s satisfaction (Rad and Yarmohammadian, 2006).

The Objectives of the Study

The main point of analysis is to explore the levels of organizational justice as perceived by employees of Furniture Manufacturing Companies in Iran. In other words, the main objective is to find out the relationship between employees' perceptions towards organizational justice and job satisfaction. Also, the attempt is to study the different types of relationships that is likely to exist between such personal variables as age, gender, and level of education, on organizational justice.

Problem Definition

This study is conducted to address certain key questions about organizational justice in Furniture Manufacturing Companies. It would be worth examining the normal influence of organizational justice (Distributive Justice, Procedural Justice, and Interactional Justice) in job satisfaction. In fact, the questions underpinning this study are:

1. To what extent is the level of organizational justice in Iranian Furniture Manufacturing Companies?
2. Is there any relationship between employees' perception of organizational justice and their personal traits?
3. Is there any relationship between organizational justice and job satisfaction?

Research hypotheses

Based on the aforementioned questions, the following hypotheses have been developed:

1. There is no significant relationship between employees' perception of organizational justice and their personal traits such as age, gender, and level of education.
2. There is no significant relationship between organizational justice and job satisfaction.

MATERIALS AND METHODS

Data and Sample

To gather data for this study, a random sample of (250) employees was selected from the population of Furniture Manufacturing Companies. The number of workforce companies was 1215 employees of which the 238 questionnaires were returned, nine were rejected due to incomplete responses and 229 responses (91 percent response rate) were used for data analyses.

It should be noted that every questionnaire was personally distributed and instructions were given to employees before completing the questionnaire. In terms of demographic findings, 90.8 percent of respondents were males, and the rest (around 9.2 percent) were females. In terms of the respondents' age group, it is interested to note that 11.4 percent was less than 25 years, whereas 28.8 percent fell into the 25 to 34 age group, and 50.2 percent fell into the 35 to 44 age group, only 9.6 percent are above this group. As for the educational levels of these employees, the majority of population (77.7 percent) were university certificate holders, and around 5.7 percent of this group had higher education degree. (See Table 1).

Table 1: Characteristics of the Sample (N=229)

Items	Frequency	Percent
Gender:		
Male	208	90.8
Female	21	9.2
Age:		
Less than 25 year	26	11.4
25 – 34 Years	66	28.8
35 – 44 Years	115	50.2
45 and more	22	9.6
Educational Level:		
Secondary	38	16.6
University	178	77.7
Higher Education	13	5.7

Measures

Distributive Justice: The perceptions of distributive justice were measured with a 5-item scale developed by Neihoff and Moorman (1993). Respondents indicated the extent of their agreement or disagreement with each item on a scale from 1 (strongly disagree) to 5 (strongly agree). The Cronbach's alpha for this scale in Western Studies was 0.90, (moorman et al., 1998), the reliability coefficient alpha for distributive justice in this study was 0.79.

Procedural Justice: The perceptions of procedural justice were measured with a 6-item scale developed by Neihoff and Moorman (1993). Employees responded to each item using a 5-points Likert scale. The alpha coefficient for this scale in Western studies was 0.90 (Neihoff and Moorman, 1993). Also, the reliability Cronbach's alpha for distributive justice in this study was (0.82).

Interactional Justice: The perceptions of interactional justice were measured with 11-items measuring the degree to which employees felt their needs were considered, and adequate explanations were made for job decisions. All items used a five-point format. The alpha coefficient for this scale in Western studies was 0.90, (Neihoff and Moorman, 1993). The reliability Cronbach's alpha for distributive justice in this study was 0.80.

Job Satisfactions: A standard job satisfaction questionnaire (Fernand and Awamleh, 2006) was used to assess the level of job satisfaction among employees. This questionnaire has 7-items. It was decided to use five-point Likert scale to measure the responses to each item (from strongly disagree 1 to strongly agree 5). The alpha coefficient for this scale in Western Studies was 0.87, (Rad and Yarmohammadian, 2006). Also, the reliability Cronbach's alpha for job satisfactions in this study was 0.83.

RESULTS AND DISCUSSION

Level of organizational justice

In order to achieve the first objective of the present study, three tables were arranged, each deals with one dimension of the organizational justice.

Distributive Justice: Table 2 gives information on the means and standard deviations of the responses studied employees' attitudes toward distributive justice exercised by their managers. Employees had negative attitudes toward their workload and level of pay. However, they showed a positive attitude toward work schedule, rewards and job responsibilities.

Table 2: Employees' Perceptions towards Distributive Justice

Q	Items	Means	Standard deviation
1	My work schedule is fair.	3.79	1.23
2	I think my level of pay is fair.	2.96	1.35
3	I consider my work load to be quite fair.	2.65	1.69
4	Generally, the rewards I receive here are quite fair.	3.38	1.32
5	I think my job has several responsibilities.	3.32	1.45
	Total	3.22	1.40

Procedural Justice: Table 3 reports respondents attitudes toward various issues included in procedural justice. The majority of the respondents had the positive attitudes concerning their managers. According to these employees, managers were seen as unbiased in their job decisions and they collected accurate and complete information before making any decisions. These managers were applying job decisions consistently to all affected employees. On the other hand, employees had the right to appeal job decisions made by their managers.

Table 3: Employees' Perceptions towards Procedural Justice

Q	Items	Means	Standard deviation
6	Job decisions are made by the manager in a biased manner.	3.54	1.10
7	My manager makes sure that all employee concerns are heard before Job decisions are made.	3.29	1.02
8	To make job decisions, my manager collects accurate and complete information	3.43	1.19
9	My manager clarifies decisions and provides additional information when requested by employees.	3.51	0.78
10	All jobs decisions are applied consistently to all affected employees.	4.14	0.89
11	Employees are allowed to challenge or appeal job decisions made by their managers.	3.69	0.57
Total		3.60	0.92

Interactional Justice: The means and standard deviations were studied in regard to employees' attitudes toward the behavior of their managers. According to employees, managers were treating them with respect and dignity and were sensitive to their personal needs. In addition, they were treating with them in a truthful manner and discussing the implications with them when making decisions concerning their jobs. (See Table 4).

Table 4: Employees' perceptions towards interactional justice

Q	Items	Mean s	Standard deviation
12	When decisions are made about my job, the manager treats me with kindness and consideration.	3.05	1.15
13	When decisions are made about my job, the manager treats me with respect and dignity.	4.32	0.69
14	When decisions are made about my job, the manager is sensitive to my personal needs.	3.56	0.76
15	When decisions are made about my job, the manager treats with me in a truthful manner.	4.28	0.71
16	When decisions are made about my job, the manager shows concern for my right as employee.	4.04	0.91
17	Concerning decisions made about my job, the manager discusses with me the implications of the decisions.	3.12	0.72
18	The manager offers adequate justification for decisions made about my job.	3.21	0.79
19	When making decisions about my job, the manager offers explanations that make sense to me.	3.91	0.59
20	My manager explains very clearly any decisions made about my job.	3.85	0.87
Total		3.70	0.79

Job Satisfaction: Table 5 displays the means and standard deviations of the responses studied employees' attitudes toward of Job Satisfaction. The obtained results indicated that a positive level of job satisfaction by the employees' towards their work. This gives a positive impression of the level of organizational justice available to those companies.

Table 5: The Level of Job satisfaction among Employees'

Q	Items	Means	Standard deviation
21	In general, I am satisfied with this job.	4.27	0.67
22	I find that my opinions are respected at work.	3.86	0.58
23	Most people on this job are very satisfied with it.	3.46	0.89
24	I am satisfied with the recognition I get for the work I do	4.43	0.77
25	I am satisfied with the way my pay compares with that for similar jobs in other firms.	4.82	0.44
26	I am satisfied with the personal relationship between my boss and his/her employees.	3.78	1.23
27	I am satisfied with the way my boss treats employees.	3.51	1.24
	Total	4.01	0.83

Relationship between Employees' Perception of Organizational Justice and their Personal Traits

To achieve the second objective of the study and at the same time test the hypothesis, data from employees' background traits were collected. Traits such as age, gender, and educational level were examined to see if there were significant relationship between them and the perception of organizational justice. Using one-way ANOVA between organizational justice and employees' personal traits, the results showed that there was only one significant relationship existed between respondents' age and their perceptions of organizational justice. But there is no significant relationship between gender, respondents and their perceptions of organizational justice, as well as for educational level (other studies have proved this result, such as studying (Alsalem and Alhaiani, 2007). Figures in Table 6 showed that the significant level between these two variables was 0.00 which was significant at 0.05.

Table 6: One-way ANOVA between Organizational Justice and Employees' Personal Traits

Organizational justice	Sum of squares	Mean squares	df	F	Sig.
Age	62.316	15.579	4	55.577	0.000*
Sex	0.200	6.671	4	0.622	0.602
Educational Level	0.640	0.213	4	2.020	0.108

* Significant at $p < 0.0$

Relationship between Organizational Justice and Job Satisfaction

To test the significant level of the second hypothesis proposed by the researcher and at the same time achieve our final objective had been sought by this study, Table 7 presents the means and standard deviations, and Zero-order correlations between organizational justice and job satisfaction. Although the results in the table showed strong relationships among three dimensions of organizational justice, the relationships between organizational justice and job satisfaction was positively correlated (0.19). All dimensions of organizational justice were also positively correlated with job satisfaction. This fact implied that job satisfaction could depend directly on the level of organizational justice being perceived by the employees. Also, the other studies revealed the correlations between organizational justice and job satisfaction (Bakhshi *et al.*, 2009). The other studies have shown high correlations between procedural justice and job satisfaction (Mossholder *et al.*, 1998; Wesolowski and Mossholder, 1997; Awamleh and Fernandes, 2006). Futhermore, the previous studies have shown the correlations between distributive justice and job satisfaction (Awamleh and Fernandes, 2006).

In addition, Masterson *et al.*, (2000) showed procedural justice to be a stronger predictor of job satisfaction rather than interactional justice, although both had significant independent effects.

Table 7: The Intercorrelations among Variable.

variables	1	2	3	4
Distributive Justice	1			
Procedural Justice	0.19*	1		
Interactional Justice	0.16*	0.09*	1	
Organizational justice	0.32**	0.51**	0.37**	1
Job Satisfaction	0.10*	0.19*	0.18*	0.19*

* Correlation is sig. at $p < 0.05$

** Correlation is sig. at $p < 0.01$

CONCLUSION

This study explored employees' perceptions toward organizational justice in the form of distributive justice, procedural justice, and interactional justice and to examine how these perceptions correlated with their personal traits, and also with their job satisfaction. As for the relationship between organizational justice and employees' personal traits, only significant relationship existed between respondents' age and their perceptions of organizational justice. The findings revealed a positive association organizational justice and the job satisfaction. This finding suggested that organizational justice is antecedent to job satisfaction as well. This result can support the nation that one cannot predict job satisfaction through examining organizational justice.

These results built on the work of previous researchers who demonstrated that organizations and their managers could influence employees' behavior. Cultivating a sense of organizational justice might benefit an organization by decreasing absenteeism and employee turnover. Those organizations that ignore procedural justice concerns run the risk of endangering negative organizational outcomes of decisions, non-compliance with rules and procedures, and in some instances, lower satisfaction. Consequently, cultivating employees' sense of organizational justice was key to a job satisfaction.

Limitations and Suggestions for Future Research

As with any research, our study had several limitations that should be acknowledged. The first limitation of this study was that the data collected which was self-reported, thus, common method bias might be presented. Second, the measurement of organizational fairness, in measuring the three dimensions of organizational justice, the current study attempted to use the survey items that asked employees to whether something is generally fair or not. When focusing on fairness of distributive, procedural, and interactional justice, the researchers assumed that employees considered fairness as a fact. Third, behavioral intentions rather than actual behaviors were measured, while intentions were not always flawless predictors of behavior. The approach was based on the desire to assess the intensity of satisfaction responses, which could be achieved more readily by measuring behavioral intentions rather than behaviors. Future studies should go beyond this to assess the possible cause and effect of the relationship between organizational justice and job satisfaction. This study also suggests more research is needed to examine the relationship between organizational justice and other variables, such as organizational citizenship behavior:

- In other private sector organizations in Iran, so that the findings can be generalized across the whole population of Iran;
- Not for profit and government organizations in Iran.

Also, scholarly attention needs to be directed to the assessment of effects, career aspirations, organizational justice and job satisfaction.

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