Organizational Justice as a Factor of Job Satisfaction - Quantitative and Qualitative Analysis

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Abstract: Organizational justice reflects the perception of employees whether they have been treated fairly in their organizations. Upon that perception, many work-related outcomes may emerge. One of them is satisfaction with the job they perform. This paper presents the results of the study in which the relationship between the employees’ perception of organizational justice and job satisfaction is examined. The data was collected through the distribution of the questionnaires among the employees working in 17 big enterprises, mostly in the south-east part of the Republic of Serbia. The sample size included 167 employees. The study findings show that there is a statistically significant positive relationship between all dimensions of organizational justice and job satisfaction. The findings also show that distributive and interactional justice have statistically significant positive influence on job satisfaction, but that is not the case with procedural justice. Based on the results, some measures for human resource management practices improvement have been proposed.

Keywords: organizational justice, job satisfaction, employees, management, enterprise.

1. Introduction

Organizations are social systems where human resources are the most important factors for organizational effectiveness and efficiency (Al-Zu’bi, 2010). Therefore, their attitudes, behavior and competencies are of significant importance. When it comes to their...
attitude, many studies confirmed that they can be influenced by various factors, such as: satisfaction with the compensation system (Rynes et al., 2004), possibilities for promotion (Njambi, 2014), the quality of interpersonal relationship (Martin & Dowson, 2009), etc. One of the factors which also have the great potential to influence employees’ attitudes and behavior is the extent to which they perceive workplace procedures, interactions and outcomes to be fair (Baldwin, 2006). In other words, their attitudes and behavior can be influenced by the perception of organizational justice.

The question of fairness in organizations is very important. Many studies have been confirmed that employees’ perception of organizational justice can influence many important outcomes. For example, it has been found that organizational justice influences employees’ commitment (Hassan, 2010), their willingness to demonstrate organizational citizenship behavior (Jafari and Bidarian, 2012), satisfaction with the job (Al-Zu’bi, 2010), etc. It has been also found that almost all of these phenomena are closely related to the performance of employees (Khan et al., 2010; Bin, 2016; Basu et al., 2017).

The significance of organizational justice also stems from the fact that the question of justice is present in many procedures and processes that are happening in the organizations almost on daily base, such as: performance appraisal, disciplinary procedures, conflict resolution, selecting new staff, organizational change, etc. (Baldwin, 2006). The question of justice is of extremely important during the downsizing process; also in situations when the perception could influence the attitudes, behavior and performances of the remaining employees (survivors) (Sounders et al., 2003) who are very important for the downsizing effectiveness.

Having in mind the importance of organizational justice for the employees’ attitudes, behavior and performances, the authors of the paper conducted the study in order to investigate whether the perception of organizational justice influences job satisfaction of employees in enterprises in Serbia. The starting assumptions were that there is a positive relationship between the organizational justice and job satisfaction, as well as that organizational justice significantly influences the job satisfaction.

The paper is structured as follows: after the introductory considerations, a review of the literature referring to organizational justice and job satisfaction is followed, while in the second part of the paper the explanation of the research methodology, the research results, their discussion and concluding considerations are presented.

2. Literature review and hypothesis development

2.1. Organizational justice

Organizational justice refers to the extent to which employees perceive workplace procedures, interactions and outcomes to be fair (Baldwin, 2006). This term was firstly introduced by Greenberg (1987) by whom it represents individual’s perceptions and reactions to fairness towards the organization.

Employees make the judgments of fairness usually when some event with which they are personally disappointed occurs (Croppanzano & Molina, 2015). In order to access whether it was or was not fair, they compare it with some norms, standards, rules or justice criteria. When their judgment is negative, they conclude that the injustice has been occurred (Croppanzano & Molina, 2015).
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It has been widely accepted that organizational justice has three dimensions: distributive, procedural and interactional. The attention of the authors was firstly focused on distributive justice. This dimension of justice refers to the assessment of the fairness of the outcome that the employees received from the organization (Cropanzano & Molina, 2015). The outcomes could be in the form of promotion, pay, and the like. The employees will have the perception of fairness in organization if the outcomes are distributed proportionally to the inputs that employees made. This rule is the basic principle of the equity theory (Adams, 1968 in Baldwin, 2006). In addition to this basic principle/criteria of justice, there are two more criteria that employees can use to decide whether their outcomes are fair: equality and need (Deutch, 1985 in Cropanzano & Molina, 2015).

Procedural justice is another dimension of organizational justice. It is concerned with the fairness to the decision-making process, or the set of policies that are used to make allocation decisions (Cropanzano & Molina, 2015). In some cases, this dimension of organizational justice might have a greater impact on the attitudes and behavior of employees than distributive justice. Namely, the practice has shown that employees will be more willing to accept unwanted outcomes, i.e. decisions, if they consider that the decision-making process was based on the principles of justice (Baldwin, 2006).

In order to perceive the higher level of procedural justice in the organization, Leventhal and his colleagues (1980) made some recommendations. According to them, a just process is the one that is applied consistently to all individuals, which is free of bias, accurate, representative of relevant stakeholders, correctable, and consistent with ethical norms (Leventhal et al., 1980 in Cropanzano et al., 2007).

The third dimension of organizational justice is interactional justice. It refers on the quality of the interpersonal treatment received by those working in an organization, particularly as a part of formal decision making procedures (Baldwin, 2006). According to Colquitt (2001) there are two aspects of interactional justice: informational justice and interpersonal justice. Informational justice refers to the provision of the relevant evidences and examination, which is especially important when unfavorable events are going on (Cropanzano & Molina, 2015), for example, the process of downsizing. Interpersonal justice refers to the dignity and respect with which people are treated (Cropanzano & Molina, 2015). Since interpersonal justice emphasizes one-to-one transactions, employees usually access it upon the relationship with their supervisors (Cropanzano et. al., 2007).

2.2 Job satisfaction

Job satisfaction is a phenomenon which occupies the attention of many authors. Therefore, many definitions of what job satisfaction represents emerged. Locke (1976), for example, states that job satisfaction represents individual’s "pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences" (Locke, 1976, p. 1304). Judge and his colleagues (2001) state that job satisfaction is a result of a cognitive, affective and evaluative reaction of an individual to various dimensions of a job. A very useful notion for understanding the nature of job satisfaction is also the opinion that job satisfaction represents the level of divergence between what employees expects to receive and what they actually experience at the workplace (McShane, 2004).
Spector (1997), on the other side, when defining job satisfaction, he takes into account its causality and states that job satisfaction could be seen as a global feeling about the job, or as a constellation of the attitudes towards various aspects of a job (Spector, 1997). Therefore, this author proposed two approaches regarding the nature of job satisfaction, global approach and facet approach.

There is no doubt that job satisfaction is a very important work-related phenomenon. It was found that in the case of high job satisfaction employees may demonstrate many other positive forms of attitudes and behavior, such as organizational citizenship behavior (Farrel, 1983), organizational commitment (Azeem, 2010), low turnover intentions (Crasten & Spector 1987), etc. On the other hand, this important phenomenon could be influenced by the plenty of factors. One of them is organizational justice.

2.3. Hypothesis development

Many authors in the previous period were interested in examination of relationship between organizational justice and job satisfaction. Since the organizational justice is a multidimensional phenomenon, as well as job satisfaction, many different studies were conducted. For example, Kwak and colleagues (2010) as well as Heponiemi and colleagues (2011) found that between procedural justice and all subcomponents of job satisfaction exists a positive correlation. When it comes to the distributive and interactive justice, it was discovered that between these dimensions of justice and some subcomponents of job satisfaction there are recognized positive correlations, while when others subcomponents of job satisfaction were taken into account, a negative correlation was determined. Positive and significant correlation between all components of organizational justice and job satisfaction was found in the studies conducted by Masterson and colleagues (2000), as well as by Hao and colleagues (2016). Bakhshi and colleagues (2009) also found that between the organizational justice and job satisfaction, as well as organizational commitment, there was a strong relationship.

Although in some studies the negative relationship between some components of organizational justice and some subcomponents of job satisfaction has been found, the literature, in general, suggests that there is a positive relationship between all components of organizational justice and job satisfaction. Therefore, we propose the following hypothesis:

H1: There is a statistically significant positive relationship between all dimensions of organizational justice and job satisfaction of employees in Serbia.

Many studies were conducted in order to examine whether the organizational justice, i.e. its dimensions, have influence on job satisfaction. In addition, Cedwyn and Awamleh (2006) found that distributive and interactive justice had significant effects on job satisfaction, while it was not the case when it came to the procedural justice. In some other studies it was found that distributive and procedural justice had significant effect on job satisfaction (Bakhshi et al. 2009; Fatt et al. 2010), while in some studies it was found that procedural justice was more important predictor of job satisfaction in comparison to the distributive justice (Clay-Warner et al. 2005).

Based on the results of the previously mentioned studies, which in majority of cases were found to have a significantly positive influence on all dimensions of organizational justice on job satisfaction, we propose the following hypothesis:
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H2: Distributive justice, procedural justice and interactional justice have a statistically significant positive influence on the job satisfaction of employees in Serbia.

3. Methodology of the Research

Context of the research. In order to test the previously mentioned hypothesis, the primary research was conducted. The data for the research were collected among the employees from 17 big enterprises operating in the Republic of Serbia, mostly in the south-east part.

Methods and techniques of data collection. The data were collected through the distribution of questionnaires. The questionnaires were distributed during the period from October 2017 to February 2018 by the students of different years of studies at the Faculty of Economics in Nis who were either performing professional practice or who spent some time in certain companies to obtain the data for seminar papers. A similar method was used by Duobienem and colleagues (2015) in their research.

Instruments and research variables. The first part of the questionnaire included questions related to general information about the respondents: gender, age and education. The second part included items about research variables: organizational justice and job satisfaction. Cronbach’s alpha coefficient of 0,927 indicates very good internal reliability and consistency of all items in the questionnaire. Regarding organizational justice, the questionnaire developed by Neihoff and Moorman (1993) was used. The questionnaire consisted of the items measuring distributive justice, procedural justice and interactional justice. Cronbach’s alpha coefficients for distributive justice was 0,748, for procedural justice 0,634 and for interactional justice 0,903. The data about job satisfaction were gathered using standard job satisfaction questionnaire created by Fernand and Awamleh (2006). Cronbach’s alpha for job satisfaction was 0,829. Each item in the questionnaire was assessed using five-point Likert scale, ranging from 1 – strongly disagree, to 5 – strongly agree.

Sample. The sample consisted of 200 employees. Because of the missing data, only 167 questionnaires were analyzed.

Analyses and procedures. Descriptive statistics was applied for getting information about sample frequencies and percentage. Moreover, the correlation coefficients were calculated in order to examine the relationship between the organizational justice and its dimensions and job satisfaction. Multiple regression analysis was used for the purpose of assessing the effect of organizational justice on job satisfaction. The collected data were analyzed by program IBM SPSS, version 23.

4. Results

4.1. Descriptive statistics

The sample structure by gender, age and education is given in the Table 1.
Table 1 Respondent Characteristics

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>167</td>
<td>100</td>
</tr>
<tr>
<td>Male</td>
<td>97</td>
<td>58.1</td>
</tr>
<tr>
<td>Female</td>
<td>70</td>
<td>41.9</td>
</tr>
<tr>
<td>Age</td>
<td>167</td>
<td>100</td>
</tr>
<tr>
<td>&lt;25</td>
<td>12</td>
<td>7.2</td>
</tr>
<tr>
<td>26-40</td>
<td>70</td>
<td>41.9</td>
</tr>
<tr>
<td>41-55</td>
<td>67</td>
<td>40.1</td>
</tr>
<tr>
<td>&gt;55</td>
<td>18</td>
<td>10.8</td>
</tr>
<tr>
<td>Education</td>
<td>167</td>
<td>100</td>
</tr>
<tr>
<td>II level</td>
<td>4</td>
<td>2.4</td>
</tr>
<tr>
<td>III level</td>
<td>28</td>
<td>16.8</td>
</tr>
<tr>
<td>IV level</td>
<td>72</td>
<td>43.1</td>
</tr>
<tr>
<td>V level</td>
<td>11</td>
<td>6.6</td>
</tr>
<tr>
<td>VI level</td>
<td>17</td>
<td>10.2</td>
</tr>
<tr>
<td>VII level</td>
<td>25</td>
<td>15.0</td>
</tr>
</tbody>
</table>

Source: Authors

The mean values, as well as the standard deviations of each dimension of organizational justice in the questionnaire are presented in the Table 2.

Table 2 Means, standard deviations and correlations between organizational justice and job satisfaction

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributive Justice</td>
<td>3.34</td>
<td>.83</td>
<td></td>
<td>.629**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>3.30</td>
<td>.67</td>
<td>.629**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>3.41</td>
<td>.80</td>
<td>.534**</td>
<td>.697**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Justice</td>
<td>3.35</td>
<td>.66</td>
<td>.846**</td>
<td>.882**</td>
<td>.862**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.42</td>
<td>.74</td>
<td>.591**</td>
<td>.580**</td>
<td>.658**</td>
<td>.709**</td>
<td>1</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Authors

4.2. Hypothesis testing

In order to test the hypothesis H1 correlations between distributive justice, procedural justice, interactional justice and job satisfaction are calculated (Table 2).

To examine whether or not there is a relationship between variables, Pearson Correlation Coefficient was used. Pearson Correlation Coefficient is positive and higher than .50, p<0.01. Correlations between distributive justice (r=0.59, p<0.01), procedural justice (r=0.58, p<0.01), interactional justice (r=0.66, p<0.01) and job satisfaction were all significant. These results of correlation analysis are indicating that there is a direct and significant correlation, at the level of 1% among all dimensions of organizational justice and job satisfaction.
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Based on the above results, the hypothesis H1 is confirmed meaning that when the perception of organizational justice dimensions increases, the level of job satisfaction of employees also increases. More precisely, higher distributive, procedural or interactional justice would lead to a higher job satisfaction of employees in Serbia. Having in mind that, according to Cohen (1992), the size effect of Pearson correlations can be small (± .10), medium (± .30) and large (± .50), it can also be concluded that relationships between dimensions of organizational justice and job satisfaction have a large practical effect.

In order to test the hypothesis H2, the multiple regression analysis was applied, where a predictor variable were all dimensions of organizational justice and a dependent variable was job satisfaction.

Table 3: Regression analysis of organizational justice and job satisfaction

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>R Square Change</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.719*</td>
<td>.516</td>
<td>.507</td>
<td>.52213</td>
<td>.516</td>
<td>58.017</td>
<td>3</td>
<td>163</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Distributive justice, Procedural justice, Interactional justice
b. Dependent Variable: Job satisfaction

ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig. F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Regression)</td>
<td>47.450</td>
<td>3</td>
<td>15.817</td>
<td>58.017</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>44.437</td>
<td>163</td>
<td>.273</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>91.887</td>
<td>166</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Job satisfaction
b. Predictors: (Constant), Distributive justice, Procedural justice, Interactional justice

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>T</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-.798</td>
<td>.214</td>
<td></td>
<td>3.736</td>
</tr>
<tr>
<td>Distributive justice</td>
<td>.275</td>
<td>.064</td>
<td>.305</td>
<td>4.293</td>
</tr>
<tr>
<td>Procedural justice</td>
<td>.091</td>
<td>.093</td>
<td>.082</td>
<td>.981</td>
</tr>
<tr>
<td>Interactional justice</td>
<td>.409</td>
<td>.072</td>
<td>.438</td>
<td>5.679</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Job satisfaction

Source: Authors

In Table 3, as the multiple regression analysis showed, R value was 0.719, while value of R² was 0.516, which means that 51.6% of variation in job satisfaction is due to predictor variables. This, further, means that organizational justice has a statistically significant impact on job satisfaction of employees in Serbia, in the first place due to distributive and interactional justice (see β coefficients). Furthermore, Table 3 shows that
the regression model is representative and ANOVA analysis between researched variables presented $F=58.017$ that it is significant at the .000 level ($p < .05$).

The data from Table 3 also show that the strongest effect on job satisfaction of employees in Serbia has interactional justice ($\beta=0.438$, $p<0.01$). This impact is statistically significant. An effect of distributive justice on job satisfaction is smaller ($\beta=0.305$, $p<0.01$) and statistically significant, compared to the interactional justice. But, the impact of procedural justice is the smallest ($\beta=0.082$) and statistically insignificant. Therefore, our second hypothesis (H2) is partially confirmed.

5. Discussion

Table 2 shows that the mean values of all dimensions of organizational justice are higher than the average (value of 3) meaning that employees have positive attitudes toward this category. On the other hand, they are not completely satisfied with it because the mean value of every dimension is not even close to the values 4 or 5. The same conclusion could be made regarding the job satisfaction since the mean value of this category is 3.42.

Regarding our starting assumption, the results of the study confirmed hypothesis H1, while the hypothesis H2 is partly confirmed. Such results to some extent are similar to the findings in previously conducted studies. For example, Hao and his colleagues (2016) found that distributive justice, procedural justice and interactional justice are highly correlated with job satisfaction although that the correlation coefficients were higher than those in our study. The results similar to ours were also found in the research of Lofty and Pour (2013).

Based on the obtained results, it can be concluded that the job satisfaction of the employees participating in the survey is significantly influenced by distributive and interactional justice. The results also showed that the impact of interactional justice was higher than distributive justice. When it comes to the procedural justice, the results show that this dimension of organizational justice did not have an impact on job satisfaction. The explanation for significant impact of distributive justice on job satisfaction of employees in Serbia could be seen in the high rate of unemployment. Consequently, the outcomes they receive from organizations, although usually not high, are important to them. The explanation of high impact of interactional justice on job satisfaction could be collectivistic dimension of national culture where interpersonal relations are very important. On the other hand, an explanation for the low impact of procedural justice on job satisfaction could be a high level of power distance, which is also the characteristic of Serbian national culture. Consequently, the employees do not weigh the procedures too much since they do not expect to be involved in decision-making process, or to have an impact on procedure implementation.

Contrary to our finding, in the study conducted by Hao and his colleagues (2016) it was found that all three dimensions of organizational justice have a positive impact on job satisfaction. On the other hand, study of Lofty and Pour (2013) showed that only procedural justice could predict job satisfaction, while that is not the case when it comes to the distributive and interactional justice.
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6. Conclusion

This paper deals with two very important phenomena in working place: organizational justice and job satisfaction. In the theoretical part of the paper, the most important characteristics regarding both concepts are presented. It was stressed that both phenomena in the final instance may influence organizational effectiveness and efficiency. It was also stressed that job satisfaction of the employees could be influenced by their perception regarding the justice in organization.

In the empirical part, the results of the study present the relationship between these phenomena. Actually, the results showed that there is a statistically significant positive relationship between all dimensions of organizational justice and job satisfaction, as well as that distributive and interactional justices have a statistically significant positive influence on job satisfaction, which is not the case when it comes to the procedural justice.

The findings of this study could have some implication for human resource management improvement in the companies in Serbia, although the sample was not the representative one and the results could only be seen as indicative. Having in mind that organizational justice, especially distributive and interactional, have positive impact on job satisfaction of employees, managers should try to increase their levels. According to the obtained data from the survey, it can be concluded that managers should improve the level of benefits of distribution fairness, make more appropriate work schedules for the employees, as well as their workloads, and finally, put more efforts to create the climate of mutual respect and recognition of employee’s needs and rights.

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ORGANIZACIONA PRAVDA KAO FAKTOR ZADOVOLJSTVA POSLOM – KVANITATIVNA I KVALITATIVNA ANALIZA


Ključne reči: organizaciona pravda, zadovoljstvo poslom, zaposleni, menadžment, preduzeće.