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# The mediating effect of (procedural and distributive) justice on the relationship of perceived organizational support on outcomes (job satisfaction, organization commitment and turnover)

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#### ABSTRACT

The main purpose of the study was to investigate that the effect of distributive and procedural justice as mediator in connection with perceived organizational support will increase or decrease job satisfaction, employee commitment and turnover in employees. The main significance of the study was to investigate the mediating relationship of justice perceptions (distributive and procedural) with perceived organizational support and outcomes (job satisfaction, organizational commitment, turnover intention). A total of 361 employees of telecom, banking and academics sectors were taken. Results suggest that distributive and procedural justice will not act as mediation between the relationship of perceived organizational support and turnover intentions.

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#### Introduction

Employees' dissatisfaction with their job gives rise to many serious problems for the organization. For example, dissatisfied employees often show behaviors that affect productivity level of organization such as theft, poor service, destructive rumors and sabotage of equipment (Spector, 1997). Employees have also been report physical disturbances such as tension, depression, lassitude, apprehension and sleeplessness whenever they are not satisfied (Spector, 1997). Stiffness in muscles and joints problems is founded in dissatisfy employees (O'Driscoll & Beehr, 1994).

High turnover is always very destructive for the organization. Organizations spend a lot of money on training, induction, recruitment and selection of new employees in organizations (Staw, 1980). Reduced self-esteem, pressure on the existing employees, learning cost and the loss of social capital are also associated with high turnover rate (Des & Shaw, 2001). The cost of each quit is approximately \$1400 - \$4000 (Hogan, 1992). Each employee turnover costs the organization face is \$3000- \$10000 in the form of decreasing output, lost in sales and management's time (Catherine, 2002).

The relationship of employee and organization is the focus of the perceived organizational support concept (Eisenberger et al., 1986; Tekleab, Takeuchi, & Taylor, 2005). Eisenberger and colleagues (1986) argued that employees amassed the behavior that they receive from representatives of the organization to make "global perceptions concerning the extent to which the organization values their contributions and cares about their well-being" or perceived organizational support (Eisenberger et al., 1986: 501). Consistent with Eisenberger's proposition, it has been revealing by research that increasing level of Perceived organizational support will also increase the level of commitment of employees towards organization; they

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concentrate on work and found to be more satisfied with their jobs (Rhoades & Eisenberger, 2002).

# **Research Questions**

1. Is perceived organizational support affect on job satisfaction of employees?

2. Is perceived organizational support relates to the organizational commitment?

3. Does perceived organizational support impact on turnover intentions?

4. Does perceived organizational support impact on distributive justice?

5. Does perceived organizational support impact on procedural justice?

6. Does distributive justice mediate the association of perceived organizational support and job outcomes such as (job satisfaction, organization commitment and turnover intentions)? 7. Does procedural justice mediate the association of perceived organizational support and job outcomes (job satisfaction, organization commitment and turnover)?"

**Conceptual framework:** 



Figure 1: Conceptual Model of mediation effect of procedural and distributive justice on perceived organizational support and outcomes

**Research methodology:** 

#### The descriptive research method is used for the study. Design of the Study:

"Current endeavor has cross-sectional design as data is gathered in 4 months duration at single time. Participation in the survey was voluntary and strict confidentiality of the data, scope and purpose of the study was provided to the respondents. 400 surveys were given out in different banks, of which 361 were retrieved.

#### Sample:

Data is collected through survey method from different banks, telecom sector and Academic sector. The questionnaire was self administered and given out to the workers in lower, middle and upper managerial levels. The sample comprised of individuals from several reputed banks, telecom sectors and academic sectors located in Rawalpindi/ Islamabad.

# Sampling Technique and Data Collection:

Convenient non probability sampling technique will be adopted because of constraints of resources and time duration and lack of resources. Other major reason behind choosing this sampling technique is absence of proper organizational structures in organizations in a country like Pakistan.

### Data Analysis"

Firstly, the Cronbach's alpha was calculated to check the reliability of construct taken into account in research. The results indicated Cronbach's alpha for questionnaire items are given in table below (Nunnally 1978, p. 245), suggesting that the items have relatively high internal consistency. (As, Cronbach's alpha above .70 show acceptable data).

Items	Cronbach's alpha
Perceived organizational support	0.89
Distributive justice	0.84
Procedural justice	0.76
Job satisfaction	0.85
Affective commitment	0.75
Normative commitment	0.89
Continuance commitment	0.80
Intention to turnover	0.82

Age, total experience, marital status, education and organizations were treated as control variables as significant disparities were found between these demographics and two dependent variables (which are job satisfaction and commitment) when one way ANOVA test was applied age, total experience, marital status, education and organizations were directly controlled being continuous variables.

# **Descriptive Statistics**

Normality plots were used to assess frequency distributions for all constructs. The examinations demonstrated normal distributions for all the variable of interest; there are no or very few outliers (insignificant). Table 2 shows the descriptive statistics (means and SD), reliabilities and the correlation for all variables. Correlations higher than .10 are significant at p < .5 (2tailed). The means for Perceived organizational support 3.14 (SD = .65), Distributive justice 3.44 (SD = .815), Procedural justice 3.20 (SD = .74), Turn over 3.67 (SD = 1.02), Job satisfaction4.34 (SD = .1.1) and Commitment 3.12 (SD = .53).Table 2 shows Means, Standard Deviations, Correlations and Reliabilities for the main variables of interest in this study.

# **Bivariate Correlation Analysis**

The Bivariate correlation disclosed that Perceived organizational support has strong significant positive correlation to distributive justice (r = .41, p < .01) and procedural justice (r = .32, p < .01), in simple we can say that distributive justice and procedural justice are likely to develop perceived organizational support and will both justice types have high levels of positive

impact on perceived organizational support by indicating employees well being. While perceived organizational support has insignificant positive relationship with turnover (r = .13, p >.05) and highly significant negative relationship with job satisfaction (r = -.21, p < .01) whereas positive but highly significant correlation with commitment (r = .55, p < .01). Distributive justice has positive insignificant relationship with turnover (r = .05, p > .05) and negatively insignificant correlated to job satisfaction (r = -.031, p > .05) where as distributive justice is highly significant positive relationship with commitment (r = .39, p > .01). In contrast, Distributive justice has highly significant positive correlation with procedural justice (r = .50, p < .01).Procedural justice has significant positive relationship with turnover (r = .13, p < .01) and negatively but insignificant correlated to job satisfaction (r = -.003, p > .05) where as procedural justice is significant positive relationship with commitment (r = .31, p < .01). All dependent (outcome) variables job satisfaction; three commitment and turnover are negatively correlation with each other. Turnover is negatively correlation with job satisfaction (r = -.07, p < .01) and commitment (r = -.03) whereas Job satisfaction is also negatively correlated with commitment (r =-.03)."\\

#### **Findings and Discussion**

The results of this study show that there is significantly negative relationship between high perceived organizational support and job satisfaction (p < 0.01). It is due to nature of job in different industries like banking; telecom and academic vary and also have different organizational structure that makes the employee to work more than the normal schedule. Some employees are working in an organization on contract which is for specific time period; it also results into low job satisfaction level.

The high level of perceived organizational support tends to have a significant positive relationship with organizational commitment with p < 0.01. It shows that by creating the factor of loyalty among employees the commitment towards organization also increases and employees become more obliged to their organizations. Employee's problems are being heard by its head and they give them feedback on the problems.

The results of this study show that there is insignificant relationship between high perceived organizational support and turnover intentions (p > 0.01). The perceived organizational support is not having negative relationship with turnover intentions where as in actual scenario it tends to affect the turnover intentions because whenever employee get encouragement and appreciation from its organization it ultimately results into low level of intentions to leave job.

The results of hypothesis 4 depicts that there is positive relationship between perceived organization support and distributive and procedural justice as the significant value is P < 0.01). Justice is very important part of an organization and also in making employees loyal towards organization but whenever there will be injustice in an organization then it will result in to poor performance. Distributive justice is the distribution of rewards and procedural justice is the procedure used in the distribution of rewards. The rewards should be equally distributed among employees which are one of the ways to support employees work.

Procedural justice does not mediate the relationship between perceived organizational support and outcomes (job satisfaction, organizational commitment and turnover intentions). It has significant value i.e. p < 0.01. Results of this study also show that Distributive justice does not mediate the relationship between perceived organizational support and job outcomes Given that data is gathered from Pakistan and cultural variations and diversity is there however the results are not parallel to the previous studies on the same issue. This shows that western measures of the respective constructs are not applicable to Pakistani context, despite the difference in cultures.

#### Conclusion

Employees are the most precious assets for any organization. Organizations need to keep them motivate, active, commitment and energetic for successful completion of tasks. This research offers a momentous input by empirically incorporating literature of perceived organizational justice and Justice Perceptions (procedural and distributive). Despite some limitations, the scope of current study proves that perceived organizational support and organizational commitment are the two major arenas which should be further developed and can facilitate managers in enhancing efficiency and productivity. The main crux of current research is that justice perceptions are an important part of organizations but they remained unexplored in previous research. Another interesting finding of the study was that Justice Perceptions (procedural and distributive) are found to positively relate with perceived organizational support. Besides perceived organizational support are not related to turnover and negatively relationship of perceived organizational support and job satisfaction exist. Procedural justice and distributive justice are not act as mediator between perceived organizational support and outcomes (job satisfaction, organizational commitment and turnover). Moreover this study depicts that perceived organizational support will positively related to organizational commitment.

 Table 1a. One-way analysis of variance for all dependent variables across marital status.

 ANOVA

Dependent variables		Sum of Squares	df	Mean Square	F	Sig.
Job.Satisfaction	Between Groups	17.576	3	5.859	4.551	.004
	Within Groups	454.380	353	1.287		
	Total	471.955	356			
commitment	Between Groups	5.312	3	1.771	6.290	.000
	Within Groups	99.371	353	.282		
	Total	104.683	356			

Table 1b.	One-way	analysis of	f variance	for all	dependent	variables	across	marital	age.
			A	ANOV	Δ				

Dependent variables		Sum of squares	Df	Mean square	F	Sig.	
Job.satisfaction	Job.satisfaction Between groups		30	2.544	2.074	.001	
	Within Groups	403.613	329	1.227			
	Total	479.936	359				
commitment	Between Groups	24.216	30	.807	3.297	.000	
	Within Groups	80.539	329	.245			
	Total	104.755	359				

Table 1 c. One-way analysis of	variance for all depen	dent variables across	organizations.

ANOVA								
Dependent variables		Sum of squares	Df	Mean square	F	Sig.		
Job.Satisfaction	Between Groups	74.266	20	3.713	3.106	.000		
	Within Groups	406.504	340	1.196				
	Total	480.770	360					
commitment	Between Groups	27.350	20	1.367	5.994	.000		
	Within Groups	77.568	340	.228				
	Total	104.917	360					

Table 1d. One-way analysis of variance for all dependent variables across education. ANOVA

DEPENDENT	<b>VARIABLES</b>	Sum of Squares	df	Mean Square	F	Sig.
Job.Satisfaction	Between Groups	37.169	6	6.195	4.909	.000
	Within Groups	432.875	343	1.262		
	Total	470.043	349			
commitment	Between Groups	6.989	6	1.165	4.195	.000
	Within Groups	95.236	343	.278		
	Total	102.225	349			

.000
.000

Table 1e. One-way analysis of variance for all dependent variables across total experience. ANOVA

Mean SD		1		2	3	4	5	6
1. Perceived organizational support	3.1	.65	(.70)					
2. Distributive Justice	3.4	.81	.42**	(.73)				
3. Procedural justice	3.2	.74	.33**	.50**	(.81)			
4. Turnover	3.6	1	.09	.05	.13*	(.82)		
5. Job satisfaction	4.3	1.1	22**	03	00	077	(.75)	
6. Commitment	3.1	.53	.55**	.39**	.31**	034	038	(.83)

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

\* Correlation is significant at the 0.05 level (2-tailed).

*Note: N*=361; Alpha Reliabilities are given in parentheses.

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