

Relationship Between Organizational Justice And Employees Performance

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ABSTRACT

The study examined the effect of organizational justice on employees' performance in selected Banks in Asaba. Survey research design was adopted. The collected data were analyzed using multiple regression analysis to test the hypotheses. The population consists of 450 staff selected from 11 Bank in Asaba, the sample size for the study was 202. Data were analyzed using multiple regression and the finding shows that positive relationship exist between distributive justice and employees' performance, procedural justice and employees' performance and, interactive justice and employees' performance. The study concludes that fair treatment in workplaces leads to considerable performance among relative employees given also the environmental context of Nigeria where tireless effort are being made by managements of banks to get the best out of their employees; each aiming to have an advantage over competitors in the financial institutions. The study recommends that Bank executives should openly describe the fair procedures they are using and explain decisions thoroughly in a manner demonstrating dignity and respect using unbiased and accurate information, management should adhere to adjusting and dividing employees work volume in these banks as stress can also be a threat to performance.

Keywords: Organizational Justice, Distributive Justice, Procedural Justice, Interactional Justice, Employee's performance, Task performance and Contextual performance.

Introduction

It is interesting to come to terms with various behaviours exhibited at various levels especially in an organisation. Many deductive reasoning has been brought to limelight through this process.

Relative behaviours in workplaces could take two forms; first, an action and secondly a counter-action or a reaction. Several years researchers have made various attempts at studying workplace interplay of relationship within and among organisational workers with considerable success. Various thoughts, ideas, principles, approaches and methods have been employed as well.

Organisational justice, politics, commitment, performance and workplace spirituality constitute some topical behaviours exhibited in various organisational management. Among all these concepts, the place of justice in workplace cannot be overemphasized as its perceptions is highly sensed by workers in the organisation and it could go a long way to determining their reaction and attitude cultivated to work in the organisation.

According to Elamin and Alomain, (2011) asserted that there is an increasing concern on organizational justice and its effect on organizational outcomes such as performance outcomes and in depth understanding on organizational justice and human behaviours (Hartman, Yrle and Galle, 1999) are vital. On the other hand, injustice dissolve bonding within the organization community and it is hurtful to individual and harmful to organizations. The more individuals are concerned about the organization, the more distressed they become when been treated unfairly. In the words of Baldwin, (2006) organizational justice can be seen as organizational members' specific awareness of the moral appropriateness in which means they are treated allowing them to work effectively. It is therefore a means whereby employees discern procedures in their working environment, reciprocal action and results of being fair

The concept of organizational justice in relation to employees' performance is one that has received diverse attention from many researchers. While significant improvement made thus far in the field, one cannot particularly say which form of organizational justice (distributive, procedural and interactional) best describes employees' performance.

Rather than generalize, this research seek to establish the extent which each organizational

justice variable affects employees' performance among selected banks in Asaba, Delta state. In the course of this research, special attention will be placed on the relationship between organisational justice and employee's performance taking into cognisance: organisational justice; who determines justice? Type and implications, its role and contributions made in an organization, causes and effects on employees' performance in selected banks in Asaba. All the interplay within and among this two concepts shall be the objective of this research. Also, this study asks questions like: What relationship exists between distributive justice and employees' performance? How procedural justice does relates to employees' performance? And, what form of influence has interactive justice on employees' performance.

Research Hypotheses

The hypothesis for the study is as follows:

- i. There is no significant relationship between distributive justice and employees' performance.
- ii. There is no significant relationship between procedural justice and employees' performance.
- iii. There is no significant relationship between interactional justice and employees' performance.

REVIEW of RELATED LITERATURE

Conceptual issues

Organisational Justice

Justice and its execution can be placed as one among the basic and instinctive essentials of human beings that its existence provides the ground for more progress and progress of human societies.

Given that the organization is a social system life and permanence of each system depends on a strong link among its constituting elements. This link is affected by degree of observing justice in that system. Evaluation of individuals' responses regarding what they obtain from work in the organization against what they give to it has been the subject of many social researches in the field of justice (Afjeh, 2007).

Two researchers believe that organizational justice is individuals' perception from fair or unfair behaviour of the organization with them (Folger and Cropanzano, 1998). Perception of unfair behaviour

of the organization to individual decreases mentality, movement, affects turnover and even in some causes opposition and encountering with the organization (as cited in Mehrabi, Javadi, Charmian, Zadeh, & Tanhaei, 2012).

Robbins (2005) asserted that justice is an ethical decision criteria and it imposes and enforces rules fairly and impartially in order to have an equitable distribution of benefits and costs. Organizational justice anticipates employees' perception of fairness in the workplace. Fairness perceptions have received much attention due to its relations on individual and organizational outcomes. According to Coetzee (2004), organisational justice refers to the decisions organisations make, the procedures they use in making decision and the interpersonal treatment. Various scholars have described organizational justice as a multi-dimensional construct with three distinct dimensions; distributive justice, procedural justice, and interactional justice (Cohen-Charash and Spector, 2001; Cropanzano *et al.*, 2002; Masterson *et al.*, 2000).

Distributive Justice

Distributive justice indicates fair apportionment of benefits excavated from various activities in order for each organizational member to acquire fair portion based on the amount of inputs, cooperation and capabilities (Pourezat & Ghoulipour, 2008).

Outcomes in a work context might take the form of wages, social approval, job security, promotion and career opportunities, while inputs would include education, training, experience and effort, as it thus it could be hard to appropriate reward level to a particular degree of input, people make this judgment in a relative terms, looking for a contribution-outcome ratio that is similar to that of their peers (as cited in Baldwin, 2006).

Procedural Justice

Procedural justice includes employee's perception of organization's intent, mechanism and procedures used to determine his/her outcomes (Folger and Cropanzano, 1998). The assertion of Nabatchiet *al.*, (2007) procedural justice is defined as participants' perceptions about the fairness of the rules and procedures that regulate a process in an organization. Whereas distributive justice suggests that satisfaction is a function of outcome, procedural justice reveals that satisfaction is a function of process. In other words, it refers to perceptions by individuals on fairness of present decision-making

processes in order to reimburse their services instead of real distribution of incomes. Decision-making is interwoven to Procedural justice.

It refers to fairness in distribution of wages, participation during decision making as well information distribution within organization (Colquitt and Chertkoff, 2002).

Interactional Justice

It is the extent that the employee feel with the fairness of the transaction obtained when they apply some formalities, the transactional justice is dealing through sensitivity and personal interpretations or social accounting, (as cited in Diab, 2015) indicated that interactive justice is an extension of justice procedural, which refers to the methods of disposal of the administration towards individuals and linked in a way managers deal with subordinates. Interactional justice refers to quality of inter-individual behaviours to which a person is exposed before and after decision-making (Poole, 2007). Interactional justice, regards fairness on how subordinates are treated (Robbins & Judge, 2009).

Employees' Performance is therefore the yield which is spawned by the indicators of a job within a given period of time (Wirawan, 2009) both in quality and quantity in consonance with the responsibilities (Anwar, 2009).

According to Mangkunagara (2005), the performance will be assessed by the employee's contribution to the organization during a specific time period. Therefore, performance assessment should be based on a competency model that focus on the skills needed by employees in both present and future. Mathis and Jackson (2010) described the employee performance as quantity and quality of output, output time period, attendance at work and cooperative attitude.

Koopman (2014) argued that the performance assessment should be based on the task performance by focusing on the overall ability of individuals, behaviours, accuracy, work knowledge and creativity in performing their duties. Moreover, Koopman (2014) summarized that individual performance measurement is based on a questionnaire developed by Individual Work Performance Questionnaire (IWPQ) using some measure of individual performance that consist of: task performance, contextual performance and counterproductive work behaviour (as cited in Nurak and Riana, 2017).

Task Performance

Task performance is traditionally defined as the capability of an employee to fulfil his/her tasks and responsibilities as laid out in the role description (Griffin et al., 2007). Task performance includes employee behaviours that are directly involved in the transformation of organizational resources into the goods or services that the organization produces.

Contextual Performance

Contextual performance is individual efforts that have no direct relationship to basic job functions and that stimulate tasks and processes, shaping the organizational, social and psychological environment. In other words, while task performance means successfully fulfilling the requirements of any job, contextual performance concerns the quality of social relationships with juniors, seniors and customers, a factor that is not always directly appropriate to the job.

Organisational Justice and Employees' Performance

Nurak and Riana (2017) in examining the effect of organizational justice on job satisfaction and employee performance among 104 workers in the governor's office in East Nusa Tenggara Province of Indonesia using questionnaires. The data were analysed using Partial Least Square (PLS) with results showing that organizational justice has significant effect on job satisfaction and employee performance. Furthermore, job satisfaction has significant effect on employee performance. The implications of this study emphasize the important role of job satisfaction in improving the employee performance. Therefore, the organization should have an attention on interactional and informational justice to improve the employee performance to encourage employee's satisfied on the job.

However, they quickly put in that the possibility of a different result will be obtained if other researchers replicate this research. Therefore, the results of their study need to be examined at non-government organization that is more dynamic and professional. In another research, on the relationship between organizational justice and job performance of Payamenoor university employees in Ardabil province of Iran, Moazzezi, Sattari, and Adel (2014) found out that there is a positive relationship between organizational justice and its dimensions (distributive justice, procedural justice,

informational justice) and job performance and that distributive justice has a significant relationship with Employees' Performance, and also there is a weak relationship between the above cases and procedural justice, so to promote employees' job performance in the area of organizational justice and its dimensions.

The work was systematically presented but showing some level of limitation in the overreliance on the independent variables. Faruk Kalay (2016) carried out a research on The Impact of Organizational Justice on Employee Performance in Turkey and Turkish Context. The study was conducted based on data collected from 942 teachers working in public schools in three Turkish metropolitan cities.

The hypotheses were tested using partial least squares structural equation modelling (PLS-SEM) techniques. The findings of the study indicated that among the three aspects of organizational justice, distributive justice has a positive and significant impact on task performance. He added also the possibility that sample of the teachers working in Turkish public schools, is the reason that the finding does not coincide with existing empirical research findings. Most public schools have anywhere from 20 to 80 teachers, and it is possible that in schools with less teachers, the interactions among employees and between employees and administrators are more positive and employees may be less sensitive to matters of interactional justice. While appraising the work done as relevant to this study, this research will further establish the other relationships not covered by Kalay in the course of its investigations.

The workers will not be motivated if they perceive inequity; also, that a person may "leave the field" when he experiences inequity of any type. This may take the form of quitting the job or obtaining a transfer or reassignment (Adams, 1965). Equity theory, developed by Adams (1963) and Adams (1965) proposes that the level of job satisfaction experienced by employees is related to how fairly they perceive that they are being treated in comparison to others. Three components are involved in the perception of fairness (Aamodt, 1999; Adams, 1965).

They are: Inputs refer to those personal variables that employees put into their jobs. Examples include time, effort, experience, education and competence (Aamodt, 1999; Adams, 1965; Robbins, 2005). Outputs which are those elements that employees receive from their jobs, such as pay, benefits,

responsibility, and challenge (Aamodt, 1999; Adams, 1965).

Input / Output ratio, which according to Adams (1965), employees subconsciously calculate their input/output ratio by dividing output value by input value. Employees will then compare this ratio with the input/output ratio computed for other employees and work experiences. The theory holds that if their ratios are similar to those of others, employees will experience satisfaction.

However, should the ratios be lower than those of other employees, employees will become dissatisfied and will be motivated to restore equity (Aamodt, 1999; Adams, 1965; Staw, 1995). A couple of research supported Adams hypotheses, notable among them includes; Martin Patchen's investigation of relationship in a Canadian oil refinery between absenteeism (attendance is an input) and employee's feelings about fair treatment in promotion and pay (outcomes).

He found that workers who felt unfairly treated with respect to promotion had a significant higher rate of absence than those who felt that their pay was fair. He concluded as follows: “when man feels that management is treating them unfairly or neglecting their interests, they feel relieved of the obligation

which they , the employees, have assumed'(as cited in Umukoro, 2005).

Methods

The survey research design was adopted. The collected data was analyzed using multiple regression to test the hypotheses. The population consists of 450 staff selected 11 selected Banks in Asaba. The Taro Yamani (1994) formular was used to derive the sample size of Two hundred and eleven (211) staff who participated in the study using convenience sampling method. The number of completed questionnaires was 205. But nine (3) set of the questionnaire was wrongly filled, hence the study used 202 set of questionnaire for analysis. The questionnaire was adopted from Organizational justice (Nichoff and Moonman, 1993) and Employees' Performance Scale (Goodman & Svyantek, 1999)The Likert scale modified five point rating scale was used, ranging from (1) Strongly Disagree to (5) Strongly Agreed.

Results

As shown in appendix 1 (respondent's pattern), higher percentage of the respondent are in agreement with the measures of performance and organizational justice dimensions.

Table 1:Multiple Regression

Model	Unstandardized Coefficient		Standardized coefficient	T	Sig
	B	Std. Error	Beta		
(Constant)	-	.763		-	.001
Distributive justice	2.810	.044	.296	3.685	.000
Procedural justice	.298	.047	.504	6.720	.000
Interactional justice	.546	.049	.238	11.68	.000
	.278			0	
				5.642	

a. Dependent Variable: Employees' Performance

Table 1 reported the results of the multiple regression analyses for Distributive justice ($\beta = .296, P < 0.01$), Procedural justice ($\beta = .504, P < 0.01$), Interactional justice ($\beta = .238, P < 0.01$), exhibited a significant positive effect on Employees' Performance.

Discussion of Findings

From the results of model summary in Table 2 indicated the extent to which the independent variable accounted for change on the dependent variable as shown on the model summary table above. It shows that 78% (.781) change in

employees' performance is brought about by organizational justice dimensions, as indicated by the adjusted R2 value. In table 1 the β value ($\beta = .296, 0.001$) indicated that distributive justice has positive effect on Employees' Performance. The result provided support for the H1 test result ($r=.000 <.005$) which

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std.Error of the Estimate
1	.885	.783	.721	1.0340

a. Predictors: (Constant), Interactional justice, Procedural justice, Distributive justice

indicated that distributive justice has a significant relationship with Employees' Performance.

This is evidence in Moazzezi, Sattari, & Adel (2014) that distributive justice has a significant relationship with Employees' Performance. The result obtained from Table 1 the β value ($\beta = .504, 0.01$) indicated that procedural justice has positive effect on Employees' Performance. The findings provided support for the result of H2 ($r=.000 <.005$) which stated that there is a significant relationship between procedural justice and Employees' Performance.

This is supported by the views of FarukKalay (2016) that among the three aspects of organizational justice, procedural justice has a positive and significant impact on employee's performance. From table 1 the β value ($\beta = .238, 0.01$) indicated that interactional justice has a positive effect on Employees' Performance. This result ($p=.000 <.005$) for interactional justice indicated that interactional justice has significant relationship with Employees' Performance.

This is in agreement with Nurak and Riana (2017) that organizational justice has significant effect on job satisfaction and employee performance.

CONCLUSION

The findings of the research establish a cordial relationship between organizational justice in all its dimension and employees' performance. Appreciably, in this study, the effect of organizational justice (distributive, procedural and interactional justice) as perceived by the employees has significant effect on job performance.

This implies that employees who are fairly treated and are satisfied at work will have maximum contribution to organizational performance (Robbins & Judge, 2009). As against the position of Nurak and Riana (2017), fair treatment in workplaces attracts considerable performance among relative employees given also the environmental context of Nigeria where tireless effort are being made by managements of organization (especially banks) to get the best out of their employees; each aiming to have an edge over competitors in the financial institutions.

RECOMMENDATION

Based on the findings, following recommendations were made.

- i. Bank executives should openly describe the fair procedures they are using and explain decisions thoroughly in a manner demonstrating dignity and respect using unbiased and accurate information;
- ii. Also that, leadership should focus on creating positive emotional atmosphere by setting aside time for regular confidence building sessions and providing reward for achievements.
- iii. Finally, management should adhere to adjusting and dividing employees work volume in these banks as stress can also be a threat to performance.

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