

Impact of Organizational Justice Perceptions on Employee's Performance Behavior in Project Oriented Organizations in Pakistan

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Abstract

Purpose: The current study investigates the effect of organizational justice on performance (contextual task). Researcher hypothesized that organizational justice (distributive, procedural, interactional) will have significant impact on performance. Numerous principles and best practices are advanced by different associations and leading organizations which are role model and through that practice they achieved the current position.

Methodology: In current research self-administrated, close ended questionnaires were distributed randomly among the selected participants of 385 staff from IT related project oriented firms of Pakistan. Multiple regression analysis was run using SPSS to predict this impact.

Finding: As the result of this research shows that there is a positive relationship between organizational justice and its dimensions (distributive justice, procedural justice, interactional justice) and job performance and its dimensions (context and task) so to promote employees' job performance in the area of organizational justice and its dimensions.

Practical Implication: Mangers can boost up employees performance by promoting organizational justice and focusing on their fair interaction with subordinates and group members. Study negate previous research hence it have a good contribution in organizational psychology and organizational behavior research at Pakistan.

Keywords: Distributive justice, Procedural justice, Interactional justice, Task performance, Contextual Performance, Behavior.

Introduction

In modern age working environments, there is a vital need for innovative approaches to provide solution for problems that have significant effect on organization's competency. Although technical competencies play a significant role to provide competitive edge but this not satisfies the whole needs of organization, so managers should also focus personal and psychological needs of work force. Peoples are social being and for batter productivity there should be batter environment to interact with and trust on each other. One basic concept for batter social interaction, trust and commitment is organizational justice (Martin & Bennett, 1996). Whenever, managers going to make decision about rewards, promotion, work allocation, or any other type of social exchange, workers will be more conscious about fairness of decisions.

Worker's perceptions of fairness are named as organizational justice. Organizational justice is one of key factors that have influence on employee's attitude, working behavior (Box, 1999). It was realized that organizational justice have influence on relationship among organization and its employees (Mello, 2006) and this is most researched area of organizational psychology from past three decades(Ghaziani, et al. 2012). Organizational justice is very good predictor for a

number of attitudes and behaviors at job and it is reported for its direct influence on organizational commitment and performance related behavior's (Colquitt et al., 2001).

Job performance is multi-dimensional and usually its divided in task performance and contextual performance (Motowidlo, & Van, 1994). Contextual performance defined as voluntary, positive job behaviors that are not part of job contract while task performance is defined as in-role behavior and usually this is part of one's job agreement (Spector & Fox, 2002). This study aims to explore employee's justice perception's impact on their performance.

The purpose of human resource management is not limited to have workers who are proficient in specialty but is to have true professional who are committed with organization and work effectively and efficiently. In true performance management in projects, necessary to take in account both task and contextual performance behavior. Does employee's perception about organizational justice have effect on performance behavior in project oriented organization's workers? That is the question that never explored before in Pakistan.

This research was about to find the impact of organizational justice perceptions on employee's performance behavior in project oriented organizations in Pakistan. The research aims were

- To identify the effect of employee's justice perception performance.
- To what extent justice perception have impact on contextual and task performance behavior.

Literature review

Greenberg (1990) used this term about fairness in workplace. It is all about employee's perceptions and its impact on job performance related variables (Niehoff, & Moorman, 1991). Organ (1997) claim that organizational justice can be helpful to understand why workers react against unfair outcome or unsuitable processes. Worker's views relay on three dimensions of organizational justice: interactional justice, distributive justice and procedural justice.

Distributive justice denotes to the perceived equality of rewards that a worker obtains from organization. Rewards may be disseminated on the base of impartiality, requirement or input from workers and people define the fairness of dispersal through contrast with others. Perceptions of a biased delivery of work rewards comparative to work inputs develop tension in interpersonal relationship with in an organization, On the other hand, with the finding that the processes used to regulate results can be more persuasive than the consequences itself, and the stress has steadily moved from distributive to procedural justice.

Procedural justice is defined as worker's sensitivity about processes and behind the seen prevailing rules that are controlling whole processes. Procedural justice has its foundation on, workers voice in key decisions, neutrality and ground for decisions. Along with all above stated factors, authorities trust worthiness is another important factor which enhances worker's perception about fair procedures adopted by an organization (Tyler & Bies, 1990). There is a lot of work available that suggest that organization's overall performance can be enhanced by adopting fair procedures in organizations because it will make employees more satisfied, committed and loyal one (Werner, 2000).

Researchers believe that distributive justice and procedural justice are not enough to recognized whole needs of fairness in an organization. They pointed out that fair interpersonal treatment throughout organizational processes is as much important as distribution and procedures (Bies & Moag, 1986). Interactional justice is further separated in informational justice and interpersonal

justice. Interactional justice takes in account social sensitivity, how superiors give them pride and respect (Colquitt, 2001). Dalal, (2005) stated that sizeable fraction of organizational justice comprises on behaviors in which workers are treated and it have not much focus on distribution of rewards and related procedures.

Researchers and academic scholars have conducted a lot of research on workers job performance. Traditionally performance is conceptualized only as task performance, where workers met predefined goals effectively (Borman & Motowidlo, 1997, p. 99). However this constricted interpretation is opposed by various researches (e.g., Campbell, 1993; Dalal, 2005; Organ & Paine, 1999) who argue that there are some other aspects of performance and this is not only about task accomplishment. Now a day performance is classified as organizational citizenship behavior (OCB) or contextual performance, counterproductive behaviors and task performance. Dalal (2005) empirically proved that these are three different categories and should be treated exclusively. Voluntarily done jobs, which are not part of one's job contract, are named as contextual performance (Spector & Fox, 2002). While task performance is as per one's job contract and mostly this add up to the technical core of the organization. Task competencies results in attempts to lead that are more likely to result in success and reinforcement of the tendencies. Now researcher has also agreement that contextual performance and OCB has their own domain so it should be treated separately (Martin & Bennett, 2000). Researchers have consensus that in future research organizational justice impact should be tested separately on task and contextual performance rather than on performance as a single construct.

Spector and Fox (2001) stated that procedural justice has moderate positive correlation with task performance. Organizational justice is a key element for job performance (Greenberg, 1990). Perceptions of fair treatment have been linked to a number of beneficial employee's behaviors. Dalal (2005) detains the key characteristic regarding the justice in work organization. There are a small number of studies, which explore how distributive and procedural justice effect outcome (Campbell, 1993). Distributive justice involves the evaluation of equity of rewards and incentive received for the contribution to pay labor and conceptualized procedural justice (Ghaziani et al., 2012).

Procedural justice hold workforce evaluation of the degree to which the choice are made by fair manner (Greenberg, 1990). Procedural justices justify more disagreement than distributive justice, in appraisal by organization, perceived conflict and job satisfaction. Dalal, 2005 find that procedural justice predict organizational commitment and it was fail to predict pay satisfaction. Offense was at peak when respondents perceived that unjust course of action put off them from getting high incentive (Mello, 2006). There is reasonably strong positive association perceived fairness of decision making and procedural justice (Leventhal, 1980). Previously a broad array of predictors has been used to select personnel and work with them in efficient way. Motowidlo and Van (1994) focused upon an extensive range of personality behavior and there attachment to various criterion in several diverse jobs. Additional refinement of work of Motowidlo and Van (1994) could highlight various criterion investigations. Spector (2012) report high correlation for personality in prediction of job adeptness than Motowidlo and Van (1994) works.

Job performance is significant constituent of organizational behavior thus accomplishment of organization is contingent with excellent performance by its human resources (Colquitt, Lepine, & Wesson, 2009). Borman (2004) Classify the behaviors, which craft the excellent performance. Typically such behaviors are associated with core activity of job (Campbell, 1990).It was realized that it should also include behaviors other than core activities (Cai & Lin, 2006).

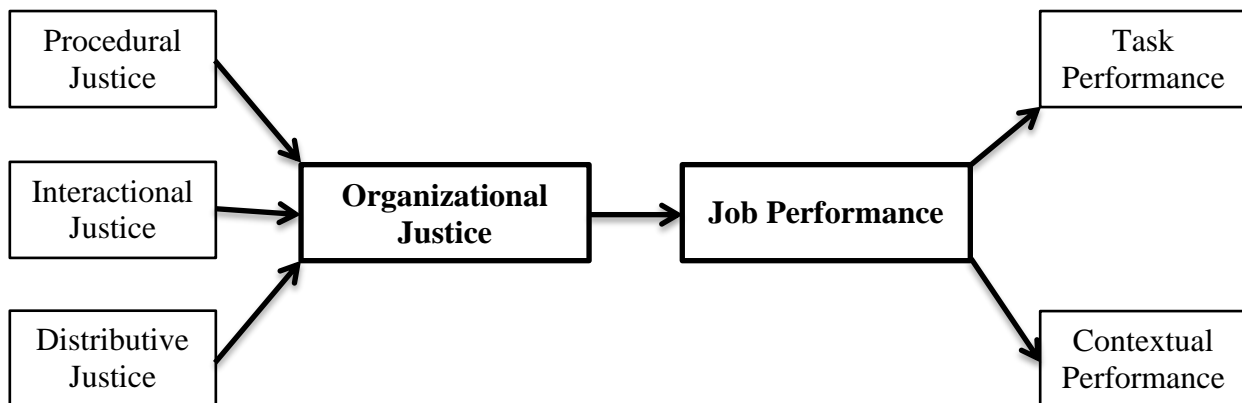


Figure 1: Research Proposed Model

Source: Khan, 015.

Hypothesis

- H1:** Procedural justice perception will have significant impact on contextual performance.
- H2:** Distributive justice perception will have significant impact on contextual performance.
- H3:** Interactional justice perception will have significant impact on contextual performance.
- H4:** Procedural justice perception will have significant impact on task performance.
- H5:** Distributive justice perception will have significant impact on task performance.
- H6:** Interactional justice perception will have significant impact on task performance.

Methodology

Comprehensive working was done to select organizations for this study. Selection standards were framed on the basis of area of this exploration and thorough conversation with the supervisor and professionals. Any activity about deliverables was considered as a project, when the business has consumed at least 1 year in project management deeds, it necessary that more than 25 workers on every project and have used up as a minimum sum of rupees five million on project undertakings. Scope of business was additional important aspect behind the assortment of these organizations. Companies should have a multinational experience or at minimum, they should have branches in most cities of Pakistan. Following corporations were selected as per above mentioned criteria:

1. Pak telecom Mobile Limited
2. Micronet Broadband Private Limited
3. NHA Pakistan
4. Telenor Pakistan Private Limited
5. Warid Telecom Private Limited

Employee's perceptions about organizational justice were measured with the help of scale devised by Niehoff and Moorman (1993). To measure employees performance (Task, Contextual) a scale was adopted from work of Goodman, & Svyantek, (1999). In total 385 questionnaires were distributed to the participants of the research and finely 265 questionnaires which comprises 68.85% of sample size were included for data analysis purpose. Before testing the model data was analyzed for its internal consistency. For this purpose Cronbach's alpha (α)

value was determined. It was followed by Pearson coefficient of correlation test. In last step multiple regressions was run to identify the impact of independent variables on dependent variable.

Data analysis

Sample distribution

In total there were 265 respondents were added in final data analysis. Table 1 show that there were 220 male (83.02%) and 45 female (16.98%) respondents. There was 74 (27.9%) respondents from age bracket between 25-35 years, 76 (28.68%) were from age bracket between

Table 1. Demographics Detail

Class	Sub. Class	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	220	83.02	83.02	83.02
	Female	45	16.98	16.98	100.0
	Total	265	100.0	100.0	
Age	25-35	74	27.90	27.90	27.90
	36-45	76	28.68	28.68	56.58
	46-55	91	34.33	34.33	90.91
	+55	24	09.08	09.08	100.0
	Total	265	100.0	100.0	
Education	Bachelors	136	51.3	51.3	51.3
	Masters	83	31.3	31.3	82.6
	Others	46	17.3	17.4	100.0
	Total	265	100.0	100.0	
Nationality	Pakistani	238	89.8	89.8	89.8
	International	27	10.1	10.2	100.0
	Total	265			

Source: Khan, 015.

36-45 years. This was followed by 91 respondents (34.33%) whose age range between 46-55 years and there were 64 respondents (09.08%) were 55 years old or above. Regarding education most of the respondents have bachelor's degree that cover 51.3% of total sample.

Correlation analysis

The analysis of correlation test that's Cronbach's alpha values shown in table table 2. describe

Table 2. Correlation Analysis

Variables	1	2	3	4
1. Distributive Justice				
2. Procedural Justice	.741**			
3. Interactional Justice	.631**	.100**		
4. Contextual Performance	.780**	.620**	.373**	
5. Task Contextual	.801**	.345**	.390**	.071**

**Significant at the 0.01 level (2-tailed)

Source: Khan, 015.

that distributive justice, procedural justice, and interactional justice are positively significant related to the dependent variables contextual performance and task contextual.

Organizational justice to contextual performance

Organizational justice to contextual performance showed that 61.2 % variance can be explained from the independent variables (Distributive justice, procedural justice, interactional justice) in dependent variable (Contextual performance). Multiple regression analysis in table 3. reveals that distributive, procedural and interactional justices are significantly contributing to employee's contextual performance. All standardized beta values are positive and significant. The study confirmed that hypothesis H1 which was developed as "Procedural justice perception will have significant impact on contextual performance." Results are significant and were supported for $p < 0.05$. The study also accepted the next hypothesis H2 which stated that

Table 3. Organizational justice to contextual performance

Variables	Beta(β)	t-value	Sig
Distributive Justice	.380	8.7616	.000
Procedural Justice	.620	14.2953	.000
Interactional Justice	.373	8.5976	.000
R Square	.612		
F - Value	28.030		

Predictor: Contextual Performance (Constant), Distributive justice, Procedural justice and Interactional justice

Source: Khan, 016.

"Distributive justice perception will have significant impact on contextual performance." Because data analysis shows that the relationship is significant and positive. It is also supported by $p < 0.05$. Our proposed hypothesis H3 was "Interactional justice perception will have significant impact on contextual performance." it was also supported with $p < 0.05$. So we accept it. It means hypotheses 1, 2 and 3 have been accepted.

Organizational justice to task performance

The outcomes depicted that 54.2 % variance can be explained from the independent variables in dependent variable. Multiple regression analysis reveals that distributive, procedural and

Table 3. Organizational justice to contextual performance

Variables	Beta(β)	t-value	Sig
Distributive Justice	.301	6.9402	.000
Procedural Justice	.345	8.1316	.000
Interactional Justice	.390	9.1923	.000
R Square	.542		
F - Value	30.230		

Predictor: Task Performance (Constant), Distributive justice, Procedural justice and Interactional justice

Source: Khan, 016.

interactional justices are significantly contributing to employee's task performance. All standardized beta values are positive and significant. It means hypotheses 4, 5 and 6 have been accepted. Our 4th hypothesis H4 "Procedural justice perception will have significant impact on

task performance.” was also supported as $p < 0.05$ and 5th hypothesis H5 “distributive justice perception will have significant impact on task performance.” And sixth hypothesis H6 “interactional justice perception will have significant impact on task performance” were also have influence on task performance as $p < 0.05$. It means hypotheses 4, 5 and 6 have also been accepted.

Discussion

This research offers insight into how employee’s organizational justice perception have impact on employee’s performance (Contextual, Task) in project oriented IT firms. The central emphasis of research is on some vital factors that are inherent to project management. The results of hypothesis are discussed below.

Revolution in information technology has redefined how work can be done and completed smoothly and effectively. Recent researches have exposed that the overall performance of project oriented IT based firms is very low. Although technical expertise and competencies are there and organizations are spending billions of dollars on technological adoption yet they are far away to chess their dream. Now a day there is a major shift from technical core of the organization towards psychological core of the organization. Now employees are much aware about their legal rights and they are much informed about world around them. They compare their work and rewards with other worker in same field and position. So it will be right to say that now there should be a major shift towards this overlooked aspect of organizational behavior and human psychology. Implementation of procedures and policies in fair manner can enhance workers justice perception in positive side and in result worker will be high on task as well as on contextual performance. Our research findings are consistent with Dalal (2005) research, declaring that there is a significant positive association between distributive Justice and job performance it also complement Ghaziani et, al. (2012) findings, stating that there is a positive impact of organizational justice on job performance. Our results reveal that there is statistically significant and positive relationship between procedural justice and job performance (Task, Contextual). This finding is consistent with Dalal, (2005), Ghaziani et al. (2012) and researches that concluded there is a meaningful relationship between procedural justice and the job performance.

There are so many studies available that illustrate organizational justice impact on organizations over all or financial performance, very rare work is available that take in account task and contextual performance with our proposed independent variables. There is not a single study that combines and tests these variables in IT related project oriented firms in Pakistan. Hence this study is unique and novel.

Conclusion

As the result of this research shows that there is a positive relationship between organizational justice and its dimensions (distributive justice, procedural justice, interactional justice) and job performance and its dimensions (context and task) so to promote employees' job performance in the area of organizational justice and its dimensions, following applicable and executive solution are represented:

- [1] Adjusting and dividing employees working volume
- [2] Ensuring the clerks based on the lack of discrimination in the organization
- [3] Collecting the complete and precise information before job decision making

[4] Employees enough justification about the decision making

Limitation and future plans

Some Limitations of this Research are as follows:

- Sample size was very small for this research
- Data was collected only from small number of organizations

It is highly recommended for future research that sample size should be large and should be collected from all over the county. It is also recommended that for moderation effect, manager's personality type should be considered along with expertise as well as effect of professional education also can be a good variable for this purpose.

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