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Impact of organizational justice on Job performance in Nepalese Quality Assurance Accredited (QAA) College.

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ABSTRACT

Performance of employees' directly affect the performance of the organizations. Employees' performance is a core concept within work and organizational psychology. The leader of organization must provide proper attention on employees' personal needs and concerns. Justice provides psychological empowerment and create a positive perceptions. This study added value by exploring the direct and combined effects of justice dimensions on employees job performance. This study concludes that there is positive significant relationship between perceived distributive justice, procedural justice, interactional justice and job performance of Nepalese QAA Colleges.

Key words: Organizational Justice, Job Performance, Quality Assurance Accredited.

Introduction

Organization in modern global world are intently concerned to the performance of their employees. This is because the performance of employees' directly affect the performance of the organizations. So employee's performance is a core concept within work and organizational psychology. The leader of organization must provide proper attention on employee's personal needs and concerns. Organization must be able to create positive perception towards the governing body of the organization. Today's HR manager are increasingly recognizing the importance of human social interaction as a basic requirement for the objective functioning of their organization.

Employee's perceptions of fairness in organizational setting, also known as organizational justice. It influence their attitudes and behavior and consequently their job performance and the organization's success is achieved. The justice concept was first developed in philosophy and then introduced into the social psychological literature. Organizational justice is the employee's perceptions of fairness in the workplace. In other word organizational justice is a personal evaluation about the ethical and moral standing of managerial conduct.

Justice defines the very essence of individual's relationship to employers. Organizational justice-members sense of the moral priority of how they are treated- is the "glue" that allowstoworktogethereffectively. Justice perceptions have long been explanatory variables in organizational research. Organizational justice describes the individuals (or groups) perception of the fairness of treatment received from an organization and their behavioral reaction to such perceptions (James, 1993). The term "organizational justice" was coined by French (1964) to describe individual's perceptions of fairness in organizations. Widely accepted justice dimensions includes distributiveness of outcomes (Greenberg, 1987). Organizational justice refers to employee perceptions of fairness in the workplace or organizational setting.

So, research is needed to explore how organizational justice relates to faculties attitudes and behavior and their job performance in the Nepalese QAA College. The study has been conducted to examine the direct relationship of different justice dimensions (procedural justice, distributive justice and interactional justice) and job performance.

In the present globally competitive educational environment teaching faculty plays a crucial role in ensuring the success of educational institutions. For educational institutions, the effective performance of teaching faculty would directly and significantly affect student's perception of the level of teaching quality offered, the way of teaching and counselling to the students would provide a favorable impression on teaching, Justice provides

psychological empowerment and create a positive perception in faculties toward leader of organization. Justice over the employee may change the job performance and thus explore the image of an organization.

Historically, Katz (1964) has identified two basic types of behaviors that are necessary for organizational effectiveness in the form of in-role and extra-role job behaviors. In-role behavior reflects predictable job performance responsibilities that must be carried out in order to implement the organizations essential operations. If employees fail to perform these required behaviors, they do not receive organizational rewards and they lose their jobs. These type of behaviors are synonymous with task performance (Borman & Motowidlo, 1997). Similarly, extra-role behavior reflects variable patterns of behaviors that fall outside of one's job descriptions yet facilitate the accomplishments of organizational goals (Katz, 1964). It is voluntary in nature since, these behavior are not assigned by organization. Act and gestures of altruism, cooperation, goodwill, courtesy, sportsmanship, and other instances help reduce the friction encountered in work situations. Such behavior reflect (van scoter's 2000) conceptualization of contextual performance. Employee should perceive the organizational system as fair, equitable and transparent (Agrawal, 2012).

Research questions:

Organizational justice plays important role on employee job performance. This study applied to disclose impact of organizational justice on the job performance of faculties in Nepalese QAA Colleges. It is also essential to disclose the relationship between distributive justice, procedural justice, interactional justice and job performance in Nepalese academic institutions. Following are the major issues of this study:

- a. Is there positive significant relationship between distributive justice, procedural justice, interactional justice and job performance of the faculties in Nepalese QAA College?

Objectives of the study:

The primary objectives of this study is to examine the impact of perceived organizational justice on employee job performance. More specifically, the objectives are as follows:

- a. To explore the impact of perceived distributive justice, procedural justice and interactional justice on faculties job performance of Nepalese QAA College.

Hypothesis:

H0:1: There is no significant relationship between job performance and perceived distributive justices, procedural justice and interactional justice.

REVIEW OF LITERATURE

This study is an attempt to explain the relationship between organizational justices, comprise of three component (distributive justice, procedural justice and interactional justice) and job performance including task performance and contextual performance. This study indeed in an investigation of relationship between organizational justice and job performance in Nepalese organization, especially in education sector. For this purpose, this review of literature consists concept of job performance and organizational justice, types of organizational justice and job performance, fairness and perception of justice, relationship between organizational justice and employee job performance.

The term "organizational justice" was coined by French (1964) to describe individuals' perceptions of fairness in organizations. Widely accepted justice dimensions include distributive justice, procedural justice, and interactional justice. Distributive justice addresses the fairness of outcomes (Greenberg, 1987). Often focused on pay and other forms of compensation as outcomes, distributive justice also includes examinations of perceptions of fairness with regard to other outcomes, such as office assignment, promotions, job titles, and the like. (Thaibaut & Walker, 1975) Introduced the concept of procedural justice, which addresses the processes through which outcome distributions are made.

Over the past several decades, organizations have learned an elegant dance, pirouetting one way and promenading the other, between a concern for business and a concern for people. At any time there is much of both, though each appears in disconcerting fits and starts. Organizations probably are more ambivalent than duplicitous; they pursue conflicting objectives. Charges of hypocrisy, understandable though perhaps undeserved, may spring from this fitful vacillation. The study of workplace justice is one of organizational psychology's

answers to understanding these opposing forces. The concept of justice appeals to our moral sentiments (Folger & Konovsky, 1989). Loosely speaking, we might say that fairness sets things right. We encounter much in our lives that needs elucidation: the incompetent boss, the noxiously wealthy CEO, and the layoff. We want not only causal explanations for these events, but also moral ones. In other words, certain classes of events need to be “justified” in a strict sense of that term—rendered morally acceptable in relation to a particular set of ethical standard.

Organization justice is the employees’ perception concerning their equal behavior in organizations. The employees who are treated unjustly in their organizations become annoyed, which results in disappointment, (Bierhoff et al. 1986).

Organizational justice describes the perception of individuals or groups towards fair treatment from the organizational and their responses to such perception, (James, 1993).

Organizational justice refers to employee perceptions of fairness in the workplace or organizational setting. The term organizational justice pertains to the function that fairness has as a consideration in the organization, (Greenberg, 1990, Corpanzano & Greenberg, 1997).

Organizational Justice Concern employees’ perception of fair treatment by an organization and its agents, (Shalhoop, 2003).

Job Performance

Equity theory provided specific hypotheses regarding the impact of perceived distributive injustice on performance (Adams, 1965; Austin & Walster, 1974) such that when an employee perceives distributive injustice, the employee can alter his or her quality or quantity of work to restore justice. With few exceptions, procedural justice models did not follow with concrete predictions regarding the relationship between procedural justice and performance, but rather focused on the influence of procedural justice on attitudes and quality of work life (Lind & Tyler, 1988).

Task performance

Task performance refers to job- specific behaviors including core job responsibilities that are directly related to the organizations purpose. According to Motowidlo and van scotter (1994), task performance comprises two types of behaviors. The first directly relates to transformation process of raw material in to goods and services as product of the organization. The second one comprises of activities that service and maintains the technical core.

Contextual performance

Contextual performance, describes a set of interpersonal and volitional behaviors that support the social and motivational context in which organizational work is accomplished (Aryee, Chen, & Budhwar, 2004). Contextual performance has been further suggested to have two facets: interpersonal facilitation and job dedication. Interpersonal facilitation describes interpersonally oriented behaviors that contribute to the accomplishment of the organizational purpose. These includes encouraging cooperation, consideration of others, and building and mending relationship. Contextual performance also captures many of the helping and cooperating elements of organizational citizenship behavior (Organ, 1988). When employees voluntarily help coworkers who are getting behind, act in ways that maintain good working relationships, or put in extra effort to complete assignment on time, they are engaging in contextual performance.

Research Gaps:

The reviewed literature revealed the following conclusion:

- 1) Most of the literature reviewed here shows that those organizations that ignore organizational justice concerns run the risk of endangering negative organizational outcomes of decision, non-compliance with rules and procedures and in some instance lower job performance. Study on Organizational justice and job performance in academic institution, service organizations, in the Nepalese context is lacking.
- 2) It is also observed that in Nepal no research had been made on this topic though Nepalese QAA Colleges play vital role in institutional development and quality education. It is essential to make focal concern light on organizational justice and job performance in Nepalese QAA Colleges.

- 3) Going through by available literature on various aspects of topic, it shows that some gap in the study on components of organizational justice: distributive justice, procedural justice and interactional justice in Nepalese QAA Colleges.

RESEARCH METHODOLOGY

This chapter describes the research methodology and design adopted by the study. It comprises, study area, sample size, sampling method, data collection tools and data analysis tools of the research. Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically (Kothari, 2008). It refers various systematic steps to study the identified and defined problem or subject by a researcher stating certain related objectives. This chapter deals with the methodology used in this study to collect necessary data to analyze the relationship between organizational justice and faculties' job performance in Nepalese QAA College.

Research Design

A research design is the arrangement of all conditions that affect a research (cooper, Schindler, & Sharma, 2012). A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The research design of this study is descriptive and cross sectional. Sampling Method

Judgmental sampling was applied in selecting the sample respondents. Due attention was given in selection of respondents who could understand the purpose of the study, understand questions and ways of responding the questions, judiciously.

Data Collection Method

Primary data was collected through questionnaire survey of the Nepalese QAA certified colleges. Respondents were the faculties of Nepalese QAA Colleges.

Population and Sample Size

The target population for this study was Nepalese QAA Colleges. This study select only faculties of 7 colleges out of 21 Nepalese QAA Colleges. Sample size was 396 which is slightly greater than 385.

Rating Scales

A Likert scale was adopted in this study. It was needed to measure respondent's opinion. The Likert rating scale allows a numerical value to be given to an opinion. All items of latent variables was measured on a five point Likert –scale (ranging from strongly disagree 1 to strongly agree 5). A five point scale was considered appropriate for this research work to reduce confusion and help respondents to maintain consistency on their ratings.

Data Processing and Analysis

Missing data and unengaged responses was analyzed using MS EXCEL program to determine the adequacy of data. Counting missing cells and standard deviation was computed. Data were entered into the statistical package for social science (SPSS) version 22 and various analysis were performed to establish the study objectives and test hypothesis.

Reliability and validity was tested using the Cronbach alpha and factor analysis. Correlation analysis, multiple regression analysis, Chi-square test and Descriptive statistics were used to explain the variables as well as to test the hypothesis.

Hypothesis test

Null hypothesis of this study was HO: There is no positive significant relationship between Job performance and Distributive justice, Procedural justice & Interactional justice on faculties of Nepalese QAA Colleges. Relational hypothesis of the study was tested with the help of correlation analysis.

Correlation matrix of Independent and dependent variables

	DJ	PJ	IJ	JP
DJ	1			
PJ	-.029	1		
IJ	.672	.001	1	
JP	.800	.453	.817	1

The table 4.18 Correlation result revealed that Distributive justice and Interactional justice are highly positively correlated with Job performance (.800 and .817). Procedural justice was moderately positively correlated (.453) with Job performance.

Statistically the first null hypothesis HO: 1, there is no positive significant relationship between Job performance and Distributive justice, Procedural justice & Interactional justice on faculties of Nepalese QAA Colleges was rejected. The alternative hypothesis derived from correlation analysis was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3$$

Where: Y = Job performance.

β_0 = intercept.

X1 = Distributive justice.

X2 = procedural justice.

X3 = Interactional justice.

Regression Analysis

Correlation result of first hypothesis was retested with multiple regression analysis with stepwise method. The regression result was:

Regression Result

Model		Coeff				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	25.267	1.106		22.855	.000
	INTERACTIONAL JUSTICE	1.661	.059	.817	28.115	.000
2	(Constant)	7.110	.997		7.129	.000
	INTERACTIONAL JUSTICE	1.660	.037	.817	45.269	.000
	PROCEDURAL JUSTICE	.970	.039	.453	25.088	.000
3	(Constant)	3.727E-014	.000		.	.
	INTERACTIONAL JUSTICE	1.000	.000	.492	.	.
	PROCEDURAL JUSTICE	1.000	.000	.467	.	.
	DISTRIBUTIVE JUSTICE	1.000	.000	.483	.	.

a. Dependent Variable: Job Performance

$$Y = 0.00 + 0.483X_1 + 0.467X_2 + 0.492 X_3$$

Regression result revealed that alternative hypothesis is accepted. 1 percentage increases in Distributive justice increases Job performance by 0.483 percentage, 1 percentage increases in procedural justice increases Job performance by 0.467 percentages, 1 percentage increases in Interactional justice increases Job performance by 0.492 percentage.

I) There is positive significant relationship between perceived distributive justice, procedural justice, interactional justice and job performance of faculties in Nepalese QAA Colleges. 1 percentage increases in

Distributive justice increases Job performance by 0.483 percentage, 1 percentage increases in procedural justice increases Job performance by 0.467 percentages, 1 percentage increases in Interactional justice increases Job performance by 0.492 percentage.

Summary of the study

The study aimed to identify relationship between organizational justice and job performance in Nepalese QAA Colleges. It was guided by the objectives: To explore the impact of perceived distributive justice, procedural justice and interactional justice on faculties job performance of Nepalese QAA Accredited College,

The study revealed that there is positive significant relationship between perceived distributive justice, procedural justice, interactional justice and job performance of faculties in Nepalese QAA Colleges.

$$Y = 0.00 + 0.483X_1 + 0.467X_2 + 0.492 X_3$$

1 percentage increases in Distributive justice increases Job performance by 0.483 percentage, 1 percentage increases in procedural justice increases Job performance by 0.467 percentages, 1 percentage increases in Interactional justice increases Job performance by 0.492 percentage, There is no significant association between gender of faculties and organizational justice in Nepalese QAA Colleges (p value \square 0.000), there is no significant association between gender of faculties and Job performance in Nepalese QAA Colleges (p value \square 0.000), there is no significant association between age of faculties and organizational justice in Nepalese QAA Colleges (p value \square 0.000), there is no significant association between age of faculties and Job performance in Nepalese QAA Colleges (p value \square 0.000), there is no significant association between qualification of faculties and organizational justice in Nepalese QAA Colleges (p value \square 0.000), there is no significant association between qualification of faculties and Job performance in Nepalese QAA Colleges (p value \square 0.000),

Conclusion and Implication:

The study revealed that there is positive significant relationship between perceived distributive justice, procedural justice, interactional justice and job performance of faculties in Nepalese QAA Colleges. This finding is in line with findings of Niehoff and Moorman (1993) and Wang et al. (2010). Whatever be the justice, Nepalese banking sector employees show the positive attitude to the job performance Shrestha Prakash, (2010). It is important to monitor how committed employees perceive themselves to be to the organization, because as a function of their sense of organizational justice (three type of justice) may interact in different ways when predicting their willingness to work for the organization. Based on the correlation analysis, distributive justice has significant and positive association with job performance ($r=0.800$, $p<0.01$). Similarly, procedural justice also has significant and positive association with job performance ($r=0.453$, $p<0.01$). Likewise, interactional justice also has significant and positive association with job performance ($r=0.817$, $p<0.01$). This study supports previous researchers' contribution of justice dimensions on pay satisfaction. Earlier researchers found distributive justice is a stronger predictor of pay satisfaction (Folger and Konovsky, 1989; McFarlin and Sweeney, 1992; Scarpello and Jones, 1996 cited in Thomas and Nagalingappa, 2012); Tremblay et al. 2000) than procedural justice (Folger and Konovsky, 1989). These changes may be due to the difference in the attitude of employees. But, this result inconsistent with findings of Aryee et al, (2002) who found no significant correlation between justice and job performance in India. Some researchers have found positive relationship (Konovsky & Cropanzo, 1991). Some researchers found moderately strong relationship between procedural justice and job performance as measured by performance appraisal records (Keller & Dansereau, 1995). The finding is inconsistent with manager need to apply rules fairly and consistently, treat employees with respect and dignity, make job decisions in an unbiased manner, collect accurate and complete information before making job decision, and show consistency towards employees' personal needs (Nasurdin & Khuan, 2007).

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