

Investigating the Relationship Between Organizational Justice and Employees' Commitment to the Organization (Case of Saderat Bank in Tehran)

Aein Ghorbani Ghashghaeinejad
Department of Management, Islamic Azad University,
Firoozkoh Branch, Firoozkoh, Iran

Abstract: Organizational commitment is an attitude towards employees' loyalty to the organization and is a continuous process that organization members show their interest towards organization, its success and efficiency through it. Today's justice and its implementation are essential and innate needs of human beings that have provided a suitable circumstance to develop human societies. The purpose of current study is to investigate the relationship between organizational justice and organizational commitment of employees in Saderat Bank. Method is descriptive-explorative one and is applicable in terms of objective. Statistical population includes all employees of Saderat Bank in Tehran that are 1200 people. A sample of 291 employees was estimated by Cochran formula. In this study, Nihoff and Moonman's organizational justice questionnaire and Allen and Meyer's organizational commitment questionnaire were used. The validity and reliability of instrument were confirmed by experts' viewpoints and Cronbach's coefficients, respectively. The coefficient for justice was 0.89 and for commitment was 0.87. Hypotheses analysis was based on Spearman's test and regression variance analysis. Results indicated that there is a significant relationship between organizational justice (with dimensions of distributional justice, procedural justice and interactional justice).

Key words: Organizational justice, organizational commitment, Saderat Bank, human societies, procedural

INTRODUCTION

Today's organizations need to energetic and eager employees. Individuals who are interested in their jobs. In sum, eager employees are attracted in their jobs and perform their duties in a favorable manner (Bakker and Leiter, 2010). Organizational commitment is an attitude and emotional state indicating a tendency, need and necessity of continuing a job in an organization. In this regards, tendency means that people tend to keep their relationship with the organization from bottom of their heart. Need means that an individual have to maintain in the organization because of its investments in the organization. Further, necessity can be defined as a responsibility and task that individuals have in face with organization and they require themselves to remain in it. From another perspective, organizational commitment is an emotional attachment towards a certain organization. Hence, organizational commitment is an attitude towards employee's loyalty to the organization and is an ongoing process through which the members of organization show their interest towards the organization, its success and efficiency. Organizational commitment is an important attitude towards a given job and organization that has attracted more attention of academics and researchers in

the fields of organizational behavior and psychology, particularly social psychology. The attitude has been evolved during the past three decades. The main change in the field has been occurred in multidimensional attitude rather than one-dimensional attitude. One of the latent but influential factors is the employees' commitment to the organization. Attending human resources' commitment has considerable important in both public and private sectors (Meyer and Allen, 1991). Commitment can have positive and multiple consequences. Committed employees have more discipline at their jobs and would remain for a long time in the organization, they work more than their colleagues. Managers should keep employees' commitment to the organization. To do this, the employees should be participated in the decision making and be provided by a secure job. There are various reasons that why an organization should increase the organizational commitment level of members. First, organizational commitment is a new concept and is generally different from job attachment and satisfaction. For example, nurses may do a task that they like, but they are not satisfied with the hospital. Therefore, they would look for similar jobs in the same environments.

In contrary, waiters in the restaurants may have a positive feeling of their work environment but they hate

their job. Efficiency and development of each organization is highly dependent on the suitable application of human resources. The larger corporate size, the greater problems occurs. One of the main motivational issues in industrial and organizational studies is organizational commitment. Scholars in management sciences have defined organizational commitment as: attitude or bias towards organization that relates persons' identity to the organization identity (Mathieu and Zajac, 1990). Meyer and Alen (1991) believed that commitment is a psychological state indicating a tendency, need and necessity to keep working in a particular organization. They divided commitment to three dimensions including affective, continuance and normative.

Affective commitment: Meyer and Alen (1991) considered affective commitment as affective attachment of a person to the organization and identification through it. Affective organizational commitment includes three aspects:

- A type of emotional attachment to the organization
- An individual's tendency to identification through organization
- Intention to continue working in organization

Meyer and Alen (1991) believed that an individual feel emotional attachment to the organization when considers the organizational objectives as own objectives and is convicted to help to the organization in goal achievement.

Continuance commitment: Second dimension is based on the investment theory of Baker (1960). Meyer and Alen (1991) consider continuance commitment as a form of psychological attachment of people to the organization which is originated from employee's perceptions of what happens in leaving the organization. In fact, continuance commitment contains an individual's awareness of leaving costs. Therefore, in this type of commitment, the main reason of an individual's relationship with the organization and his/her decision to remain in the organization is to keep advantages of relationship with organization (Meyer and Alen, 1991).

Normative commitment: The third dimension is not common but is debating. It indicates a force feeling to cooperate with the organization. Highly normative committed employees feel that they have to remain in the organization (Meyer and Alen, 1991).

In recent years, more attention has been attracted to organizational justice as a concept and research area in industrial/organizational psychology. Without understanding justice and equity, organizations have problems in motivating and directing organizations (Lambert, 2003). Research on organizational justice

showed that how employees respond to perceived justice. According to the comprehensive role of organizations in social life, the role of justice in organizations is more evident than past. Current organizations are the miniatures of society and organizational justice implementation is considered as justice implementation in the society. When people have positive attitude towards work, management, department or organization working at, their motivation to do works better is increased and vice versa. Individuals' attitude is affected by their perceptions about justice implementation in the organization (Cole and Flint, 2004). That is, they respond to perceived equity of resource assignment such as payment level (distributional justice), procedures for making decisions on distribution (procedural justice) and equity in treating to people during procedures implementation (interactional justice) (Colquitt *et al.*, 2002). One of the main value issues in human resource management is organizational justice. Attending to the issue indicates that managers appreciate human resources as valuable capitals. On the other side, organizations are willing to gain customer satisfaction and attraction in competitive market which is essential for survival. This path is not provided unless organizational justice is implemented because justice is considered as organizations and social systems survival. Organizational justice is a term to describe the role of justice relating directly to job position. In organizational justice is asserted that how employees should be treated to feel that they have been treated in a justice-oriented way (Naami and Shekarshekan, 2005). The evaluation of justice by individuals in the organization can predict a set of work consequences. For example, the relationship between justice and trust in organization can be mentioned. When organizational justice perceptions is in a favorable level, organizational citizenship behavior, satisfaction with payment, commitment and job satisfaction would increase and turn-over and job stress are declined. Scholars also have revealed a significant relationship between non-justice perceptions and negative organizational consequences such as turn-over, rubbery, struggling at work and disordering. Employees often view the justice issue as a source of conflict between itself and their supervisors. Further, the lack of justice in organization increases the claims by the employees. According to the comprehensive role of organizations in social life, justice role in organizations is evident more than past (Mokhtarianpour, 2007). Huang and Jang (2005) has divided organizational justice to three dimensions:

Distributional justice: Distributional justice originated from Adams was interpreted as equity. According to Adams, people determine justice or equity through evaluating their inputs and outputs. The first research on

justice focused on distributional justice. Based on Adams's work, distributional justice is defined as an individual's perception of justice implementation regarding outcomes of an interaction or social justice. Distributional justice refers to equity implementation in payments such as wage and promotion. That is, employees' belief about incomes in the organization is distributed in a right and equity way. Hence, when a reward is determined for an employee, managers should know that how the rewards are distributed among employees (Coropanzano and Folger, 2007).

Procedural justice: Procedural justice refers to equity implementation in procedures and regulations used for determining the outcomes of employees, implementing equity in procedure and methods of formal decision making to determine rewards. The justice refers to equitable procedures and formal organizational structures or mechanisms of formal payment, evaluation, rewards, conflict solving procedures. Clarity in organizational roles and tasks and methods of doing works are examples of procedural justice (Brockner and Phyllis, 2006).

Interactional justice: The term of interactional justice was developed by Bies and Hog. They believed that interactional justice is another type of justice that is different from procedural and distributional justice. Individuals are sensitive to the quality of treatment with them in personal interactions and structural decision making processes. Interactional justice asserted that the quality of personal behaviors among individuals is important and effective in determining justice judgments, justifications and descriptions. The possibility of considering decision making procedures as equitable would increase. Interpersonal behaviors include believe in relationships and behaviors of people with respectfulness (Rezaeyan, 2006).

Dindar and couthors investigated the effect of organizational justice on organizational commitment. They focused on Isfahan province and using a class-random sample of 330 employees. The statistical methods were Pearson coefficient and multiple regression analysis. Results indicated that organizational justice has a significant relationship with dimensions of organizational commitment. Ziari investigated the effect of organizational justice on organizational commitment of employees in Saderat Bank in Tabriz. The results showed that a positive effect of organizational justice dimensions on organizational commitment of bank employees is evident. Further, the most effect was for distributional justice, procedural and interactional justice, respectively. Rezaeian (2006) investigated organizational justice and commitment among employees of Health Department of Oil Industry. The results indicated that) employees have

not perceived organizational justice) organizational commitment of employees are not positive) enhancement of organizational justice would lead to increase employees' interest towards their job, organization, its values and objectives and consequently, their organizational commitment as well as continuing to work at organization) there is no difference among employees' response in terms of work experience. That is there is not relationship between availability or unavailability of organizational commitment with work experience and) there is significant difference between work experience and organizational justice. Brokner and Phyllis (2006) investigated some aspects of organizational commitment evaluation associated with organizational justice. A sample of 243 employees was selected randomly and a self-administrated questionnaire was used to collect data, correlation test was used to test hypotheses. Their findings showed that organizational commitment has a significant relationship with organizational justice dimensions, but the most influential factor in evaluating organizational commitment is distributional justice. Luck and Graford investigated the style of employees' organizational commitment enhancement used by managers. The results indicated that) if managers attend to cultural values of organization, it has a favorable effect on organizational commitment enhancement) organizational commitment of managers and employees are not associated with each other) democratic style would increase organizational commitment of employees rather than dictator style. At present, the majority of organizations want to decline their human resources. However, the organizational productivity would not increase by human resources decrease as other factors like expertise and skills are effective in organization productivity and all expertise cannot be found in a limit set of employees.

Hence, solutions for organizational commitment enhancement should be provided to increase organizational productivity. In addition, according to new material (good governance) in managing Saderat Bank, the success in the issue requires more committed employees. Current study considers the importance organizational justice in business world and investigates the relationship between organizational commitment and organizational justice in Saderat Bank in the area of Tehran. Organizational justice with three dimensions (distributional, interactional and procedural) considers as independent variable and organizational commitment with three dimensions (affective, continuance and normative) views as dependant variable. Then, the main purpose of current study is to investigate whether there is significant relationship between organizational justice and commitment in Saderat Bank of Tehran? Hypotheses of the research are as following:

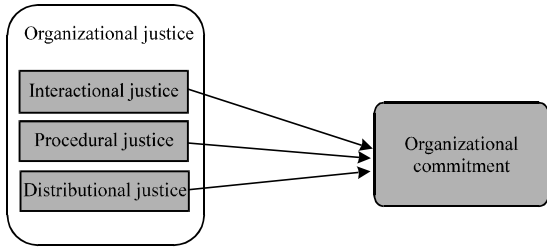


Fig. 1: Conceptual model (Meyer and Allen, 1991 and Hwang jang, 2005)

- H₁: There is significant relationship between employees’ organizational justice and commitment of Saderat bank
- H_{1.1}: There is significant relationship between employees’ interactional justice and commitment of Saderat Bank
- H_{1.2}: There is significant relationship between employees’ procedural justice and commitment of Saderat Bank
- H_{1.3}: There is significant relationship between employees’ distributional justice and commitment of Saderat Bank (Fig. 1)

MATERIALS AND METHODS

This research is correlation type and is descriptive-survey in terms of data collection. According to the objective of this research, investigating the relationship between organizational justice and commitment in Saderat Bank in Tehran, the research is descriptive one and as its results can be used in the Banking industry, it is applicable one. Population can be defined as all real or supposed members to generalize the results of research to them (Delavar, 1994). Statistical population of current study is all employees of Saderat Bank in the area of Tehran that are 1200 people according to Human Resource Department Report. Using Cochran formula, sample size estimated at 291 employees. Sampling approach was simple random sampling. In current research, theoretical background and literature review was based on papers, books and research projects relating to organizational commitment and justice of employees. The major databases were Science Direct, Emerald, Pro Quest and Sage. Two questionnaires were used in this research.

Organizational justice questionnaire of Nihof and Moorman to evaluate organizational justice which includes 15 items with Likert scale. The questionnaire measures three components (interactional, procedural and distributional) of justice. To determine instrument validity, experts’ viewpoints were used. Reliability was confirmed

Table 1: The results of spearman correlation test for H₁

Result	Significant level	SD	Spearman correlation
TestReject	0.000	0.05	0.648

Table 2: The results of Spearman correlation for sub-hypotheses

Hypotheses	Spearman correlation	SD	Significant level	Result
H _{1.1}	0.587	0.05	0	Supported
H _{1.2}	0.564	0.05	0	Supported
H _{1.3}	0.514	0.05	0	Supported

by Cronbach’s alpha of 0.89. Organizational commitment questionnaire was adopted from Allen and Meyer’s (1991) instrument including 24 items with Likert scale. The questionnaire measures three components of organizational commitment (affective, normative and continuance). To determine instrument validity, experts’ viewpoints were used. Reliability was confirmed by Cronbach’s alpha of 0.87. In this stage, researchers used data of sample to estimate parameters. Then, using hypothesis testing, parameters would be generalized to the population. Correlation test aims to investigate the relationship between two or more variables and its coefficient is estimated. Correlation between variables may be positive or negative. If change of a variable is accompanied by another variable change, enhancement of a variable leads to the enhancement of another variable or vice versa, it can be stated that the correlation is positive. If the enhancement of a variable is accompanied by another variable decline then it can be stated that the correlation is negative. If there is not any relationship between two variables, the correlation coefficient is zero. Positive correlation from 0 to +1 is varied while negative correlation range is from 0 to -1. To calculate the correlation between variables, there are various methods according to the measurement scale (Azar and Momeni, 2009).

Main hypothesis testing: There is significant relationship between employees’ organizational justice and commitment of Saderat Bank. Table 1 shows research hypotheses, statistics and test results.

Question: Whether there is significant relationship between organizational justice and organizational commitment of employees in Saderat Bank of Tehran?

Research hypotheses:

- H₀: There is no significant relationship between employees’ organizational justice and commitment of Saderat Bank
- H₁: Statistical hypotheses: There is significant relationship between employees’ organizational justice and commitment of Saderat Bank

Table 3: The results of variance analysis

Variance analysis of regression					
Variables	Sum squares	df	Mean squares	F-value	Significant level
The change degree of dependent variable determines by independent variable	112.319	1	112.319	1349.409	0.000
The change degree of dependent variable determines by other factors	22.701	290	0.069		
Total	135.021	291			

Table 4: The results of variance analysis with standard and non-standard coefficients

Variables	Non-standardized coefficients		Standardized coefficients		Significant level
	B	SE	Beta	t-values	
Constant	1.411	0.059		21.667	0.000
Organizational justice	0.749	0.024	0.634	32.207	0.000

Table 5: The results of variance regression analysis

Hypotheses	And equation beta	Results
H1-1	Interactional justice = 0.620* organizational commitment	Supported
H1-2	Procedural justice = 0.588* organizational commitment	Supported
H1-3	Distributional justice = 0.546* organizational commitment	Supported

Statistical hypotheses:

$H_0: \rho = 0$

$H_1: \rho \neq 0$

As the significant level is <0.05 , then H_0 is rejected and the correlation between the two variables is significant. The value of correlation for 291 samples was 0.648. The results of Spearman correlation for other hypotheses have been showed in Table 2.

The results of correlation test showed that significant levels for all relationships are <0.05 . Hence, all hypotheses are supported by the data. It means that there is a significant relationship between organizational justice (with the dimensions of interactional, procedural and distributional) and organizational commitment of employees in Saderat Bank of Tehran province. Hence, at the confidence level of 95%, hypotheses are supported. The variance analysis of regression is conducted to investigate the linear relationship between the variables.

As the significant level is <0.05 , then linear relationship between two variables is supported. Thus, in this hypothesis, regression equation is: organizational justice = 0.634*organizational commitment. The results of variance analysis of regression have been presented in Table 3 and 5. According to the results, all hypotheses on the linear relationship between variables are confirmed.

CONCLUSION

The results of research indicated that organizational commitment and its components (interactional, procedural and distributional) have a positive and

significant relationship with organizational commitment of employees in Saderat Bank in Tehran province. Hence, the best situation of organizational justice among employees of Saderat Bank, the more improvement in organizational commitment of bank employees. In other words, organizational justice is an important factor in successful implementation of organizational commitment in Saderat Bank. Then, the importance and relationship of organizational justice with organizational commitment, it is better that managers pay more attention to justice and its implementation in the organization and provided a context to increase organizational justice in each dimension. They need to establish circumstances in the organization that provide trainings for direct supervisors of employees in behaving with employees, an appraisal performance system of employees and a payment and compensation system based on required standardized. Employees are main capital of an organization. Therefore, organizations should pay more attention to commitment and its related attitudes. Organizations can provide required resources for training and participation of employees in activities related to their works, affecting on their perceptions and enhancing their commitment. The positive effect of employees' perceptions can encourage objective-oriented managers.

IMPLICATIONS

According to the positive and significant relationship between organizational justice and organizational commitment, some managerial implications can be proposed:

- Establishment of an information database that has been classified based on various organizational levels in banks. This leads to the enhancement of people's knowledge about events in the banks and procedures are informed in a favorable manner which in turn, it causes implementation of organizational justice in banks and increasing organizational commitment

- Establishment of a direct relationship between employees' capabilities and reward level. Rewards distribution based on employees' capabilities lead to increasing trust towards managers as a factor of internal customers' settlement. Bank employees would perceive the availability of distributional justice
- Implementation of promises from the managers in an attempt to enhance organizational trust. It leads to increase trust to the managers and job satisfaction, a favorable procedure of human resources is formed. Then, organizational justice and commitment to bank would improve
- Holding specialized workshops in banks to participating employees for setting regulations and instructions. As procedural justice referred to implementation of justice in current procedures, participation of employees in decisions leads to providing a good perception of the issue and as a result, organizational commitment of employees to the bank is increased
- The role of public relations in disseminating on time news is critical. The establishment of interactions in banks originated from information that is an important task of public relations. Implementation of interactional justice can facilitate organizational commitment to the organization
- Clarifying level of payment and rewards through the establishment of fix structure and its announcement. This activity leads to perceive organizational justice implementation in banks and it facilitates the creation of organizational commitment in the organization
- Setting training courses for all organizational levels in bank. Training as a human resource procedure is a factor that banks can provide employees with pleasure consequences. Then, similar and necessary training courses can lead to perceive a better level of distributional justice

REFERENCES

Azar, A. and M. Momeni, 2009. Statistics and its Application in Management. Vol. 2, SAMT Publisher, Tehran, Iran.

- Bakker, A.B. and M.P. Leiter, 2010. Work Engagement: A Handbook of Essential Theory and Research. Psychology Press, New York, USA., ISBN-13: 978-1841697369, Pages: 224.
- Brockner, J. and S. Phyllis, 2006. Understanding the Interaction between Procedural and Distributive Justice. Sage Publication, Thousand Oaks, California, Pages: 413.
- Cole, N.D. and D.H. Flint, 2004. Perceptions of distributive and procedural justice in employee benefits: Flexible versus traditional benefit plans. *J. Manage. Psychol.*, 19: 19-40.
- Colquitt, J.A., R.A. Noe and C.L. Jackson, 2002. Justice in teams: Antecedents and consequences of procedural justice climate. *Personnel Psychol.*, 55: 83-109.
- Coropanzano, R., and R. Folger, 2007. Procedural Justice and Work Motivation and Work Behavior. 5th Edn., McGraw-Hill, New York, USA.,
- Delavar, A., 2004. Theoretical and Scientific Basis of Research in Social and Human Sciences. Rosh Publications, Tehran, Iran.,
- Hwang, S. and C.D. Jang, 2005. Relationships among internal marketing, employee job satisfaction and international hotel performance: An empirical study. *Int. J. Manage.*, 22: 285-293.
- Lambert, E., 2003. The impact of organizational justice on correctional staff. *J. Criminal Justice*, 31: 155-168.
- Mathieu, J.E. and D.M. Zajac, 1990. A review and meta-analysis of the antecedents, correlates and consequences of organizational commitment. *Psychol. Bull.*, 108: 171-194.
- Meyer, J.P. and N.J. Allen, 1991. A three-component conceptualization of organizational commitment. *Hum. Resour. Manage. Rev.*, 1: 61-89.
- Mokhtarianpour, M., 2007. Investigating the perceptual barriers of organizational justice. *Q. Social Political*, 5: 163-200.
- Naami, A. and H. Shokrkon, 2005. Investigating the simple and multiple relationship between organizational justice and civil behavior of employees in an industrial organization in Ahvaz Province. *J. Educ. Sci. Psychol.*, 3: 79-92.
- Rezaeian, A., 2006. Principles of Organization and Management. The Publisher, Tehran, Iran, pp: 21-25.