

# AN EMPIRICAL INVESTIGATION ON THE IMPACT OF ORGANIZATIONAL JUSTICE ON JOB SATISFACTION AMONG INFORMATION TECHNOLOGY SECTOR EMPLOYEES IN COIMBATORE CITY

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## ABSTRACT

The paper aims at studying the impact of organizational justice on job satisfaction of employees working in Information Technology (IT) industry. The study was focussed on the IT sector employees working in Coimbatore city. A random sample of 95 employees participated in the study. Correlation and Regression tests were conducted to accept or reject the hypotheses proposed in the study. The results of the study showed that most of the employees want distributive justice, procedural justice, and interactional justice in the workplace to have satisfaction in their jobs. The results finally showed a positive correlation between organizational justice and job satisfaction.

**Key Words:** Distributive justice, Interactional justice, Job Satisfaction, Organizational Justice, and Procedural justice.

## INTRODUCTION

It is a true fact that employees are the true assets of the organization who make things possible for the organization. Either is a profitable or non-profitable organization, employees are the key people for the sustainable development of an organization. Business environment being filled with many competitors can duplicate any of the business systems that an organization follows. But employees remain the non-duplicable assets for every organization. The purpose of this research is to test two variables namely, organizational justice and job satisfaction. Employees being the sensitive units of business organizations, they seek justice inside the organization at various levels such as distributive justice (fair distribution of resources to employees inside the organization), procedural justice (implementation of proper policies and procedures inside the organization) and interactional justice (equal sharing of interactions and communication with all employees). Job satisfaction is one of the most widely researched variables because of varied importance to the psychological importance and other workplace issues. Therefore, in order to increase the satisfaction level of the employees it's a high need to take care of the justices perceived by the workforce.

## REVIEW OF LITERATURE

Schmiesing, Safrit & Gliem, (2003) conducted a study aimed to identify factors affecting the perceptions of workers at the University of Ohio towards organizational justice and job satisfaction. The study sample consisted of 246 employees of the University of Ohio. The researcher used two tools for the study; one: to measure the organizational justice and the second to measure job satisfaction. The study's results showed a weak positive correlation between distributive justice and job satisfaction and showed a strong positive correlation between each of the interactive justice and procedural justice and job satisfaction.

Hasan Ali Al-Zu'bi (2010) conducted a study to analyse the relationship between organisational justice and job satisfaction. Organisational justice consisted of three dimensions namely procedural justice, distributive justice and interactive justice. The final data consisted of 229 employees working in IT companies in Jordan. The results of the study showed that there is a positive association between organisational justice and job satisfaction. Specifically, the major finding of the study indicated that there is a significant relationship between the age of the employees and their perception towards the organisational justice inside the organisation.

Siavash Khodaparast Sareshkeh, Fatemeh Ghorbanalizadeh Ghaziani, Seyed Morteza Tayebi (2012) explored the impact of organizational justice perceptions on job satisfaction and organizational commitment in Iranian sport federations' employees. The results indicated that organizational justice affects directly employees' overall organizational commitment and overall job satisfaction didn't mediate this effect; procedural justice has a direct effect on overall job satisfaction; and both distributive justice and interactional justice have a direct effect on overall organizational commitment; procedural justice as well as interactional justice have a direct effect on satisfaction with co-worker and supervisor; distributive justice has a direct effect on continuance commitment and interactional justice has a direct and an indirect effect on affective commitment.

## OBJECTIVE OF THE STUDY

The present paper aims at studying the impact of organizational justice on job satisfaction among the employees of Information Technology industry in Coimbatore.

## METHODOLOGY

The Descriptive research design is adopted. Both primary data and secondary source of information is used for the research study. The primary data was collected using questionnaire method. The area selected for the research work is Coimbatore. The sampling adopted for the present study was multistage sampling. There were totally 95 respondents considered for the data analysis. The collected data was analysed using the Statistical Package for Social Sciences (SPSS). Statistical tools such as Correlation and Regression Analysis were used to answer the research questions.

## Measures

In order to collect data to attain the above framed objectives, the instruments namely, Job Satisfaction Scale (JS) – 20 items and Organizational Justice Scale (OJ) – 20 items we used. The Minnesota Satisfaction Questionnaire (MSQ) of Weiss, D.J., Dawis, R.V., England, G.W., & Lofquist, L.H (1967) Minneapolis: University of Minnesota, Industrial Relations Center was used. It's a 20 item uni-dimensional scale comprising three major dimensions viz., intrinsic satisfaction, extrinsic satisfaction and general satisfaction. The questionnaire takes a maximum of 10-15 minutes for completion. The MSQ questionnaire also helps in generating ideas and discussions on the reinforcements to be introduced in the job. It is 5-point Likert scale ranging from Very Dissatisfied to Satisfied. In order to measure organizational justice, the scale developed by Neihoff and Moorman (1993) was used. The scale primarily consists of three sub-dimensions namely, distributive justice, procedural justice and interactional justice.

## RESULTS AND DISCUSSION

The relationship between organizational justice and job satisfaction is worked out using the correlation analysis and the following are the results.

**Table 1: Showing correlation between organizational justice and job satisfaction**

Correlations			
Variables for testing		Organizational Justice	Job Satisfaction
Organizational Justice	Pearson Correlation	1	<b>.854**</b>
	Sig. (2-tailed)		.000
	N	534	534
Job Satisfaction	Pearson Correlation	<b>.854**</b>	1
	Sig. (2-tailed)	.000	
	N	534	534

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

From the above table, we can understand that the correlation value between organizational justice and job satisfaction is 0.854. This result shows that there is a positive correlation between the two variables, and to study further on which dimension of organizational justice, there is high relationship with job satisfaction, the following co-relation test was again run between the dimensions of organizational justice and job satisfaction.

**Table 2: Showing correlation between dimensions of organizational justice and job satisfaction**

Variables for testing	Job Satisfaction	Distributive Justice	Procedural Justice	Interactional Justice
Job Satisfaction	1	.191**	.757**	.854**
Distributive Justice	.191**	1	.229**	.080
Procedural Justice	.757**	.229**	1	.835**
Interactional Justice	.854**	.080	.835**	1

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

The above table shows that all the dimensions of organizational justice has positive relationship with the variable job satisfaction. The correlation value (r) of distributive justice is  $r = 0.191$  which is less compared to the correlation values of procedural justice and interactional justice which are 0.757 and 0.854 respectively.

***Distributive Justice ( $r = 0.191$ ,  $p < 0.01$ ), Procedural Justice ( $r = 0.757$ ,  $p < 0.01$ ) and interactional justice ( $r = 0.854$ ,  $p < 0.01$ ) are all positively and significantly correlated to job satisfaction.***

This shows the irrespective of whether all jobs in the organization are equally distributed to all employees or not, employees working in the IT sector feel that the organization works according to its policies and procedures and moreover, there is high interpersonal relationship inside the organization which is again leading to the overall job satisfaction of employees. The following objective is testing the impact of both the study variables. In this case, organizational justice was the independent variable and job satisfaction was the dependent variable. Regression analysis was conducted to study the impact of one variable on the other variable. The  $r^2$  value shows the direct impact of the two study variables. However, the adjusted R square value is taken for the final consideration of result. The following null hypothesis was formulated for regression.

**Table 3: Regression analysis with Job Satisfaction as the Dependent variable**

Dependent Variable	Independent Variable	R Square	Adjusted R Square	F-Value	Unstandardized Beta Value
<b>Job Satisfaction</b>	Organizational Justice	0.747	0.746	522.676	
	Distributive Justice				0.836
	Procedural Justice				0.375
	Interactional Justice				1.666

$H_0$  D: There is no impact of Organizational Justice on Job Satisfaction.

*Job Satisfaction is taken as dependent variable and Organizational Justice is taken as independent variable and regression was carried out. The values of  $R^2$ , Adjusted  $R^2$ , Unstandardized  $\beta$  and significant levels are noted.*

The above shows the results of regression analysis, on job satisfaction and organizational justice. Job Satisfaction is the dependent variable while the factors of organizational justice viz., distributive justice, procedural justice and interaction justice are taken as independent variables. The results of the regression analysis using the factors of organizational justice as predictors of job satisfaction indicated that the model was able to predict 74 percent of the total variance in job satisfaction. The results of the ANOVA indicated that the model was significant in predicting job satisfaction  $F(3, 534) = 522.676, p < 0.05$ .

Further, when organizational justice was used as predictors of the outcome, distributive justice was able to significantly predict job satisfaction  $b = 83.6, p = 0.05$ ; while procedural justice and interactional justice was able to significantly predict  $b = 0.375, p = 0.05$ ;  $b = 1.666; p = 0.05$ . Therefore, the following regression equation can be derived for job satisfaction and organizational justice.

$$\text{Job Satisfaction} = 0.836 (\text{Distributive Justice}) + 0.375 (\text{Procedural Justice}) + 1.666 (\text{Interactional Justice}) - 2.367$$

The overall model accounted for almost 74 percent of the total variance in job satisfaction; the dimensions such as distributive justice, procedural justice and interactional justice were able to predict job satisfaction. Conversely, this implied that the rest of the variance in job satisfaction remains unexplained and might be due to other factors.

## CONCLUSION

Thus, the present study shows that there is a relationship between organizational justice and job satisfaction using the correlation analysis. Also, the regression analysis confirms that there is a high impact of

organizational justice on job satisfaction. Among the three dimensions of organizational justice, distributive justice is contributing much to the satisfaction levels of the employees. The results of the study show that though people are paid well in IT jobs and they work in teams, people seek and wish that they are treated equally among their colleagues. They wish they are given an equal treatment in the equal distribution of policies and procedures inside the organization. Therefore, organizations should look into the justice levels maintained inside the organization to keep up the satisfaction levels of the employees.

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