Organizational Justice and Employee Work Outcome in Manufacturing Firms in Rivers State

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This study investigates the relationship between organizational justice and employee work outcome in manufacturing firms in River State, Nigeria. Measures of work outcome used were organizational commitment, job satisfaction and employees' turnover intention. This study examined three dimensions of organizational justice namely distributive, procedural, and interactional justice. Using self-administered questionnaire, the population of this study comprises of 600 administrative/management staffs, the Taro Yamane's formula was used to arrive at a sample size of two hundred and forty (240) employees; eighteen (18) manufacturing firms were surveyed in order to test nine hypothesis of this study. The analysis of data indicates that distributive, procedural and interactional justice has positive significant relationship with organizational commitment and job satisfaction. However, all three dimensions of justice had negative significant relationship with employees' turnover intention.

Keywords: Organizational Justice, Distributive, Procedural, Interactional Justice, Employee Work Outcome, Organizational Commitment, Job satisfaction and Turnover Intention.

INTRODUCTION

Improving employee work outcome is something of interest to all manufacturing organizations, employee work outcome according to Wahibor (2013) can be viewed from organizational commitment, job satisfaction and employee turnover intentions. The behavior and attitudes of employees is what determine their work outcome in the organization. However, work outcome in manufacturing firms can be viewed as an important factor in determining the growth of the manufacturing industry. In manufacturing organizations, customer satisfaction and perceptions of service quality are directly affected by the attitudes and behaviors of employees (Schneider and Bowen 1993). Therefore, organizational success can be influenced by the ways managers manage employee behavior and retain employees.

Increased employee turnover or intention to leave an organization is likely to be stimulated by work-related perceptions (i.e. organizational justice) and attitudinal factors (i.e. job satisfaction and organizational commitment). Justice issue is a dominant theme in organizational life and has been demonstrated to have an immense impact on a variety of organizational outcomes (Colquitt, 2001). Organizational justice theory explains that feelings of fairness in the work place are mostly determined by the decision processes and the outcome of these decisions (Greenberg, 1990). Employees will judge whether the decisional processes and mechanism and the consequences of these decisions are fair or not. They attempt to compare between themselves and their co-workers with regards to their organizational rewards. These comparisons are more likely to influence their assessment of the fairness of rewards in their organization (Ngo, et al., 2003).

Furthermore, previous studies have identified that organizational justice has an important impact on organizational effectiveness. These previous studies have investigated relationships justice and increase in productivity, few of them conducted in the banking sector and telecommunication industry. To date, there is few or lack of evidence regarding the nature, significance and strength of relationships between these variable in manufacturing firms. Therefore, this study is intended to investigate the effect of distributive, procedural, and interactional justice on job satisfaction, organizational commitment, and turnover intention in manufacturing firms in River State, Nigeria.
there is an increasing need to address the unruly of injustice in the Nigerian workplace. Deconinck and Bachmann (2005) discovered that there seem to be a close link amid economic growth (gain) and injustice in business. Thus, as business grows, so do the equity, fairness, and justice inside such a business decline. Organizational injustice is evident in Nigeria due to tribalism, favoritism, and other sentimental considerations. In essence, organizational injustice is a rudimentary challenge confronting business in developing countries like Nigeria; the inability to provide equitable pay and/or wage, equal fringe benefits as well as creating satisfying job experiences for all concerned Tende et-al (2017).

This has linked to employee job dissatisfaction which mostly result in unethical practices such as; cyber loafing, theft, and disloyalty. Founded on the above; this research effort is intended to explore, ascertain and reveal any influence and consequence of organizational justice on employee work outcome, and contribute in the thoughts of the mechanisms through which the injustice insight is tackled.In demand to forestall the eventual collapse/demise of equity, impartiality, and justice, this research work intends to explore and analyze those factors that contribute to the decline in employee work outcome, and using organizational justice, and its dimensions to curb them.

### Aim and Objectives of the Study

The aim of this study is to ascertain the relationship between organizational justice and employee work outcome, and specific objectives are to determine;

- If there exist relationship between distributive justice and employee work outcome in manufacturing firms in Port Harcourt.
- The relationship between procedural justice and employee work outcome in manufacturing firms in Port Harcourt.
- If there exist relationship between interactional justice and employee work outcome in manufacturing firms in Port Harcourt.

### Research Questions

The following research questions are asked to guide the effort of the researcher to achieve the objective of the study.

1. What is the relationship between distributive justice and employee work outcome in manufacturing firms in Port Harcourt?
2. What is the relationship between procedural justice and employee work outcome in manufacturing firms in Port Harcourt?
3. What is the relationship between interactional justice and employee work outcome in manufacturing firms in Port Harcourt?

**RESEARCH HYPOTHESES**

H₀₁: there is no significant relationship between distributive justice and organizational commitment
H₀₂: there is no significant relationship between distributive justice and job satisfaction
H₀₃: there is no significant relationship between distributive justice and turnover intention
H₀₄: there is no significant relationship between procedural justice and organizational commitment
H₀₅: there is no significant relationship between procedural justice and job satisfaction
H₀₆: there is no significant relationship between procedural justice and turnover intention
H₀₇: there is no significant relationship between interactional justice and organizational commitment
H₀₈: there is no significant relationship between interactional justice and job satisfaction
H₀₉: there is no significant relationship between interactional justice and turnover intention

**Concept of Organizational Justice**

According to Greenberg (1990) organizational justice refers to the employees' perception of fairness in organization, including how decisions are made regarding the distribution of outcome and the perceived fairness of those outcomes. Organizational justice theory provides a useful framework towards understanding individuals' attitudes toward work, work behaviors, and job performance (Colquitt, 2001; Cropanzano, Bowen, and Gilliland, 2007). It has been reported that employees' perceptions of organizational justice is a significant factor influencing various work outcomes such as organizational commitment, job satisfaction, and turnover intention, or intention to leave (Colquitt, 2001, Hassan, 2002; Cropanzano et al., 2007).

Colquitt and Greenberg (2005) stated that there are three sub-domains in the organizational justice research which focuses on: Firstly, *distributive justice*, which is related to the fairness of the outcomes the employee receives. Secondly, *procedural justice*, which describes the fairness used to determine those outcomes. Thirdly, *interactional justice*, which refers to the quality of the interpersonal interaction between the individuals in an organization.

Distributive, procedural, and interactional justice tends to be correlated. They can be meaningfully treated as three components of overall fairness (Ambrose and Arnaud, 2005; Ambrose and Schminke, 2007), and the three components can work together. However, if one's goal is to promote workplace justice, it is useful to consider them separately and in detail. This is because each component is engendered in distinct ways, arising from different managerial actions.

**Distributive Justice**

Researchers call the first component of justice *distributive justice* because it has to do with the allocations or outcomes that some get and others do not. Distributive justice is concerned with the reality that not all workers are treated alike; the allocation of outcomes is differentiated in the workplace. Individuals are concerned with whether or not they received their "just share."

Sometimes things are distributed justly, as when the most qualified person gets promoted. Other times they are not, as when advancement goes to corporate "insiders" with a political relationship to upper management (Colquitt, 2004).

**Procedural Justice**

*Procedural justice* refers to the means by which outcomes are allocated, but not specifically to the outcomes themselves. Procedural justice establishes certain principles specifying and governing the roles of participants within the decision-making processes. In three papers, Leventhal and his colleagues (Leventhal, 1976, 1980; Leventhal, Karuza, and Fry, 1980) established some core attributes that make procedures just.

A just process is one that is applied consistently to all, free of bias, accurate, representative of relevant stakeholders, correctable, and consistent with ethical norms. Though surprising to some, research has shown that just procedures can mitigate the ill effects of unfavorable outcomes. Researchers have named this the "fair process effect." Procedural injustice produces "intellectual and emotional indignation," resulting in "distrust and resentment." Ultimately, this reduces cooperation in strategy execution. If the process is perceived as just, employees show greater loyalty and more willingness to behave in an organization's best interests. They are also less likely to betray the institution and its leaders.

**Interactional Justice**

In a sense, *interactional justice* may be the simplest of the three components. It refers to how one person treats another. A person is interactional just if he or she appropriately shares information and avoids rude or cruel remarks. In other words, there are two aspects of interactional justice (Colquitt, Conlon, Wesson, Porter, and Ngo, 2001). The first part, sometimes called *informational justice* refers to whether one is truthful and
provides adequate justifications when things go badly. The second part, sometimes called interpersonal justice, refers to the respect and dignity with which one treats another.

Because interactional justice emphasizes one-on-one transaction, employees often seek it from their supervisors. In a quasi-experimental study, Skarlicki and Latham (1996) trained union leaders to behave more justly. Among other things, these leaders were taught to provide explanations and apologies (informational justice) and to treat their reports with courtesy and respect (interpersonal justice). When work groups were examined three months later, individuals who reported to trained leaders exhibited more helpful citizenship behaviors than individuals who reported to untrained leaders.

ORGANIZATIONAL JUSTICE AND WORK OUTCOME

Organizational justice theory provides a useful framework toward understanding individuals' attitudes toward work, work behaviors, and job performance. This is based on employees' perception of fairness (justice) in the workplace (Colquitt 2001; Cropanzano, Bowen, and Gilliland 2007), which has become one of the central interest of leaders on providing equal opportunities to employees, fair labor practices and fair payment (Coetze, 2005). The concept of justice has a long history as a key explanatory variable in many different social sciences (Colquitt, 2004). In the organizational context, justice refers to the fairness toward organizational resources including selections, pay, rewards, promotions and other resources. Justice in organization has been of great concern to both employers and employees (Skarlicki and Folger, 1997). Some studies also supported that employees' perceptions of organizational justice are a significant factor influencing various work outcomes such as organizational commitment, job satisfaction, turnover intention or intention to leave (Colquitt et al. 2001; Hassan 2002; Cropanzano et al., 2007).

Distributive justice and work outcomes

Historically, research on organizational justice was started by focusing on distributive justice (Colquitt et al., 2005). It refers to the perceived meaning of fairness of the outcomes of allocation decision. Distributive justice is based on Adam's equity theory (1965), which used a social exchange theory framework as a tool to evaluate fairness (Colquitt et al., 2001; Cropanzano et al., 2007).

According to Adam, based on the social exchange relationships, people will compare the ratio of their own inputs and outcomes with those of their cohorts, and judge that people who have greater contributions should receive higher outcomes (Cohen and Spector, 2001). Individuals will measure their perceived “input” and their “outcomes” as a ratio in comparison. The inputs in social exchange are qualities and characteristics, which include age, seniority, social status, education, effort, ability or skill, etc. In contrast, the outcome is feedback from social exchange such as pay, rewards, money, increased status, authority or good work, and prestige (Ortiz, 1999; Greenberg and Baron, 2008). Allocation of resources is an important issue among individuals in a group or organization as it will affect individual performance in the organization.

The relationship between distributive justice and work outcomes, such as, job satisfaction, organizational commitment and turnover intent can be explained by the social exchange theory of Blau (1964) and the equity theory of Adam (1965). These theories explain that people tend to feel obligated to repay favorable benefits and treatment offered by an organization. If they perceive a higher level of organizational justice, they would have a high commitment and most satisfaction, and also less likely to harbor an intention to leave the organization. The study conducted by Lee (2000); Hassan and Chandaran (2005) supported that both distributive and procedural justices had a direct positive effect on job satisfaction and organizational commitment and had negative effect on turnover intention.

Procedural justice and work outcomes

In the early 1970s, researchers began to claim that an individual’s evaluations of allocation decisions were affected not only by what the rewards were, but also by how they are made (Cropanzano et al., 2007). This refers to procedural justice. It reflects the perceived fairness of the policies and procedures used to make decisions in the workplace (Greenberg, 1990). The early work on procedural justice in organizations was based on Thibaut and Walker's (1975) studies. They explained that even when individuals received unfavorable outcomes, they perceive themselves as fairly treated as long as they had opportunity to contribute in decision making process. Procedural justice refers to the issues of fairness that are related with method, mechanism, and processes used to determine outcome (Folger and Cropanzano, 1998; Lee, 2007).

Leventhal (1980) identified six rules for the procedure of fair treatment in organizations, the rules are: (1) consistency. Procedure should be consistent across people and time; (2) biased suppression. Procedure should be unbiased by self-interest or blind allegations; (3) accuracy. Procedure should be based on accurate information; (4) correctable. Procedure should have possibility to correct or modify; (5) representativeness. Procedure should reflect representativeness of all groups concerned; (6) ethicality. Procedure should follow the ethical values held by the individuals in the organization. Aryee, Budhwar, and Chen (2002) studied the relationship
between procedural justice and work outcomes. Their study considered trust as a mediating variable in the model. This study revealed that procedural justice is positively significant to job satisfaction and organizational commitment, and negatively related to turnover intention.

**Interactional justice and work outcomes**

Interactional justice relates to the employee perceptions of whether organizational leaders implement procedure fairly, by treating individuals respectfully and by adequately explaining decision (Cropanzano, 1998). Bies, Shapiro, and Cummings (1988) suggested that employees show much concern for the treatment they receive from authority figure and the adequacy with which formal decision making procedures are explained. Perceptions of interactional justice are important over time and are unaffected by the individual’s self-interest (Ladebo, Awotunde, and Abdul Salaam Saghir, 2008).

Interactional justice refers to how fairly employees are treated both interpersonally and informational at work (Bies, 2005; Lee, 2007). Interactions are deemed interpersonally fair when an employee is treated with dignity and respect and prejudicial statements and personal attacks are refrained from.

Informational justice is served when communications with employees are truthful and decisions are justified (Colquitt, 2001).

Bies and Moag (1986) argued that perceptions of interactional justice are influenced by factors that go beyond the formal procedures used to arrive at outcomes. Interpersonal treatment that an individual receives during the implementation of procedures affects the individual’s perception of organizational justice as well. Positive organizational justice perceptions can also be fostered when the individuals are treated with courtesy, dignity and respect (Cropanzano et al., 2007).

Furthermore, the explanation for interactional justice in the workplace is grounded in social exchange theory and norm of reciprocity (Cropanzano and Mitchell 2006). From the social exchange perspective, employees expect fair, honest, courteous, and truthful treatments from the organization and/or its agents. Based on the norm of reciprocity, employees who perceive fair treatments by authorities are more likely to exhibit positive actions through greater commitments to the values and goals of the organizations; exhibit increased job satisfaction, organizational citizenship behaviors, improved job performances and reduced withdrawal behaviors (Cohen-Charash and Spector, 2001; Colquitt 2001).

**RESEARCH DESIGN**

According to Nachmias and Nachmias (1982) research design is “a model which allows a researcher to draw inference concerning causal relations among the variables under investigation”. In this study a cross sectional survey, which is a type of quasi-experimental research design, was used. The quasi-experimental design was adopted since the respondents were not under the control of the researcher, while the cross sectional design was adopted because the study has to do with the collection of data from respondents at different locations and time, and because the study involves the analysis of interrelationships among variables (Levin, 2006; Samkange, 2012).

**Population of the Study**

Hassan (2016) stipulated that a research population is “generally a large collection of individuals or objects that is the main focus of a scientific query”. In other words, a research population can be said to consist of individuals having similar characteristics which is of concern to the researcher.

The population for this study consists of all the employees of manufacturing firms in Rivers State. As reported by the Manufacturing Association of Nigeria (MAN) Rivers/Bayelsa States Chapter on their website (http://phmanufacturersnigeria.org), there are thirty four (34) manufacturing firms in Rivers State. In order to have easy accessibility, the researcher adopted manufacturing firms which are located within Obio/Akpor Local Government Area and Port Harcourt City Local Government Area, which has been in the manufacturing industry for more than 15 years, and that, has above 30 employees as the target population for this study. The accessible population from the eighteen firms included managers, supervisors and foremen. Record from the frame shows that there are a total of six hundred (600) employees “of manufacturing firms in Rivers State. As the target population for this study, the accessible population from the eighteen firms included managers, supervisors and foremen among the eighteen firms.

The Taro Yamane’s formula by Baridam (2001) for determination of sample size was used to determine a minimum sample size of two hundred and forty (240) respondents from the population of six hundred (600). The research instrument was distributed using the random sampling technique to the respondents. The Statistical Package for Social Science (SPSS) version 21 was used to examine the relationship between organizational justice and employee work outcome of the manufacturing firms using Pearson moment correlation coefficient statistical tool. The names of the firms and the numbers of questionnaires distributed and returned are shown in the table 1 below:

**Data Presentation, Analysis and Findings**

This study examined the effect of organizational justice on employee work outcomes in manufacturing firms in River State. The effect of organizational justice
dimensions (distributive, procedural and interactional justice) were measured against employee work outcomes (organizational commitment, job satisfaction and turnover intentions).

The result of the tested $H_01$ showed that there exists significant relationship between distributive justice and organizational commitment ($r=.012<.05$). The model summary indicates that 72.1% (.721) of the change in organizational commitment is as a result of distributive justice, consequently the ($\beta=.850$, 0.01) shows the effect of distributive justice on organizational commitment.

Also, the tested $H_02$ resulted in ($r=.020<.05$) implying that there exists significant relationship between distributive justice and job satisfaction, accordingly, the model summary showed that 55.2% change witnessed in job satisfaction was as a result of distributive justice thus displaying ($\beta=.745$,0.01) as the perceived effect of distributive justice on job satisfaction of employees.

The result of the tested $H_03$ prompted the rejecting of the alternate hypothesis suggesting that there is a negative relationship between distributive justice and turnover intention ($r=.03<.05$), also the model summary showed the percentage of change in turnover intention as caused by distributive justice 23.5% (.235) consequently the ($\beta=-.158$, 0.01) showed the effect of distributive justice on turnover intentions among employees.

Accordingly the result of the tested $H_04$ shows that there exist a significant relationship between procedural justice and organizational commitment ($r=.012<.05$), with model summary showing the percentage of change in organizational commitment as caused by procedural justice 54.7% (.547) consequently the ($\beta=.741$, 0.01) showed the effect of procedural justice on organizational commitment.

The tested $H_05$ shows that there exist a significant relationship between procedural justice and job satisfaction ($r=.009<.05$), with model summary showing the percentage of change in job satisfaction as caused by procedural justice 83.8% (.838) consequently the ($\beta=9.16,0.01$) shows the effect of procedural justice on job satisfaction.

The result of the $H_06$ shows that there exist a negative relationship between procedural justice and turnover intentions ($r=.006<.05$), with model summary showing the percentage of change in turnover intentions as caused by procedural justice 12.9% (.129) consequently the ($\beta=-.183$, 0.01) shows the effect of procedural justice on turnover intentions.

The result of the $H_07$ shows that there exist a significant relationship between interactional justice and organizational commitment ($r=.005<.05$), with model summary showing the percentage of change in organizational commitment as caused by interactional justice 85.3% (.853) consequently the ($\beta=9.24, 0.01$) shows the effect of interactional justice on organizational commitment.

The result of the $H_08$ shows that there exist a significant relationship between interactional justice and employee job satisfaction ($r=.018<.05$), with model summary showing the percentage of change in employee job satisfaction as caused by interactional justice 68.4% (.684) consequently the ($\beta=8.28, 0.01$) shows the effect of interactional justice on employee job satisfaction.

And finally the result of the $H_09$ shows that there exist a

### Table 1. Questionnaires distributed and returned

<table>
<thead>
<tr>
<th>S/N</th>
<th>Names of the manufacturing firms surveyed</th>
<th>Distributed Copies</th>
<th>Returned Copies</th>
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<tbody>
<tr>
<td>1.</td>
<td>Sun Flower Manufacturing Co Ltd</td>
<td>14</td>
<td>12</td>
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<td>2.</td>
<td>Port Harcourt Flour Mills Limited</td>
<td>13</td>
<td>10</td>
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<tr>
<td>3.</td>
<td>QR Manufacturing and Trading Ltd</td>
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<td>11</td>
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<tr>
<td>4.</td>
<td>Nigeria Bottling Company Limited</td>
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<td>10</td>
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<tr>
<td>5.</td>
<td>First Aluminum Company Limited</td>
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<td>12</td>
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<tr>
<td>6.</td>
<td>Rivers Vegetable Oil Co Ltd</td>
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<td>7.</td>
<td>Almarine Limited</td>
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<td>9</td>
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<td>8.</td>
<td>General Agro Industry Limited</td>
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<td>9.</td>
<td>Eastern Bulkcem Company Limited</td>
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<td>10.</td>
<td>Air Liquid Nigeria Plc</td>
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<tr>
<td>11.</td>
<td>West African Glass Industry</td>
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<td>12</td>
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<tr>
<td>12.</td>
<td>Boskel Nigeria Limited</td>
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<td>13.</td>
<td>Dufil Prima Food Limited</td>
<td>13</td>
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<tr>
<td>14.</td>
<td>Best Aluminum Manufacturing Ltd</td>
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<td>9</td>
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<tr>
<td>15.</td>
<td>Hoison Energy &amp; Resources Ltd</td>
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<td>16.</td>
<td>Danelec Limited</td>
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<td>17.</td>
<td>Crushed Rock Nigeria Limited</td>
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<tr>
<td>18.</td>
<td>Showers Limited</td>
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<td>11</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>240</strong></td>
<td><strong>193</strong></td>
</tr>
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*Source: The Researcher 2017*
negative relationship between interactional justice and employee turnover intentions \( (r = .008 < .05) \), with model summary showing the percentage of change in employee turnover intentions as caused by interactional justice 10.3% \( (1.03) \) consequently the \( (\beta = .274, 0.01) \) shows the effect of interactional justice on employee turnover intentions.

Based on the analysis, the findings indicate that distributive, procedural and interactional justice has positive significant effect on organizational commitment and job satisfaction, and all three dimensions of justice had negative significant impact on employees' turnover intention.

**Contribution to Knowledge**

This study has made an immense scholarly contribution to the field of human resource management.

- The study provide an in-depth investigation of the concepts of organizational justice and employee work outcome, specifically as it concerns manufacturing firms located in Port Harcourt, Rivers State.
- To the academic community, this work serves as a reference material, especially to human resource management students.
- The work is also of great importance to managers and policy makers in the manufacturing sector of the economy.

**CONCLUSIONS**

These findings will help the managers to understand how fair judgments could contribute towards the effective management of workforce through implementation of organizational policies such as reward and performance evaluation policies.

As established by the results obtained from the analyses, it was concluded that the dimensions of organizational justice have substantial impact on employee work outcome in manufacturing firms, especially to those located in River State.

**RECOMMENDATIONS**

- Managers should be paying more attention to the means or the process of decision making for the distribution of resources, as it will leads to substantial pay-offs in individual job satisfaction, organizational commitment and turnover intention.
- Managers need to apply rules fairly and consistently to all employees, and rewarding them based on performance and merit without personal bias in order to create a positive perception of distributive and procedural justice \( (\text{Tang et al., 1996}) \).
- Managers needed to nourish a procedurally fair climate environment in the organization by establishing two-way communication to allow their employees the opportunity to participate and voice their preferences and opinions during decision making process \( (\text{Wong and Teoh, 2009; Wong, 2006; 2007; Potter, 2006; Muhammad, 2004; Cole and Flint, 2005; Lemons and Jones, 2001}) \).

**Limitations**

- The design for this study was cross-sectional, not longitudinal. Cross-sectional data are not adequate to make inferences of causality or reverse causality among the investigated variables. Thus, a longitudinal research design would provide additional and stronger support for the effects tested in this study.
- The next limitation is that the study was focused only on three measures (organizational commitment, job satisfaction and turnover intention). There are some variables that might be included in the study. For example: organizational performance, organizational citizenship behavior, employee engagement, etc. Future studies could include those variables.
- Attitudes towards questionnaire filling was too poor, as people sometimes show biasness or sometimes they never express what they actually want to say.

**REFERENCES**


37: 55-62.