Influence of organization justice on ocbs

1. Introduction

Questions regarding the organization justice and OCBs have received considerable attention by the researchers in the areas of industrial psychology, human resource management and organizational behavior during last few decades. Much more studies have been conducted to investigate the effects of organizational justice on organizational citizenship behaviors (OCBs). Researchers have been emphasizing the relationship of organization justice with OCBs across the world through different moderating variables. The article which I have chosen for review is " The Effects of Leader-Member Exchange on Organizational Justice and Organizational Citizenship Behavior: Empirical Study" written by Noormala Amir Ishak and Syed Shah Alam and published in European Journal of Social Sciences in 2009. As it is reflected in the topic, the author in this article analyzed the impact of three types of organizational justice on five dimensions of OCBs. The author also assesses the mediating role of Leader-Member Exchange in the relationship of organizational justice and OCBs.

In the first part, the paper under discussion will to be summarized and in the second part, the relevance of the article to the Management will be discussed. In last part of critical review, first the article has been summarized and the critical remarks have been pen down.

2. Relevance to the Management

Organizational Justice

The issue of organizational justice and OCBs has attained ample attention of research community under the umbrella of organizational behaviors from last 4 decades. The work of Folger and Greenberg's (1985) is considered to

be pioneering in this area of research, which received considerable attention in academic circles. It was followed by the study of Cropanzano, et al. (2001), whose primary focus was to explore the perception of justice and fair dealings among workers on work places. Later studies found organization justice to have a strong link with HR factors such as perceived organizational support, leadership behaviors and leaders-member exchange, empowerment, communication and socialization (H. Zhang, 2006; Jahangir, et. al, 2004) and employees' attitudes such as job satisfaction, job commitment, turnover intentions, employee deviance, job stress (Zhang, 2006; Karriker and Williams, 2009; Aquino, et al., 1999). Researchers in the area of organizational justice classified these factors into three dimensions: Distributive, Procedural and Interactional (Colquitt, 2001; Greenberg, 1993). These dimensions of justice have been reviewed in following sections.

i) Distributive Justice:
Distributive justice refers to the extent to which employees perceive the fairness of their work outcomes (Adam, 1965; Homans, 1968). Distributive justice is derived from equity theory provided by Adam (1963, 1965). The theory argues that people compare the ratios of their perceived input (e. g. contribution) and output (e. g. financial and non-financial rewards) with those of others at the workplace. If there is imbalance, the individuals whose ratio is greater than the other is perceived as underpaid whereas the individuals whose ratio is lesser is perceived as overpaid. Equal ratios are strongly associated with positive employees' behaviors towards their jobs and organizations (Greenberg, 1990). Individuals who perceive themselves as comparatively low paid, attempt to reduce their distress by attempting to

transform the inequitable situation to comfortable equitable position. These attempts may either be behavioral (e. g. altering job input and/or output) or psychological (e. g. altering perception of work input/or ouput) (Walster, et al. 1978). Keeping in view the equity theory, later studies found that underpaid individuals decrease their contribution and individuals overpaid increase their contribution to achieve the organizational goals (Greenberg, 1982).

ii) Procedural Justice:

Thibaut and Walker conducted a series of study in early 1970s on the reaction to dispute-resolution process which further lead them to the development of procedural justice theory (Thibaut and Walkder, 1975). Procedural justice was conceived as " extent to which individuals recognize the fairness of procedures and systems that govern the allocation of rewards" (Leventhal, 1980; Lind and Tyler, 1988). Leventhal (1980) provided a variety of rules which allocation procedure must satisfy in order to be perceived as fair. These rules are consistency, bias-suppression, accuracy, correctability, representativeness and ethicality. Leventhal concluded that perception of procedural justice will be positive if these rules are sufficiently satisfied by the reward allocation procedure. Greenberg (1986) commented that individuals believe that reward resulting from unfair processes are themselves unfair but only when such outcomes are little beneficial. On the other hand, outcomes that provide more benefits are perceived as fair irrespective of the fairness of outcome allocation procedure. When procedures are transparent and people are being informed about them, they recognize that they are being treated fairly (Beugre, 1998).

iii) Interactional (Interpersonal and Informational) Justice

Extending the previous theories of procedural justice, Bies and Moag (1986) differentiated between formal procedures (e. g. consistency, bias-suppression, accuracy) and the social aspects of fairness (e. g. treatment with courtesy) and introduced third dimension of organizational justice termed as interactional justice. According to the Bies and Moag (1986), interactional justice refers to the extent to which employees are treated with dignity and respect. Interpersonal treatment is found to have a significant impact on the employees' perception of organizational justice as well. Employees' perception is promoted when the justifications regarding the situation are clearly, truthfully and adequately explained and when employees are treated with courtesy, dignity and respect (Bies, Shapiro, & Cumming, 1988).

Organizational Citizenship Behaviors

Employees' Readiness to exert extra efforts beyond their formal job duties has long been identified as an essential predictor of organizational performance. It is noted in the work environment that the readiness of employees to exert cooperative efforts ultimately leads to the effective achievements of organizational goals. Exploring further this area, Katz and Kahn (1978) revealed that the rewards that motivate such unprompted, informal input are different from those that encourage task proficiency. Such theories provided an arena to the follower researchers; among them, Organ (1988) first introduced the concept of OCBs. Citizenship is a behavioral component that is believed to have a promise to improve organizational productivity by improving the attitudes of employees, creating harmony, cooperation and coordination among employees and minimizing

disagreements (Bateman and Organ, 1983; Smith et al, 1983). OCB is defined as an optional and extra role, beyond the formal job, without expecting any reward that improves organizational functioning (Organ, 1988). Behavior such as helping an absent co-worker, willing to perform extra duties whenever required, playing vital role in the organization functions even without assigning the duty and resolving unconstructive interpersonal conflict (Organ, 1990).

Organ (1988) introduced five dimensions OCBs i. e. Altruism (helping the specific others on the organizational tasks), Conscientiousness (efficient use of time, extra role with respect to the attendance, abiding by organizational rules, break time etc), Courtesy (get the update information and providing it to others to avoid work related problems), Sportsmanship (avoids complaining, Maximum use of time for organizational profitability), Civic Virtue (participating in committees and volunteer work for organizational functions). Followed study by Farh et. al., (1997) investigated two types of organizational behaviors i. e. positive contribution and preventing to engage in activities that are harmful to others.

Leader-Member Exchange

Leader-member exchange (LMX) theory suggests that quality of the exchange relationships that have been between employees and their leaders promise the highly productive attitudes of employees (Gerstner and Day, 1997; Graen and Uhl-Bien, 1995). LMX theory is unique among leadership theories in its focus on the dyadic exchange relationships between supervisors and each of their subordinates (Gerstner and Day, 1997). High-quality exchange relationships are based upon the mutual trust, respect, and

obligation that generate coherence between an employee and his or her supervisor. Low-quality exchange relationship, on the other hand, are characterized by formal, role-defined interactions and predominantly contractual exchanges that result in hierarchy-based downward influence and distance between the parties.

Social Exchange Theory

Social exchange theory by Blau (1964) assumes that a reciprocal relationship between two humans or parties can be established. In other words, if one party renders its services or anything to the other, the receiving party would be obliged to perform the same or similar function for the former, in the days to come. If this sort of reciprocal relations are carried over the period, these would result in a social bond. This bond gives birth to trust, reliance and confidence between the parties. For instance, if an employer treats his employees with care and respect, the employees would behave, in return, in the same gentle and tender way. The treatment of employees may be in the form of better performance or undertaking their duties in an honest manner. Various studies on related topics such as organizational justice (Cropanzane et. al, 2001), leadership (Graen and Scandura, 1987), psychological contract (Rousseau, 1989, 1998), and organizational citizenship behaviors (OCB) (Organ, 1988, 1990) conducted in different cultures have supported this theory empirically. Arguably, the reciprocal nature of human relations is more important in traditional cultures like Pakistan. The requiting norm of this theory reflects from the behaviors of Pakistani people. So, the social exchange theory provides a theoretical basis for conducting a study on

behavioral aspect of relations between workers and owners, in context of Pakistan.

In the light of above-mentioned theories, it is concluded that fair organizational practices promise the productive and favorable employees' attitude. Under the social exchange theory there is reciprocal relation can be seen between firm and its employee when employees who are being treated fairly found to be involved more in some extra activities beyond their formal job duties to improve the firm's effectiveness. Leader-Member exchange is one of the leadership theories which conclude that employees perform more if there is best dyadic relationship between leader and his follower. The article under discussion is found to be under the umbrella of study of organizational behaviors which is central theme of Human Resource Management. The study of organizational behaviors deals with behavioral issues of employees with the objective to improve the employees' behaviors to accomplish the organizational goals efficiently.

1. Summary of the Article
Objectives of the Study
The study focused on OCB and examined the influence of organizational justice on OCB. The study is expected to address these two issues: (1) to investigate the influence of organizational justice types on OCB; and (2) to examine the role of LMX as a mediator in the relationship between organizational justice types and OCB.

Research Design

Research Framework

On the basis of literature review, the following research model has been established by the author to explore the relationship between organizational justice and OCB with the moderating role of LMX.

Hypothesis for this study are as under:

H1: Organizational justice types have significant positive relationships with OCB. The impact of interpersonal justice and informational justice are stronger on OCB than the impact of distributive justice and procedural justice.

H2: Organizational justice types have significant positive relationships with LMX.

H3: LMX mediates the relationship between organizational justice types and OCB in such a way that the impact of organizational justice on OCB will be smaller (partial mediation) or non-significant (full mediation) in the presence of LMX.

Sampling:

Data has been collected from non-supervisory employees, employed in the participating domestic commercial banks. A package containing two survey questionnaires: ? one questionnaire (Set A) was to be answered by the subordinate and another (Set B) to be answered by the supervisor in charge of the subordinate ? was distributed to participating banks. The subordinates were also given questionnaire items measuring organizational justice and LMX. The supervisors were given questionnaire items rating the

subordinates' OCB and in-role behavior. A total of 350 questionnaires were distributed to 80 branches. A total of 339 completed questionnaires were returned, yielding a response rate of 97%.

Measurement:

Citizenship behaviorsof employees were measured by 24-item OCB scale developed by Podsakoff et al. (1990) was utilized to assess five dimensions of OCB.

Organizational justicewas measured using the 20-items adapted from Colquitt (2001).

LMXwas measured by the scale extracted by previous literature.

Results:

Table 1 reports the means, standard deviations, and zero-order correlations for all variables. Using Pearson's correlations it was found that procedural and distributive justice were significantly correlated with only one OCB dimension-altruism while Interactional justice and LMX were found to be significantly related to all OCB dimensions.

Contrary to expectation, the results from Table 2 in which results are given of linear regression, it was found that only interactional justice has a significant relationship with OCB (altruism and consideration). Thus, hypothesis 1 was only partially supported. LMX was then regressed on organizational justice (Table 3). Distributive justice and interactional justice were found to have significant relationships with LMX. Hypothesis 2 was thus partially supported.

OCB dimensions were then regressed on LMX. There had to be a significant relationship between the two in order to proceed to the next step of mediation testing. It was evidenced (Table 4) that LMX showed significant relationships with altruism and sportsmanship. Hypothesis 3 was also partially supported.

Table 5 shows the results of the tests required for mediated regression analyses. The conditions for mediation were met for altruism but not for sportsmanship and consideration. Hypothesis 4 was thus partially supported. We found that the relationship between interactional justice and OCB which was significant in became insignificant once we included LMX as a mediator. We found that LMX fully mediated the relationship between interactional justice and altruism.

Conclusions:

Results shows that there is positive relationship between interactional justice and two dimensions of OCB i. e. altruism and consideration which is similar to the findings of Moorman (1991). Distributive and procedural dimensions of organizational justice have not been found as a predictor of citizenship behaviors of subordinate. When subordinates feel that they feel that there is interaction justice between them and their supervisor, they found to be involved more in citizenship behaviors. The findings also noted that this relationship strengthened when there the role of LMX is included in the model. These results are consistent with social exchange theory where it entails unspecified obligations, did not specify the exact nature of future return for contributions, is based on individual's trusting that the exchange parties will fairly discharge their obligations in the long run, and allows

exchange parties reciprocate through discretionary, extrarole acts (Blau, 1964; Konovsky and Pugh, 1994; Moorman, 1991; Niehoff and Moorman, 1993).

The study provides some insight for managers that in order to develop the citizenship behaviors among employees, the role of supervisors should not be ignored. Supervisors should be emphasized more so that they may build mutual interest and good dyadic relations with their subordinates. Managers need to always be supportive towards their employees and listen to their concerns and ask for their input on decisions affecting them. Open interactions with the employees will enhance their motivation toward their work and will lead them to perform in their work as well as performing OCB. The study provides evidence that interactional justice has greatest impact on OCB through the presence of LMX. This is especially true when the subordinates see their superiors giving them support and encouragement to them at work. In an environment in which relationships are important, superiors' emotional support and guidance appeared to assist subordinates in attaining higher levels of performance. In response subordinates are likely to perform some extra role beyond to their job in order to benefit other employees and organization.

The study reported here is not without its limitations. The results pertaining to organizational justice and OCB may be susceptible to common method variance. The study conducted was also cross-sectional, which does not allow for an assessment of causality. Thus our results are mute where issues of causality are concerned.

Critical Review:

As discussed earlier, the featured article addresses one of the theories of leadership and organizational behavior. Earlier studies have been investigated the relationship of organizational justice and citizenship behaviors directly and through different moderating variables. Recently a study conducted by Karriker and Williams (2009) found the relationship between organizational justice and OCBO through OMX as mediating variable and the relationship between organizational justice and OCBS through LMX as mediating variable. Another justification of featured study is review of OCB literature by Podaskoff et al (2000) that suggests cultural influences on OCB as a future research agenda. Exploratory findings of Organ and Ryan (1995) also suggested that OCB may be evaluated and interpreted differently in different cultures/nations. They identify individualism/collectivism and power distance as potentional source of variation in research findings obtained in US context. For example they suggest initiative in workplace may be different in high power distance countries as employees may limit themselves to what they are told. They also mentioned the possible impact of cultural differences on measurement of OCB (Organ and Ryan, 1995).

Organization justice and OCBs have received ample attentions by the researchers as it is found to be positively linked with individual and organizational productivity. Vital role of organizational justice in creating citizenship behaviors has been emphasized by researchers in different aspects (Farh et al., 1990; Konovsky and Pugh, 1994; Moorman, 1991; Moorman et al, 1993; Niehoff and Moorman, 1993). Employees' perception

regarding fairness of outcomes and procedures has been considered as a major motivational basis for developing citizenship behaviors among employees (Organ, 1990).

A study conducted by Moorman et, al., (1998) found that there is positive relationship between procedural justice and perceived organizational support and between perceived organizational support and three of the five organizational citizenship behavior dimensions. However, by including the effects of POS as a mediating variable, we found stronger support for a fully mediated model of the effects of procedural justice on OCB. Findings of this study provided support to earlier studies by Organ and Ryan, (1995) which revealed that fairness at workplace play major role in creating citizenship behaviors among employees.

Researchers have also been attempting to examine the relationship between organizational justice and OCB through mediating variables. In this respect, Konovsky and Pugh (1994) analyzed the mediating role of trust between justice and performance relationships using the supervisor as proxy for the organization, rather than directly addressing the individual's level of trust in the organization itself. The study examined the mediating role of trust in supervisor between the relationship of procedural justice and OCB and found full support for this relationship.

Extending this framework, Aryee et al. (2002) investigated the mediating role of trust in the supervisor and trust in the organization and found support for mediating role of trust in the organization between organizational justice (distributive, procedural and interactional) with job satisfaction, turnover

intent and organizational commitment while trust in supervisor found to have mediating relationship between interactional justice only with OCBO and OCBS. Moorman and Niehoff (1998) conducted a study to measure the relationship of procedural justice with OCBs through mediating role of perceived organizational support (POS) and found that POS fully mediate between the relationship of organizational justice and OCBs. Masterson et al (2000) found support for the mediating role of POS in the relationship of organizational justice and OCBO.

Karriker, JH and ML Williams, (2009) conducted a study to find the relationship of organizational justice on OCBS (citizenship behaviors that benefit to supervisors) and OCBO (citizenship behaviors that benefit to the organization) and found full support between system-referenced justice outcomes and OCBO and mixed support for agent-referenced justice perception and OCBS. Specifically, system-referenced distributive and procedural justice were not found to have significant impact on OCBO, yet agent-referenced distributive justice had a significant direct relationship with OCBS, and agent-referenced distributive and procedural justice had significant indirect relationships with OCBS. In addition, interpersonal justice found to have direct impact on OCBO. Here, in this study the relations of interpersonal justice only have been measured with OCB rather than full model of interactional justice including interpersonal and informational justice perceptions. Impact of system-referenced distributive and procedural justice was not supported in this study while one dimension of interactional justice i. e. interpersonal justice was found to have direct relationship with OCBO.

Trust between employees and their supervisors is found to be strong predictor of OCB in the context of work environment. Leadership behaviors and level of OCBs have also been under the discussion of researchers in the area of social sciences. In this regard, Pdosakeff et. al, (1998) examined the aggregate effects of the set of transformational leader behaviors on OCBs noted found the indirect relationship between leader behaviors and OCBs. The study suggests that to find the support between leader behaviors and OCBs, organizational trust and employees' satisfaction have to be included in the model as transformational leader behaviors impact both trust and employees' performance while on the other hand only trust is significantly related to the OCBs. In contrast, transactional leader behavior on OCBs found to be positively related to two dimensions i. e. altruism and sportsmanship while no effect has been found between transactional leader behavior and other three dimensions of OCB. Masterson et al. (2000) explored that " high-quality LMX relationships lead employees to engage in behaviors that are directly related to their supervisors, such as in-role behavior and organizational citizenship behaviors". They found that LMX mediated the relationships between interactional justice and both job satisfaction and supervisor-focused citizenship behaviors, OCBS.

Extending the research on the said area, the authors attempted to shed light on organizational justice and OCB directly and through the mediating role of LMX. Findings of the study opened some new avenue for social sciences researchers. Karriker and Williams (2009) investigated the relationship of organizational justice with OCBO through the mediating variable of organization-member exchange (OMX) and relationship of organizational

justice with OCBS with the mediating role of LMX. The authors applied the model with some valuable changes in Malaysian culture and provide useful insight for managers to improve the level of OCBs. Over all the study is very well organized, address an unattended area; but the study seems to be failed to discuss the literature on organizational justice due to which reader may face difficulties to build logical connection between organizational justice and OCB. Further the study could not properly differentiate between the dimensions of OCBs that benefit to the individual and that benefit to organization.

The author made good attempt to collect the data from respondents and their supervisors but the problem in this scenario that there may some intergroup conflict that may bias the result. To improve the accuracy regarding OCB data, peer review should also be incorporated in the data. As for as statistical tools are concerned, Zero-order Correlations, Linear and Mediating Regression test have been applied to analyze the data. The data should also be analyzed through Structure Equation Model (SEM) that is commonly used for the model where mediating and moderating variables are included in the model.