

# The concept of organizational justice

[Law](#), [Justice](#)



How to distribute wages, awards, punishments, and promotions within an organization, how these decisions are taken, or how these decisions are transferred to employees can be defined as the way employees perceive it (İçerli, 2010). It can be evaluated when people's decisions and actions are fair or not, only when they are in a relationship with others. In this respect, at least two actors should be involved to talk about the concept of justice. These actors may be individuals or social units such as organizations and governments. Therefore, justice is very important in both individual and institutional relations of people (Çakır, 2006). At the core of the concept of organizational justice is the attainment of a result by comparing or evaluating the results of the efforts of other employees within the organization, the results of their own efforts. When we look at researches related to organizational justice, we can see that organizational justice perception is closely related to organizational outcomes such as organizational citizenship behavior, job satisfaction, labor force transformation, governance trust and organizational commitment, employees' reaction to wage increase decisions, employee health issues and organizational anti-citizenship behaviors, appear to be affecting these outcomes (Söyük, 2007).

Positive effects on all these outcomes can be seen when organizational justice is provided. But, when justice is not observed in labor relations, mutual trust is reduced and the business relationship is damaged. This situation can even cause the employee to leave the organization. Why are some employees more satisfied than others and what should BIM do?

According to the above-mentioned explanations about job satisfaction, the

key point is what employees want and what they have. The question is, which are more important for them and which are more valuable for them. Employees who are closest to their own value judgments and who have the most important values for them will be more satisfied. Initially, BIM managers should seek ways to ensure that employees are satisfied with their work, and should strive to develop and maintain it. The employee who is satisfied with the job will be able to make sacrifices for the organization when necessary. If employees have job satisfaction in their workplace, this can increase their interest in their job and become a self-sacrificing person for the organization, efficiency will increase, their relationship with their colleagues will improve, absenteeism will decrease, success will be inevitable.

According to my observations, BIM employees are not fully satisfied because they have to deal with more customers (when compared to the competitors) and have to do a lot of work at the same time (for instance: Store attendant can be a cashier when needed). However, the fact that they are in the form of small branches with many different locations, and that there is fewer staff in the branches, creates a more friendly atmosphere for the employees. Having fewer employees in branches makes it possible for employees to establish closer relationships with each other. Also, although Bim is not a very old brand, the organization has been able to create its own culture. For me, one of the main reasons for this is that the aim of service offered is a being cheap and high-quality brand that is made Bim popular and sympathetic brand to the public. Because of its sympathies to the BIM brand, the public respects and loves BIM employees. This affects the motivation of

the BIM employees positively and gives them the importance of the work they do. As a result, businesses need to build a strong organizational culture in order to survive and evolve. Organizational culture influences the way individuals and groups connected with each other, with clients, and with stakeholders. In addition, organizational culture may impact how much workers distinguish with their organization (Schrodt, 2002). Companies should develop organizational structures in a flexible, dynamic and focused on the person. Employees should be given a chance to get a promotion, be given responsibility, and establish a healthy communication mechanism within the organization. The goal of the organization should be to see employees as their own goals, to ensure that the superior-subordinate communication is good, and employees should be carried common values and beliefs. Bim seems to be quite successful in this matter.

### 8. SWOT ANALYSIS

SWOT analysis is a method of analyzing a company's strengths, weaknesses and potential threats and opportunities for the company. Examination of four aspects helps the company understand what the current situation is and what the future direction should be. (Stationary Office and Murray, 2010).

Strengths and weaknesses are about companies internal factors while threats and opportunities are about the companies external factors. With swot analysis, many internal and external factors can be examined. Thus, the company can see their current situation, advantages, and disadvantages, possibilities, and risks of the company, can take precautions in this direction, can make new moves, change the existing strategy.

## Strengths

The strengths of Bim Company are as stated below (Bim, 2018).

As the company's turnover and a number of stores to be the first company in Turkey and to have a positive image in the public.

The number of stores around 6. 765 makes it the closest store to the customer, the most common brand that can appeal to everyday shopping, having 1, 5 Billion customer visits per annum in 2017 (Bim, 2018).

The advantages of being the first representative in Turkey in the field of the company's high-discounting model.

When compared to the rivals, working with low-profit margin, avoiding any unnecessary expenditure, effective cost management, and store decoration, employees, distribution, marketing and advertising costs at the lowest level.

Due to high purchasing power, it is the largest buyer of many of the products it sells in Turkey and bargaining power. Bim has own market-leading brands, and these products are only sold in Bim, and their share in total turnover has reached 67%.

Having Bimcell that has reached 901 thousand subscribers in the field of mobile communication.

Operating in Morocco and Egypt and have a vision of opening abroad.

Strong balance sheet, financial structure and is one of the rare companies that are able to distribute profits to their investors due to profit each year. (The first quarter of 2018 was distributed at TL 1. 9 per share.) (Bim, 2018).

Decentralized, managed by general managers and each with its own in the form of regional organizations with management, personnel, and logistics organization.

Growing up with owners' equity, making a product distribution through its own logistics network, having warehouse and district office building ownership.

#### Weaknesses

The weaknesses of Bim Company are as stated below(Bim, 2018).

Inability to address upper-income classes due to cheap and poor quality brand recognition.

Not having implementations like promotions, campaigns, loyalty cards due to the " everyday lowest price" policy.

Inadequate customer relations, not responding to complaints, not interacting with customers.

Very unsuccessful performance in social media usage.

Not having a virtual market.

A limited product range with 600 units and the fact that these products cannot satisfy the changing customer needs and a customer cannot find all they want or need in BIM.

Insufficient vegetables-fruit section.

Addressing only everyday shoppers, customers who do shopping weekly or monthly, have weekly or monthly higher shopping basket size prefer other brands (because of the small variety of products).

The high level of the working area a staff member has to deal with compared to rivals.

Compared to their competitors, the revenue per square meter is low level.

Not selling of alcoholic drinks and cigarettes.

### Threats

The threats of Bim Company are as stated below(Bim, 2018).

Risks created by currency fluctuations.

Risks in the form of tax audits and penalties created by public institutions.

Changes to be experienced in health, hygiene, transport, workers' rights.

Risks to create negative news about the company in social media.

Destructive competition from competitors, informality in the traditional retail sector, the risk of entering the global companies in Turkey market.

Risks from natural disasters such as fire, flood, and risks of affecting operations such as accident, deterioration, negligence.

The risk of people stopping to shop at Bim with increased income.

With the high number of stores, one of Bim's stores will become a rival to the other stores (risk of hitting their own feet).

### Opportunities

The opportunities of Bim Company are as stated below(Bim, 2018).

Since the saturation point is approached by the number of stores, parking lots with large sales areas, cafeteria stores, and so on, targeting those who want to make weekly or monthly shopping.

Increase the number of products available in Bim, thus enhance the basket size per customer. (from daily shopping to monthly shopping)

Interacting with customers by using marketing opportunities more effectively through social media.

To be going at full blast in countries around Turkey, the Middle East, to Europe and to open up the Turkish Republic.

Establishing a virtual market.

Taking advantage of mobile payments and applications.

### Pest analysis



PEST analysis is a method of analysis that enables a company to understand its external environment in a wide range of political, legal, economic, social and technological aspects. This method is a large-scale analysis method that allows the external factors that affect the company to be understood.

(Stationary Office and Murray, 2010) Political and economic developments with the legal requirements considerably affect the current status and future planning of the company in Turkey. The Pest Analysis of Bim Company are as stated below(BİM, 2014).

Political and Legal:

Positive:

To win the last elections and is the strongest candidate in the upcoming elections by the current government is considered as an indicator of stability in the economy of Turkey.

Turkey's global economic system to be adapted to attract the attention of global actors, and to influence the development of the country.

Together with the European Union harmonization efforts, the existing laws and regulations to be brought into line with international standards make Turkey a center of attraction.

Negative:

Increasing opposition to the current government and corruption debates.

Uncertainties stemming from frequent general elections affect the politics of the country and its economy.

Uncertainties and controversial issues in the tax system negatively affect entrepreneurs.

Middle East war, civil disturbance, acts of terrorism in Turkey affect the country's politics and economy.

### Economical

Turkey is a developing country and it increases to a gross national product. (Kalkınma, 2018) The effects of the global crisis are diminishing and the country's economy is developing. (Kalkınma, 2018) Economic stability, reductions in public deficits, inflation, and reductions in unemployment rates are affecting the economy positively in recent years. (Kalkınma, 2018) The increase in the share of supermarkets or hypermarkets and shopping centers in Turkey. Because of the dependence of the economy on the inflow of foreign capital, political debates cause foreign capital outflows and exchange rate fluctuations. Foreign capital outflow can also cause interest rates to hike. Mergers and acquisitions in the retail sector reduce competition. Unregistered sectors and grocery stores hold cost advantages for businesses that are registered such as the supermarket sector. (TOBB, 2018)

### Social

Turkey's population is growing. This means new customers for supermarkets. Urbanization is increasing and cities are growing in Turkey. This means new

markets and stores for supermarkets. People who live in the city consume more market products than in the past. With the increase in income and wealth levels, people are changing their eating habits and making more purchases. Having a young population structure of Turkey's population can mean a lower level of income and shopping. Consumer consciousness has been able to reduce demand for market products in recent years as people turn to more natural products. Turkish people have a habit of shopping in the district bazaars to consume fresher products negatively affects the income of the supermarket sector.

### Technological

New developments and technology increase the shelf life of products and decrease costs. Technological developments cause to employ fewer workers in the retail industry. Camera and other security systems prevent theft. With new software systems, inventory control is simplified. Online stores are reducing costs to the supermarket sector. Social media causes to improve customer relationships and to decreases the marketing costs of companies. The presence of online stores has increased competition. People can compare prices more easily with the internet channel and can identify cheap stores. An unfavorable share in social media can cause great damage to the image of the company very quickly.

### Porter's 5 Forces

For a company to develop its competitive strategy, there is a need to analyze the sector and its competitive environment. According to Porter, the

5 Force Model is the best tool the company can use to make this analysis. According to the model, the company that analyzes the sector and the competitive environment should choose one or both of the two directions by making a strategic choice. These options: 1) Low cost, 2) Differentiation (Porter, 2008) The 5 force analysis of Bim company is as stated below.

### Rivalry

Among Existing Firms Concentration ratios in fast moving consumer goods retailing in Turkey are very low compared with other European countries. The four largest retailers (CR4) market share of 91% in Sweden, 68% in the UK, Germany, 67% and 65% in France, this rate is reported to be about 18% in Turkey (Rekabet Kurumu, 2018). However, competition conditions in the food retailing sector are changing in regions and provinces. For this reason, it will be more accurate to examine the examination at the regional and provincial level. In this context, when the concentration ratios of region and province are examined, concentration ratios in the Aegean region, especially in İzmir are higher than in other regions. On the other hand, the high share of traditional retailing in the sector and unregistered trade in this area creates unfair competition. As organized retailing has developed, many investors with limited knowledge and experience are entering this field and increasing the competition within the sector, causing sales to the detriment. As a result of all these factors, there is a tendency for pricing in the sector and there are conditions that create unfair competition. (TOBB, 2018).

The high potential of the food retail sector leads to increased competition. The intensity of competition in the sector causes the sector to exhibit a

structure that differs in the form of hypermarkets, supermarkets, and discount stores. In an increasingly growing and scattered sector, acquisition and mergers for chains that have a low market share but want to grow, are seen as an important strategy in the recent times and it is likely that this trend will be seen among nationally recognized retailers in the coming years. As a result, Bim is in a highly competitive environment with both retailers and traditional retailers.

#### Threat of Substitute Products

The substitutions to the organized retail sector vary according to the product groups. For example, in food, beverage, and other consumer goods, the organizing in the product group is the alternative to the traditional retail market and groceries. The power of these alternatives to the organized retail sector is low. However, in groups such as clothing and electronic products, the supermarket chains compete against other strong chain stores again. For this reason, the alternatives in the product groups are quite powerful.

#### The Bargaining Power of Suppliers

In the food retailing sector, the power of the suppliers is quite weak. The presence of the power difference between the provider and distributor in Turkey, distribution groups cause their conditions to make impose by the manufacturer, provider or suppliers. In fact, retailers are able to make additional collections such as listing price, shelf price, electricity price, promotional participation fee and sometimes they can not pay the payments

to the suppliers. Accordingly, Bim is in a strong position in the sector against its suppliers.

### The Bargaining Power of Buyers

It is stated that Bim company is in a highly competitive environment with both organized retailers and traditional retailers. The main determinant factor in the food retailing sector in this framework is the consumer. This sector develops and manages all its programs on the basis of its target audience. To reach the target group, it has to be offered at reasonable prices, high quality, and abundant variety. The industry has to keep pace with consumer demands, use different sales channels and make use of the latest technology (TOBB, 2018). Retailers that meet these criteria will be preferred by consumers. On the other hand, convenience such as parking space, ATM, restaurant, cafeteria, toilet are also factors that affect the preferences of the buyers before they shop. In short, while consumers decide before shopping; – Reasonable price – quality product – plenty of variety – parking area, transportation, cafeteria, restaurant. They conduct research on those facilities and make the best decision for themselves. Due to the existence of alternative retail stores and the above -mentioned issues, Bim business operates in a sector where buyers have a high power.

### Threat of New Entrants/Potential Competitors

As it has been mentioned earlier, organized retailing has developed, many investors with limited knowledge and experience have entered into this field and to increase their internal competition and cause sales to the detriment.

On the other hand, there are no heavy conditions required for the opening of the supermarket. For this reason, the Bim operates in a sector where entry barriers are not high.