



# Impact of Procedural Justice on Job satisfaction, Organizational Commitment and Turnover Intension of Faculty: Empirical Evidence from Pakistan

**Zia ur Rehman**, Elementary Teacher, KP Worker Welfare Board, Peshawar, [zr.babar@gmail.com](mailto:zr.babar@gmail.com)

**Saima Batool**, Associate Professor and Dean, Department of Business Administration, NUR International University, Lahore, [saima.batool@niu.edu.pk](mailto:saima.batool@niu.edu.pk)

**Sirajud Din**, Assistant Professor, Department of Management Sciences, Khushal Khan Khattak University, Karak, [dr.siraj@kkkuk.edu.pk](mailto:dr.siraj@kkkuk.edu.pk)

**Shumaila Hashim**, Associate Professor, Institute of Business Administration, Gomal University, DI Khan [shumailahashim@gu.edu.pk](mailto:shumailahashim@gu.edu.pk)

**Abstract-** The main objective of this study were to see the impact of procedural justice on employee's outcome (i.e job satisfaction, organizational commitment and turnover intention). For the said purpose data was collected from the faculty of Gomal University D.I.Khan. The researcher collected the data through the tool of questionnaires. 165 questionnaires along with covering letter which explained the purpose of the research were distributed. The responses were recorded on 5 point likert scale 1 represented (strongly agree) and 5 (strongly disagree). Data was analyzed through 'Statistical Package for Social Science' (SPSS 17). Correlation and regression were employed for analyzing the data. The result shows that there is a significant impact of procedural justice on job satisfaction and organizational commitment and very low impact on turnover intention. Therefore this study recommend for employers to decide and know the proper selection and retention of qualified individual as employees, increase their loyalty towards an organization and their work, decrease the level of quitting from an organization and flourish the performance of the employees.

**Key words:** Procedural Justice, Job Satisfaction, Organizational Commitment, Turnover Intension

## I. INTRODUCTION

History testifies that those societies and nations doomed where justice was flouted and those societies flourished where justice was upheld. Similarly, a glance over management related literature reveals that organizational performance and productivity have always been directly related to the state of motivation and level of commitment of its employees. Amongst many factors that shape employee's motivation at work place include the fulfillment of employee's needs and organizational justice (Kreitner & Angelo, 2002). The main components of organizational justice are 'distributive justice' and the 'procedural justice'. Procedural justice refers to the perceived fairness and the transparency in the decision making procedures followed in resource allocation or disputes resolution. Whereas, distributive justice is defined as the perceived fairness of how resources or rewards are allocated (Kreitner & Angelo, 2002).

## II. LITERATURE REVIEW

### Procedural Justice

The concept of 'procedural justice' is less conceptual and more methodological. It is that technique pertaining to the procedures and ways through which a decisive judgment is passed and which is regarded as fast and final (Ding & Lin, 2006; Farmer et al., 2003). Some others are of the opinion that it is members' views about the equitable judgment on the part of the authority concerning the procedures which will eventually settle the dispute (Ding & Lin, 2006; Byrne, 2005; DeConinck & Bachmann, 2005; Greenberg, 2004; Elovainio et al., 2004; Aryee et al., 2002; Greenberg, 2001). 'Procedural justice' is a bit red-taped. It demands a strict adherence to organizational policies and rules on the part of the members. Not only it limits members, it also gives power and authoritative right to the management to take control of any anomalies if they arise. As a result the members admit to the decisions of the authorities and find themselves obligated to their organization (Tallman et al., 2009). Procedural justice encompasses all the rules and regulations of a certain service structure. It includes the laws for selection, "promotion",

temporary suspension, full dismissal, reinforcement, privileges and other likely related parts of a service structure as a whole, within the particular jurisdiction of an organization (Roch & Shanock, 2006).

### **Job Satisfaction**

Ghazali et al. (2007) considers “job-satisfaction” as a complicated work of many different factors. A job is not a single and concrete unit to be taken as a whole. Rather it is the combination of many different parts of a particular job. An employee might be happy with some parts of his job but not with others. According to him a “doctor” is a person who cures the ill and his very sense of “doctor ship” seems very illuminating due to which some doctors become arrogant. But the job i.e. ‘the practice’ and attending to the patients is really a difficult one which might cause a sense of dissatisfaction for the doctors. This dissatisfaction and indifference may be due to his relationship with nurses and other doctors, the “administration”, department and the ill people even.

Khan (2004) argues that “motivation is related to and the result of monetary and non-monetary factors. Increase in salary and other privileges related to salary should be sufficient enough to fulfill basic human urges. But not only is “motivation” the result of increment in salary; there is much like societal and psychological needs that need to be fulfilled and as a result motivates the teachers. Among such societal and psychological needs self-respect, reliability of employment status, co-work relations, promotion, job conditions, job stress and production are the most important ones. The same concept has been clarified by Luthans (2005) that the main factors responsible for “job-satisfaction” are nature of work, salary, progress, monitoring, and interpersonal relationship among the workers. Masterson et al. (2000) investigated that procedural justice is positively correlated with job satisfaction. Khan & Habib (2011) testifies that there are positive relationship between procedural justice and job satisfaction.

### **Organizational Commitment**

Organizational commitment is not limited to some persons. Each and every one should be the possessor of it whether he/she is from the ‘administration’ or the ‘labor’ for the flourishing of their organization. Employees and organization are chained in a symmetrical relationship with each other. Each of them is the medium for the other. The organization has to show loyalty towards its employees only if it gets an equal loyalty from them. Both are dependent on each other. In the same way organizational motives can be achieved if there is smooth and equal help, care and consideration among the workers (Ratmawati, 2007).

Aamodt (2007) is of the view that it has been proved by research done that the employees, who are satisfied regarding the wages and other privileges, are often seen agreed to be loyal to their parent institutions. Such gratified employees seem to be committed to work, remain attached to the organizations for longer time, are punctual, show greater potentiality and performance and make themselves engaged in such functions which are thought as helpful in the long run for an organization. Bakhshi et al. (2009) contends that procedural justice is strong predictors of organizational commitment. McDowall and Fletcher (2004) also stated that, procedural justice would be significantly and positively correlated with organizational commitment.

### **Turnover Intension**

The decision to leave an organization is directly proportional to an employee’s satisfaction with his/her job. Employees do not leave their parent organization unless and until they are dissatisfied with their jobs and incentives, related with it (Vecchio, 2000). In some cases it is also observed, that quitting a forum is not necessary in all conditions. Some time and at some places, the unemployment rate becomes very high and an employee has no choice but to work in the same organization despite the fact that s/he feels dissatisfied with the privileges and salary, s/he gets at present (Peerbhai, 2006).

## Research Model

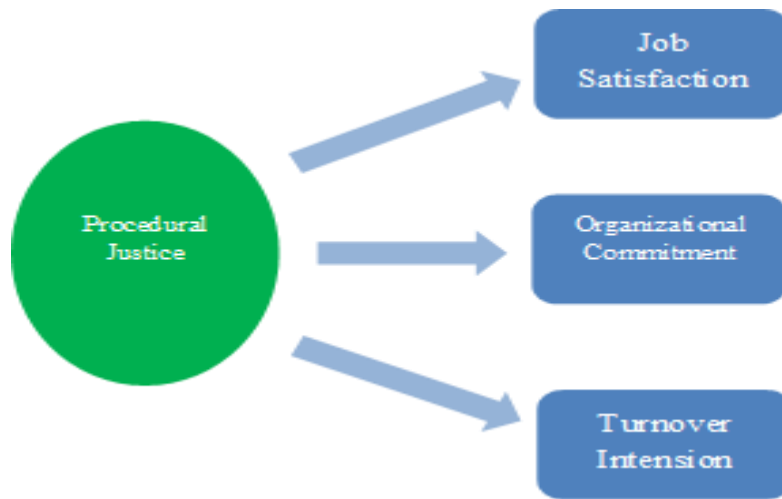


Figure 1 Research Model

## Objectives

The present study based on following objectives:-

1. To explore the relationship between procedural Justice, job satisfaction, organizational commitment and turnover intentions.
2. To determine the impact of procedural Justice on job satisfaction, organizational commitment and turnover intentions.

## Hypotheses

**H<sub>1</sub>:** The independent (PJ) significantly correlated with OS, OC & TI.

**H<sub>2</sub>:** The predictor determine job satisfaction (OS).

**H<sub>3</sub>:** The predictor explain organizational commitment (OC).

**H<sub>4</sub>:** The predictor explain turnover intension (TI).

## III. METHODOLOGY

The existing research shows that survey research is the most frequently used approach, where the researcher selects a sample of respondents and administers a standardized questionnaire to them. Surveys are effective tools for measuring attitudes and orientations in a large population. Surveys can be used for descriptive, explanatory, and exploratory research purposes (Babbie, 1993). Therefore the researcher adopted survey approach.

## Population

The concept of population has been defined by Sekaran (2003) that it includes all the persons of a certain groups, objects, which are the focus of the study, and incidents and elements in which the scholar is interested and desires to make enquiries about them. The Population of this study consists of all the academic staff (280) working in Gomal University DI Khan, Khyber Pakhtunkhwa, Pakistan.

## Sample

According to Sekaran (2003) a sample is the method of collecting an enough amount of parts or elements from the population. He further goes on to say that the proper study of the sample and a deep knowledge of its various parts or characteristics will make it easy for us to understand and generalize in the end those properties which are associated with the population. In this study a sample of 165 academic staff of

Gomal University would be randomly selected. To compute the sample size using Yamane (1967) formula for selecting a sample from a "Finite Population":

$$n = \frac{N}{1 + Ne^2}$$

N = Population (280); Level of Significance "e" = 0.05 & n = Sample size;

$$n = \frac{280}{1 + 280(0.05)^2}$$

$$n = 165$$

## Measurement

An adapted questionnaire was used for data collection. This questionnaire has four parts consists of procedural justice, job satisfaction, organizational commitment and turnover intension on five point Likert scale having options from strongly agree to strongly disagree. Researcher received 120 correct and filled questionnaires. (80% response rate).

## IV. DATA ANALYSIS

Data were analyzed by using software SPSS-17 version. The following statistical techniques were applied to analyze the data:

### Reliability Analysis

Variable	Cronbach's Alpha	No. of Items
Procedural Justice	.768	6
Job Satisfaction	.716	6
Organizational Commitment	.904	6
Turnover Intention	.903	3

If Cronbach's alpha is less than 0.6 it means that the instrument used has a low reliability (and so open up for some errors). But if its value is within 0.7, the instrument then is acceptable (Sekaran, 2003). The internal consistency Reliability coefficients (Cronbach's alpha) for the scale used in the current study were all above the level of 0.7 and thus acceptable for the purpose of analysis.

### Correlation Analysis

**H<sub>1</sub>:** The independent (PJ) significantly correlated with OS, OC & TI.

	Mean	SD	PJ	JS	OC	TI
PJ	18.74	4.715	1			
JS	24.01	3.866	.521**	1		
OC	26.13	4.633	.382**	.461**	1	
TI	4.91	2.463	-.242**	-.374**	-.763**	1

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

Table 2 shows that there is statistically significant positive relationship between procedural justice and job satisfaction ( $r=0.521$ ,  $p<0.001$ ), procedural justice and organizational commitment ( $r=0.382$ ,  $p<0.001$ ) and negative relationship between procedural justice and turnover intension ( $r=-0.242$ ,  $p<0.001$ ). Therefore  $H_1$  is accepted.

### Regression Analysis

$H_2$ : The predictor determine job satisfaction (OS).

Table 3 Model Summary

Model	R Square	F	ANOVA	
			Sig.	
Regression	0.271	43.868	0.000	

a. Predictors: (Constant), PROCEDURAL JUSTICE

b. Dependent Variable: JOB SATISFACTION

27.1% variance in job satisfaction is explained by procedural justice, which is evident by the value of  $R^2 = 0.271$ ,  $F = 43.868$  at  $P = 0.000$  explains the model's goodness of fit.

Table 4 Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
	(Constant)	2.668	0.208			12.852	.000
	PROCEDURAL JUSTICE	0.427	0.064	0.521		6.623	.000

a. Dependent Variable: JOB SATISFACTION

The value of Beta in table 4 indicates that procedural justice has 52.1% impact on employee's job satisfaction. The value of  $t = 6.623$  at significance level of 0.001 is the evident of significant positive relationship between independent and dependent variable. Therefore,  $H_2$  were accepted.

$H_3$ : The predictor explain organizational commitment (OC).

Table 5 Model Summary

Model	R Square	F	ANOVA	
			Sig.	
Regression	0.146	20.128	0.000	

a. Predictors: (Constant), PROCEDURAL JUSTICE

b. Dependent Variable: ORGANIZATIONAL COMMITMENT

14.6% variance in organizational commitment is explained by procedural justice, which is evident by the value of  $R^2 = 0.146$ ,  $F = 20.128$  at  $P = 0.000$  explains the model's goodness of fit.

Table 6 Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
	(Constant)	3.184	0.269		11.826	.000
	PROCEDURAL JUSTICE	0.375	0.084	0.382	4.486	.000

a. Dependent Variable: ORGANIZATIONAL COMMITMENT

The value of Beta in table 6 indicates that procedural justice has 38.2% impact on organizational commitment. The value of  $t = 4.486$  at significance level of 0.001 is the evident of significant positive relationship between independent and dependent variable. Therefore,  $H_3$  were accepted.

**H<sub>4</sub>:** The predictor explain turnover intension (TI).

Table 7 Model Summary

Model	R Square	ANOVA	
		F	Sig.
Regression	0.059	7.360	0.008

a. Predictors: (Constant), PROCEDURAL JUSTICE

b. Dependent Variable: TURNOVER INTENSION

05.9% variance in turnover intension is explained by procedural justice, which is evident by the value of  $R^2 = 0.059$ ,  $F = 7.360$  at  $P = 0.008$  explains the model's goodness of fit.

Table 8 Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	2.427	0.301		8.076	.000
	PROCEDURAL JUSTICE	-.253	0.093	-.242	-2.713	.008

a. Dependent Variable: TURNOVER INTENSION

The value of Beta in table 8 indicates that procedural justice has -24.2% impact on turnover intension. The value of  $t = -2.713$  at significance level of 0.008 is the evident of negative relationship between independent and dependent variable. Therefore,  $H_3$  were rejected.

## V. CONCLUSION AND RECOMMENDATION

This study is conducted for evaluating the impact of procedural justice on employee's outcome (i.e job satisfaction, organizational commitment and turnover intention). Academic staff of Gomal University would be randomly selected as a sample. The researcher collected the data through the tool of questionnaires. 165 questionnaires along with covering letter which explained the purpose of the research were distributed in which 129 were returned. The researcher removed 9 questionnaires because they were incomplete. The remaining 120 questionnaires were used for research purpose. The responses were recorded on 5 point likert scale 1 represented (strongly agree) and 5 (strongly disagree).

The result shows that there is a significant impact of procedural justice on job satisfaction and organizational commitment and very low impact on turnover intention. Therefore this study recommends for institutional head to decide and know the proper selection and retention of qualified individual as employees, increase their loyalty towards an institution and their work, decrease the level of quitting from an institution and flourish the performance of the employees. Bring fair policy in the institution, avoid discriminating practices, and treat all employees equally in order to enhance job satisfaction and commitment.

## VI. FUTURE DIRECTION

Some future directions for further research, other area of Gomal University such as job stress, resolving the employee's conflicts, sexual harassment, resolving the salary/pension problems, emotional and psychological causes of job satisfaction need to be scrutinized. In this research the population was Gomal University Dikhan which is one university of Khyber Pakhtunkhwa, there is need to be researched the other universities of Khyber Pakhtunkhwa to find out the more significant results.

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