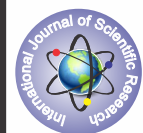


## Procedural Justice, Distributive Justice and Interactional Justice as the antecedents of Employee Engagement



### Management

**KEYWORDS:** Perceived Organizational Justice, Employee Engagement, Payroll, Motivation.

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### ABSTRACT

*The purpose of this research is to find out influence of various dimensions of perceived organizational justice on employee engagement. The primary data is collected through questionnaires. Questionnaire are given the sample for this study was drawn from the Staffing services. A structured self-administered questionnaire was presented in person to contract based employees who are under the payroll. Using non-probabilistic sampling method, 100 samples were taken for the study. The data coded in SPSS was processed was analyzed through correlation and regression tests and the same was presented on tables. The interpretation of the analyzed based on the significance value obtained while conducting correlation and regression. The major respondents belong to the age group of 18-25 (55.75%) and most of them are male employees (64.79%). Even 64% of the respondents are unmarried, so what motivates to a married employees may not be motivating to an unmarried employees. From the analysis it is clear that there is a significant relationship between procedural justice and Employee engagement, distributive justice and employee engagement, interactional justice and employee engagement.*

### Introduction:

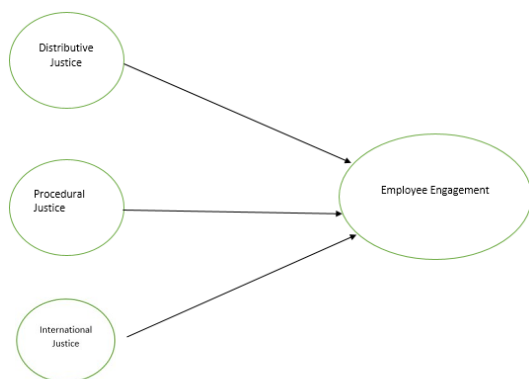
Employee engagement has emerged as a popular organizational concept in recent years. It is the level of commitment and involvement of an employee towards the organization and its values. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. Employee engagement develops positive attitude among the employees towards the organization. It focuses on various factors which lead to employee engagement and what should company do to make the employees engaged. Proper attention on engagement strategies will increase the organizational effectiveness in terms of higher productivity, profits, quality, customer satisfaction, employee retention and increased adaptability. Employers now realize that by focusing on employee engagement, they can create more efficient and productive workforce. Any initiatives of improvement which are taken by management cannot be fruitful without wilful involvement and engagement of employees. The employee engagement has been defined as emotional and intellectual commitment to the organization (Bauru 2004, Richman 2006 and Shaw 2005) or the amount of discretionary effort exhibited by employees in their job (Frank *et al* 2004).

### Literature Review

Engagement is the measure of an employee's emotional and intellectual commitment to their organization and its success. **Truss *et al* (2006)** define employee engagement simply as 'passion for work', a psychological state which is seen to encompass the three dimensions of engagement discussed by Kahn (1990), "Employee engagement – also called 'commitment' or 'motivation' – refers to a psychological state where employees feel a vested interest in the company's success and perform to a high standard that may exceed the stated requirements of the job". **Kahn (1990)** defined employee engagement as 'the harnessing of organization members' selves to their work roles. In engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. The cognitive aspect of employee engagement concerns employees' beliefs about the organization, its leaders and working conditions. The emotional aspect concerns how employees feel about each of those three factors and whether they have positive or negative attitudes toward the organization and its leaders. The physical aspect of employee engagement concerns the physical energies exerted by individuals to accomplish their roles. Thus, according to Kahn (1990), engagement means to be psychologically as well as physically present when occupying and performing an organizational role. Engaged employees work with passion and feel a profound connection to their company.

One of many reasons that cause an individual turnover intention is closely related to organizational justice which denotes the fairness and evaluation of treatment received by an individual in the organization (Cropanzano & Greenberg, 1997). It is, in other words, associated with the ways in which employees determine whether they have been treated fairly in their jobs or other work-related outcome. Considerable attention has been devoted to the dimensionality of organizational justice, leading to the conclusion that employees distinguish three forms of justice (Niehoff and Moorman, 1993) (1) distributive justice (fairness of the outcomes that the employee receives); (2) Procedural justice (fairness of the procedures used to determine those outcome allocation decisions) and (3) interactional justice (fairness of communications or interpersonal treatment that accompanies an organization's formal procedures). **Distributive justice** refers to the employees' perception of fairness in the workplace by comparing their inputs/outcomes received from the organization. Distributive justice highlights the employees' response to the fairness of the treatment or distribution of rewards such as pay, promotions, bonuses, job security and layoffs received from the organization. Distributive justice may also be important in predicting personal-level outcomes such as pay satisfaction, job satisfaction and to have a significant negative influence on turnover intentions. **Procedural justice** on the other hand reflects the extent to which employees perceive that the outcome allocation decisions were fairly made in relation to the organization's formal procedures and treatment given in enacting those procedures (Moorman, 1991). These procedures not only offer employees control over the outcomes they received but ensure those outcomes are fair. Roch and Shanock (2006) argued that procedural justice consisted of procedures associated with determining promotion, terminations, performance ratings, bonuses or any valued items that organizations make available. In turn, fair procedures can bring benefits to organizations in the form of effective job behaviors and positive work attitudes. Past research evidence has revealed that procedural justice may have strong effects on employees' attitudes noted that procedural justice would result in stronger attachment to the organization, particularly for those who experience being respected by the organization. Loi *et al* (2006) proved that there is a strong positive relationship between procedural justice and effective commitment and this is significantly related to turnover intentions (Khatry *et al.*, 2001; Dailey & Kirk, 1992). **Interactional justice**, on the other hand, refers to the fairness the employees' perceive when they have been communicated with in a sensitive and respectful manner and are treated with courtesy And dignity in their organizational practices (Cohen-Charash & Spector, 2001). Interactional justice has been commonly associated with

personal-level outcomes such as supervisory relationships organizational citizenship behavior, job satisfaction, and job performance. One of the study examined effects of three dimensions of organizational justice on salesperson perceived organizational support (POS), perceived supervisor support (PSS), performance, and actual salesperson turnover in a business-to-business setting using a sample of 384 salespeople. Results indicated that PSS is an indirect predictor of turnover intentions through POS and performance. Organizational commitment mediated the relationship between POS and turnover intentions. Procedural justice had a direct, positive influence on performance. Distributive justice, procedural justice, and interactional justice were indirect predictors of turnover through other variables. The salesperson's performance was related directly to both turnover intentions and turnover (James B. De Coninck *et al* (2009). The researchers tested a conceptual model linking distributive and procedural justice to employee engagement through social exchange mediators, namely perceived organizational support (POS) and psychological contract, among 238 managers and executives from manufacturing and service sector firms in India. Findings suggest that POS mediated the relationship between distributive justice and employee engagement, and both POS and psychological contract mediated the relationship between procedural justice and employee engagement (Soumendu Biswasa, *et al* (2013). Researchers have explored that perceptions of distributive, procedural and interactional justice are related to employee engagement, as an extension of the antecedents-consequences model of Saks (2006), and examined the possibility of inter-relationships between these three dimensions of justice (Piyali Ghosh *et al* 2014).



On the basis of above literature the following hypothesis can be framed:

- H1: There is a relationship between perceptions of distributive justice and employee engagement.  
 H2: There is a relationship between perceptions of procedural justice and employee engagement.  
 H3: There is a relationship between perceptions of interactional justice and employee engagement.

## Research Methodology

### Research objectives

- To study various constructs of Perceived organizational justice and employee engagement at consulting firms.
- To know the impact of three dimensions of organizational justice i.e., Distributive Justice, Procedural Justice and Interactional Justice on Employee Engagement in consulting firms.

### Primary data source:

The primary data is collected through questionnaires. Questionnaire are given the sample for this study was drawn from the Staffing services. A structured self-administered questionnaire was presented in person to contract based employees who are under the payroll.

## Measures

The questionnaire consisted of Likert-type scales to measure each of the constructs being explored. Employee engagement was assessed using the Utrecht Work Engagement Scale developed by Schaufeli & Bakker (2003). For the instrument, the predictor variable of organizational justice (OJ) was measured using a 25 items scale developed by Niehoof and Moorman (1993). The justice scale consists of three dimensions measuring perceptions of distributive justice (DJ) with 5 items, procedural justice (PJ) 6 items and interactional justice (IJ) with 9 items respectively. The criterion variable, Employee Engagement was measured via a 26-item scale adapted from. Responses to all items were made on a 5-point Likert scale ranging from (1) "Strongly Disagree" to (5) "Strongly Agree". In addition, respondents' demographic profiles such as age, gender, marital status, educational level, job position, tenure using nominal scales were also asked.

## Sample

Using non – probabilistic sampling method, 100 questionnaires were distributed to the managers and employees that were willing to participate in the study. The 75 employees filled out a questionnaire with questions about their job satisfaction, justice perceptions. The anonymity of the employees was ensured.

## Tools

The data coded in SPSS was processed was analyzed through correlation and regression tests and the same was presented on tables. The contributions of various drivers to employee engagement was analyzed and presented in the form of pie charts by considering each and every factors and its significant contribution to employee engagement. The interpretation of the analyzed based on the significance value obtained while conducting correlation and regression.

## Hypothesis testing

- H0a: There is no significant relationship between Distributive justice and Employee engagement.  
 H0a: There is no significant relationship between procedural justice and Employee engagement.  
 H0c: There is no significant relationship between Distributive justice and Employee engagement.

## Alternative hypothesis:

- H1: There is significant relationship between Distributive justice and Employee engagement.  
 H2: There is significant relationship between procedural justice and Employee engagement.  
 H3: There is significant relationship between Distributive justice and Employee engagement

## The correlation between Distributive Justice and Employee engagement.

		Mean DJ	Mean EE
Mean EE	Correlation coefficient	1	0.012
Spearmans correlation	Sig. (2-tailed)		0.168
	N	71	71
Mean DJ	Correlation correlation	0.166	1
	Sig. (2-tailed)	0.168	
	N	71	71

By analyzing the correlation between Distributive Justice and Employee Engagement, the significant value ( $r=0.012$ ) is less than 0.05 hence we accept the alternative hypothesis and hence there is relationship between Distributive Justice and Employee Engagement.

## The relationship between Procedural Justice and Employee Engagement

**Correlations**

		Mean PJ	Mean EE
Mean EE	Pearson correlation	1	0.084
	Sig (2-tailed)		0.03
	N	71	71
Mean PJ	Pearson correlation	0.084	1
	Sig. (2-tailed)	0.485	
	N	71	71

By analyzing the correlation between Procedural Justice and Employee Engagement, the significant value ( $r=0.03$ ) is less than 0.05 hence we accept the alternative hypothesis and hence there is a relationship between Procedural Justice and Employee Engagement.

### The relationship between Interactional Justice and Employee Engagement

**Correlations**

		Mean IJ	Mean EE
Mean EE (Spearman correlation)	Correlation coefficient	1	0.021
	Sig.( 2-tailed)		0.00
	N	71	71
Mean IJ	Correlation coefficient	0.000	1
	Sig.(2- tailed)	71	71
	N		

By analyzing the correlation between Interactional Justice and Employee Engagement, the significant value ( $r=0.021$ ) is less than 0.05 hence we accept the alternative hypothesis and hence there is a relationship between interactional Justice and Employee Engagement.

### Limitations of the study

In spite of sincere efforts on the part of the researchers, this study has some limitations.

First, sample size was relatively small, which may result in reducing the statistical significance of the results

Second, the three dimensions of organizational justice have been modeled in a linear manner using traditional correlation. However, given the complex relationship already established between these dimensions could definitely lead to more interesting insights on the inter-relationship among these three dimensions.

Third, the extent to which these findings generalize to respondents working in private companies in India is not clear, as these companies may have different procedures, outcome distribution and interpersonal processes or treatment of individuals, which may cause different perceptions of employees towards distributive, procedural and interactional justice.

Our study has only taken three dimensions of justice i.e. distributive, procedural, and interactional and two forms of engagement, i.e. work and Oes.

Further the respondents might have been biased in giving responses to the questionnaire.

The time constraint in collecting responses from the population was found.

Even the sample collected may not be the whole representative of population.

### Findings

The major respondents belong to the age group of 18-25 (55.75%) and

most of them are male employees (64.79%). Even 64% of the respondents are unmarried, so what motivates to a married employees may not be motivating to a unmarried employees. There by becoming one reason for not getting engaged to organization. Most of the employees are less than a year, this is one reason for not getting committed to organization than compared to those employees who are having tenure of more than 4 years. From the above interpretations it is clear that there is a significant relationship between procedural justice and Employee engagement, distributive justice and employee engagement, interactional justice and employee engagement.

### Conclusions

Most drivers that are found to lead to employee engagement are non-financial in their nature. Therefore, any organization who has committed leadership can achieve the desired level of engagement with less cost of doing it. This does not mean that managers should ignore the financial aspect of their employees. In fact, performance should be linked with reward. Nevertheless, this is simply to repeat the old saying of Human Relations Movement which goes as social being, human resource is not motivated by money alone. The pay and benefits are equally important to every employee, good or bad. A company's pay should at least be comparable to the market average. However, bringing pay and benefits package up to market levels, which is a sensible first step, will not take a company organizational success.

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