

# VALIDATION OF FACTORS OF ORGANIZATIONAL JUSTICE IN THE COMMERCIAL BANK- A STUDY WITH REFERENCE TO CHENNAI CITY

Nalini Mohanarangan<sup>1</sup>, Dr. M.Chandran<sup>2</sup>

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<sup>1</sup>Research Scholar, Department of Commerce, Vels Institute of Science Technology and Advanced Studies (VISTAS), Pallavaram, Chennai, Tamil Nadu, India-600117

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<sup>&</sup>lt;sup>2</sup>Research Supervisor and HOD, Department of Commerce, Vels Institute of Science Technology and Advanced Studies (VISTAS), Pallavaram, Chennai, Tamil Nadu, India-600117

#### 1. Introduction

#### **Organizational Justice**

In the current business climate, any company's capacity to survive and prosper largely depends on the individuals who work there. Whether the organisation will achieve its goals depends entirely on the attitudes and work behaviours of these individual's objectives. The attitudes of the workforce and how they view the company are key factors in whether they'll stay on staff with the company or not. the attitudes of workers Injustice inside the company can have a variety of effects, both good and bad negative. Results are influenced by opinions about organisational justice in general or by various elements that affect organisational justice. Frequently cited results impacted by Trust, performance, job happiness, organisational commitment, organisational citizenship behaviours (OCBs), and counterproductive work behaviours are all parts of organisational justice (CWBs) turnover, emotional weariness, and absenteeism

The traditional employment relationship has undergone a significant transformation as a result of the nature of globally competitive markets, new trends in corporate restructuring, slow-growing economies, and a strong concentration on short-term earnings, which puts pressure on companies to make quick adjustments. Without the employees' consent, modern firms cannot contribute to the organization's survival and mission. Both employers and workers require confirming the contributions (Rousseau, 2004). To maintain skilled workers in the organisation How to create an atmosphere is the primary challenge faced by each firm that encourages the formation of emotional ties among members. One of the major issues in organisational and human resources (HR) is the goal of turnover management. In addition to raising the cost of hiring employees, turnover also depletes the organization's knowledge capital and damages its reputation (Liu, Liu, & Hu, 2010). Employees assess their job experiences based on whether they were fair and whether their employers showed them personal interest. If Whenever a choice is viewed favourably by employees, the employment relationship is more likely to consist of stronger dedication and job satisfaction (Colquitt, Conlon, Wesson, Porter, & Ng, 2001). There are unfavourable responses to the organisation, such as bad performance, Intentional turnover and absence when employees have experienced unfair conclusions or (Ciftcioglu, 2010)

## Effectiveness of organizational justice

Turnover is the permanent voluntary or involuntary departure from an organisation (*Robbins 2005*). It also refers to the frequency with which workers

leave their occupations. High employee turnover has a negative impact on the company. High employee turnover costs are significant since they involve possible impacts in addition to the direct cash cost of replacing workers' loss of important abilities, information, and experience, as well as the detrimental consequences on employee morale. High turnover also places a heavy burden on line managers and human resources. According to *Hassan* (2002), the likelihood of leaving the company will be lower if the allocation Decisionmaking, a kind of distributive justice, and allocation, a form of procedural justice are seen as being just. Organizations must act justly and fairly. (*Rousseau*, 2004).

Review of the Literature

(Greenberg, 1993). Organizational justice refers to how a person or group perceives the fairness of the treatment they receive from an organisation and how they act in response to those perceptions.

Robbins et al., (2012). (p. 212). Employees regard their companies as just when they think the results they have received and how they have been received are fair, according to

*Taylor*, 2000 Three parts of the justice notion have been conceptualised: distributive, procedural, and interactions between justice

(Adam, 1965The fairness of an employee's results, such as their pay and promotions, is a problem of distributive justice. It is concerned with how fairness is perceived in organisational allocations and results (Tremblay & Roussel, 2001), Employees are prone to compare themselves to a variety of people at work including co-workers in the same organisation and employees in positions that are similar to their own jobs in other organisations, as well as to staff members doing comparable work in the same organisation. The relationship between an individual's pay and Obviously, it matters how much the individual believes they should be paid.

(Colquitt et al., 2001The perceived fairness of the procedures used to decide organisational outcomes are referred to as procedural justice. It is defined as "the perceived fairness of the method used to decide how rewards are distributed"

(*Cropanzano & Greenberg, 1997*). Process control and explanations are considered the key element of procedural justice. Process control is the opportunity to present one's point of view about desired outcomes to decision-makers, while explanations are clear reasons that management gives for the outcomes

(Greenberg, 1990)An individual's impression of how well they are treated with respect, concern, and dignity is known as interactional justice. It relates to how decision-makers interact with employees and the suitability of which explains the formal decision-making processes.

(*Deluga*, 1994, )The actions of the supervisor that foster trust include "availability, competence, consistency, discretion, fairness, honesty, loyalty, openness, promise fulfilment, openness, and overall confidence.

(Skarlicki & Folger, 1997). Informational justice represents opinions about fairness that are based on explanations for judgments, comments received, and justifications for those decisions. Employees retaliate when they feel they are not being treated fairly (for example, they may denounce a manager.

### Objective of study

- To investigate the effect of organizational justice on employee performance.
- To examine the effect of Job satisfaction on employee performance.
- To find out the effect of Trust on the manager on employee performance.
- To examine the relationship to which distributive justice influences employees" satisfaction in selected banks.
- To examine the level of organizational justice with bank employees in Chennai
- To find out the relationship between organizational justice and employees' job satisfaction in the banking sector in Chennai

### 2. Research Methodology

The employees of banks were the study's target population, and the convenience sampling method was used to collect the data. The participants were

given questionnaires to fill out. To address the examination questions, an experimental review is led in Chennai. A pre-test of a structured questionnaire was performed on a sample of ten respondents. A survey designed by the researcher is used to collect data from related literature. This study's sample consists of workers from three different banks in three different places. 100 were distributed questionnaires to each organization's managers and employees. To evaluate research results, descriptive statistics tools such as T-test absolute and relative frequencies were used. Secondary data has been collected from various websites and books. The secondary process of information was focused on digitalization, ecommerce, digital technologies, and social media platform.

# IMPACT OF ORGANIZATIONAL JUSTICE ON JOB SATISFACTION

As it deals with an employee's good attitude toward the company rather than her own job, organizational justice can be seen as an extension of job satisfaction. On the other side, organizational commitment refers to how much individuals identify with the company where they work, how involved they are there, and whether they are prepared to leave. *Greenberg and Baron* (2008)

The relationship between organizational justice and job satisfaction is ascertained through linear multiple regression analysis and the results are presented below.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Estima	Error ate	of	the
1	.441a	.194	.186	.47134	1		

From the above table is found that R square value = .194 which implies that organizational justice factors create a 19.4 per cent variance overdependent factor job satisfaction. This is further

consolidated by the following one-way analysis of variance and its justification for the relationship between organisational justice and job satisfaction

### **ANOVA**

Model		del	Sum of Squares	df	Mean Square	F	Sig.
I		Regression	27.120	5	5.424	24.414	.000b
	1	Residual	112.638	507	.222		
		Total	139.757	512			

.From the above table it is found that F=24.414, P=.000 are statically significant at 5 percent level . This shows that there is a deep relationship between organisational justice and job satisfaction. The factors of organizational justice are well related to the job satisfaction factor. The individual influence of organizational justice with factors is established in the following coefficient table

Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.			
		В	Std. Error	Beta					
	(Constant)	2.152	.180		11.921	.000			
	Organizational climate	.089	.033	.120	2.692	.007			
	Turnover Intention	.144	.042	.167	3.471	.001			
1	Organizational Commitment	.081	.036	.100	2.271	.024			
	Employee attitude and behaviour	.169	.037	.215	4.608	.000			
	Employee Engagement	.015	.037	.019	.414	.679			

#### Coefficients

From the above table, it is found that organizational climate (beta = .120,t=2.692, p=.007), Turnover intention (Beta = .167, t=3,471, p=.001) Organizational commitment (beta=.100,t=2.271, p=.024), Employee attitude and behaviour (beta=.215,t=4.608,p=.000) are statistically significant at 5 percent level.

# JOB SATISFACTION ON TURNOVER INTENTION

This implies that job satisfaction of the employees can show revealed organizational commitment. Committed employees can earn job satisfaction. Job satisfaction along with commitment gives them a continuous scenario for working in the same institution and erases and dimnish the employee turnover intention. These authors also emphasize that there is a negative correlation between employee turnover intention and two important optimistic aspects called organization commitment and job satisfaction.

# JOB SATISFACTION ON ORGANIZATIONAL COMMITMENT

Job satisfaction is not a unique phenomenon. It has the power to change employees' attitudes. It can erase the completely negative attitude of the employees and also motivate them into a negative smooth interpersonal relationship with co-workers. A smooth interpersonal relationship along with job satisfaction can increase the organizational commitment of the employee. Committed employees are willing to put all their efforts into organizational productivity as well as to get job satisfaction for their personality.

# JOB SATISFACTION ON EMPLOYEE ENGAGEMENT

According to these particular authors, job satisfaction is based on the performance of the employees. It is also found that employees' commitment makes them and motivates them to create more engagement in organizational activities.

Employee engagement makes employees very busy and offers them the best satisfaction in all organizational assignments.

# JOB SATISFACTION ON ORGANIZATIONAL CLIMATE

This result is analogist to the study of brief 1998 which insisted that salary benefits and advanced opportunity and organizational climate are interesting. This author found that organizational climate is expected to be positive in the form of good salary benefits and carrier advancement of opportunity for the employee which is able after job satisfaction. The researcher derived is also relative job satisfaction to the optimistic organization climate.

### Findings

The goal of the current study is to determine organizational justice in commercial banks using five key employee characteristics. One study has been done thus far in the area of organizational behavior. All of the commercial banks in and around Chennai participated in the survey. As a consequence, the researcher discovered that job satisfaction and commitment give employees a consistent work environment and eliminate or significantly reduce the likelihood of employee turnover. Also, it has been discovered that employees' commitment inspires and drives them to increase participation in organizational activities. According to the findings of this study, an organization's climate should be favorable in order to provide employees with opportunities for career growth and decent compensation benefits after they have found a job they are happy with. Employees that are committed are prepared to give their all to the organization's production as well as to find work that suits their personalities.

### 3. Conclusion

Important findings about the effect of organizational justice on job satisfaction were disclosed by the research model. It was discovered that distributive

justice has a favourable effect on the job satisfaction of banking employees. In other words, if employees perceive a degree of distributive fairness in the business, they will feel more content with it pay period, prizes, etc. The findings show that employees are happier when they believe their outcomes and rewards to be fair than when they believe their rewards and outcomes to be unjust. If an employee is unhappy with their compensation, they may elect to leave the company (lee, 2000). In this study, a strong positive link between distributive justice and job satisfaction was discovered.

Moreover, findings indicate a strong inverse association between procedural justice and distributive justice. Employee morale and job satisfaction in banking. The cause is that employees lack a voice in decision-making; instead, choices are

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decided at a higher level and communicated to lower levels through instructions. Nonetheless, procedural justice has a significant impact on how employees perceive their ability to perform their jobs well. Employee motivation and work satisfaction are higher in a company where there is greater procedural justice. The use of procedural justice in an organization has a beneficial impact on worker performance, behavior, and perception, which fosters job satisfaction; in contrast, if there is dissatisfaction, the likelihood of a negative reaction, such as quitting the company, increases. So, management in the banking sector must enhance the organizational justice system within their firms in order to increase positive attitudes and behavior.

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