**Procedural Justice & Organizational Performance**

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**Abstract**

This research article attempts to determine the relationship between the procedural justice as perceived by university’s employee and prevailing level of work satisfaction, their turnover intentions, and their degree of trust on their management. The research testifies that there exists:

- Positive relationship between the degree of procedural justice and the prevailing level of employees’ job satisfaction and degree of their trust employees hold for their managers.
- Relationship between perceived degree of procedural justice and employees turnover intentions.
- Positive relationship between procedural justice perceptions and organizational commitment.

The study intends to lay benchmark for institutions of higher education in Pakistan in general and Kher Pakhtoonkhwa in particular. The paper lays down the guide lines for university administration to understand prevailing level of procedural justice and its likely impact in their respective institutions on one hand and redesign their personnel system in such a way that employees view as legitimate or just.

**Introduction**

A cursory glance over the plethora of management material reveals that the productive organizational performance is 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 employees needs and organizational justice (Kreitner & Angelo, 2002). Organizational justice reflects the extent to which people perceive that they are treated fairly at work. Fairness is an important aspect of life and renowned psychologists like Festinger (1957) and Stacy Adam (1963) also hold that motivation is function of fairness in social exchanges. If everything in life was fair, everyone would get what they deserve. The fairness and the outcomes that people obtain are largely determined by the actions of others. Hence significance of perceived organizational justice in shaping the employees level of motivation can not be underestimated. The main components of organizational justice are ‘distributive justice’ and the

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‘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, 2002). Therefore, these two integral components of the organizational justice have reinforcing implications for organizational performance and productivity. The underlying idea of procedural justice is connected to concept like natural justice, fundamental justice or due process of law.

The idea of the maintaining and retaining organizational justice equally holds good for the performance and the productivity of an education institution of any level. The educational professionals should treat every student fairly and ethically. The results of unfair treatment with students may result in to poor student faculty relations, declining tend in the organizational citizenship behavior level, and employees dissatisfaction. (Spector, 1997, Nomani, 1995; Shea, 1995 and Wilson, 1995). Therefore, smooth learning environment embeded with trust and satisfaction can be built upon an effective procedural justice system which can provide fair treatment to all of its stakeholders. The American College Personnel Association (1993) regards promotion of justice as one amongst five important ethical principles that should guide the behavior of professionals in educational institutions. It requirs to fulfill all the basic needs of the teaching faculty like pay, offices, research space, recognition etc, so that the faculty can put corresonding effort to display desired level of out put and benefit overall performance of the institution at the end of the day. The benefit of resultant models of good behavior helps students to learn that how to treat others fairly. This could be beneficial to the society and the country alike; as the today’s students are considered as the future of any nation.

Fair treatment is the requirement of every individual in an educational institution that can be an educational professional or a student. Usually there are some procedures taken against each unfair treatment with an individual that are usually used by education institutions and are defined by experienced professionals. Usually in educational institutions the fairness is given not as much importance as it deserves and mostly only evaluation of instructors is considered e.g. (Shapiro, 1990). Therefore, ensuing discussion in view there is need to find the impact of procedural justice on the outcomes of the educational professionals which is ultimately the performance of the institution in Pakistani setting. Such a research would help the academic professionals including academicians and administrators to set standard for their performance and evaluate their outcome. Similiarly, it would also help to set the benchmarks for the students behavior desired at their place of learning.
Review of the Related Literature

Most of the research on fairness in education has been found on evaluations of teaching staff. Shapiro (1990) reported that fairness is one of the most important attributes of the teaching staff. The sample for the study was the graduate level students of Central Michigan University. It has been analyzed in the study that the nontraditional students react similar to the way the traditional students react in their evaluations of their teaching staff. Some of the studies suggest that procedural justice correlates the students rating of the professor with fairness, biasness and grading. The fairness in procedural justice has been discussed by many authors (Tyler and Caine, 1981; Feldman, 1989; Rodabaugh and Kravitz, 1994). Tyler and Caine (1981) and Rodabaugh and Kravitz (1994) have observed that the perceived fairness of teachers grading and classroom regulations strongly affect the student ratings about the teachers. Furthermore, it has also been reported that students would less likely select the teachers practicing unfair grading procedures than the teachers using more boring procedures in their lecturers (Rodabaugh and Kravitz, 1994).

Moreover, Ryer and Stone-Romero (1996) also found that the procedural fairness is important factor for students in evaluating the teaching staff. In their study, they have used different surveys for collecting the data to investigate the relationship between the procedural justice adopted by the teaching staff and many other factors affecting the students grades.

Folger and Konovsky (1989) conducted a study regarding the association between the distributive justice and the pay satisfaction of employees, and the same was correlated with procedural justice, and observed that procedural justice is more important than distributive justice. They have concluded that procedural justice has more impact on issues like trust in supervisor and committment with organization, while reporting their findings. They have a sample to 217 employees of a private owned manufacturing plant in south central United States.

McFarlin and Sweeney (1992) have examined a relationship between the distributive justice and procedural justice with that of personal and organizational outcomes and found that both the above mentioned justices (distributive justice and procedural justice) are the strong predictors of personal and organizational outcomes i.e. pay satisfaction and job satisfaction as compared to procedural justice. Masterson et al. (2000) investigated the effect of the procedural and interactional justice on different work-related social exchange relationships. It was found that procedural justice is positively correlated with job satisfaction. The sample for the study was employees of different companies in the Northeastern United States.
Tangirala and Ramanujam (2008) investigated the cross-level effects of procedural justice on employee’s silence by surveying a sample size of 606 nurses divided in 30 workgroups. The research concluded that the procedural justice environment moderated the effects of employee’s silence and, the effects of employee silence were less than where procedural justice environment doesn’t exist. Bakhshi et al. (2009) has also found similar relationship with the organizational justice. The study has explored this relationship using a field sample of 128 employees working in a medical college. They have used different surveys to collect the data. The results from the data obtained indicated that distributive justice was considerably more related to job satisfaction whereas procedural justice was found to be more related to organizational commitment.

Zapata-Phelan et al. (2009) has reported the results of two studies, the laboratory test and in the field. The study investigated the relationship of intrinsic motivation with justice and task performance. They have concluded with the results that the procedural justice and task performance has strong relation with intrinsic motivation. On the other hand they have also shown that the interpersonal justice doesn’t have a significant importance in relation with intrinsic motivation and task performance. For laboratory test they have used the sample of 277 undergraduate students of an introductory management course, whereas for field setting they had selected a sample of 189 employees from different industries e.g. healthcare, telecommunication etc. They have also shown the relation between the sample of the laboratory and in field. Furthermore, Fatt et al. (2010) surveying managerial and non-managerial employees found that the two components of organizational justice has strong impact on employee’s motivation and commitment, their job satisfaction, and turnover.

Gohar et al. (2010) found that distributive justice and procedural justice have an impact on employees’ outcomes like commitment, job satisfaction and turnover of employees. The sample for this study was the 366 teacher’s of different schools of Khyber PakhtunKhwa (KPK) and the data is collected through surveys. The results have been shown in the study confirms the outcomes of other studies referred above.

Foregoing review of the literature leads to conclude that degree of fairness or unfairness in treatment by educational professionals may cause positive or negative impact on the degree of institutional performance. Some of the negative impacts are e.g. counter productive behaviours like poor services, theft, bad rumours and destroying equipments (Spector, 1997). There are physical disturbance found in dissatisfied employees such as tension, depression, sleeplessness (Frese, 1985; Spector, 1997) and complain of stiffness in muscles and joints (Driscoll and Beehr,1994). Unfair treatment can also cause high turn over of employees which are destructive in cost aspect as selection, recruitment and training (Staw, 1980; Des and Shaw, 2001 and; Catherine, 2002). The actions of management,
educational professionals and students can have either positive or negative impact in the performance of an educational institution. Therefore it is necessary to put the fairness of those actions in high consideration. There are many decisions and actions in and educational institution that are concerned with the higher education can be judged in terms of fairness. Such decisions and actions include the allocation of resources and the resolution of disputes. Some of the allocation situations include:

- The allocation of work load, work timings, classrooms, pay, offices, research space, and other resources to faculty
- The allocation of funds to different areas like academic, social, and athletic programs.
- The allocation of scholarship, assistantship, fellowship, and work-study money to students
- The admissions of students in to the university
- Regularity and punctuality in the classes observed by the students and teachers alike.
- The paper settings, paper evaluations, assignment of grades to students
- Rules to regulate the conduct of instructions its all functions and degree of neutrality and fairness in their application upon relevant subjects.

**Research Purpose & Objectives**

The paper aims to investigate the prevailing level of procedural justice in institutions of higher learning operating in Pakistan in general and Kyber Pakhtoonkhwa in particular. Therefore, the research in hand focuses on the measurement of the level of procedural justice in universities as perceived by its employees. The study outcome would help in finding its impact on the relationship with job satisfaction, organizational commitment and job turnover, and job turnover of the present employees. However, keeping in view the limitations of time and resource constraints, the study was conducted in the specific context of Khyber Pakhtunkhwa and was limited to the faculty of Agricultural University Peshawar, and the Institute of Management Sciences (IM Sciences). In order to accomplish the main purpose of the study, the research set its objectives as follows:

- To measure the effect of procedural Justice on job satisfaction, motivation, turnover intentions and commitment amongst the teachers.
- To study the relationship between procedural justice and other factors like job satisfaction, motivation, turnover intentions and commitment.
- To put forward recommendations and suggestions based upon the findings of the study.

And to acquire its objective the research revolved around seeking answer of the following questions pertaining to the different areas of the procedural justice:
Is Procedural Justice related with job satisfaction amongst the teachers of Agricultural University and IM Sciences?

Is Procedural Justice related with Turnover Intention amongst the Agricultural University and IM Sciences teachers?

Is Procedural Justice related with Commitment amongst Agricultural University and IM Sciences teachers?

**Research Hypotheses**

H1: There is significant association between employees job satisfaction and procedural justice they experience at work place

H2: There is statistically association between organizational commitment of employees and procedural justice.

H3: There is statistically significant association between job turnover of employees and procedural justice.

**Conceptual Framework:** The study used the framework as conceived in Figure 1 below.

![Conceptual Framework Diagram]

**Research Methodology**

As pointed out earlier that the time and resource constraints the research population was restricted to the teaching staff working at Khyber Pakhtunkhwa Agricultural University and IM Sciences Peshawar. The current faculty serving in KPK Agricultural University and IM Sciences Peshawar makes the numbers 190 and 83 respectively, hence the N = 273. The study, following an arbitrary approach, selected
120 respondents as sample from both of the selected educational organizations. To obtain the number of respondents from each of the organization, proportional allocation technique of sampling (Cochran, 1977) was be used.

\[ n_i = \frac{n}{N} \times N_i \]  

(1)

Where,

- \( n \) = required sample size
- \( N \) = size of population (number of staff members at both the organizations)
- \( N_i \) = number of staff members at the \( i \)th organization (\( i = 1, 2 \))
- \( n_i \) = number of staff members to be selected from the organization

After adopting equation (1), the numbers of respondents that will be selected from each of the organization are displayed in Table 1.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Total staff</th>
<th>Sampled staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPK Agricultural University Peshawar</td>
<td>190</td>
<td>84</td>
</tr>
<tr>
<td>IM Sciences</td>
<td>83</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>273</td>
<td>120</td>
</tr>
</tbody>
</table>

The respondents were selected through simple random sampling method and were administered the questionnaire (see Annexure-A) after its getting successful pretest. The main variables that were the main stay of the questionnaire were:

Different variables that directly or indirectly influence the level of procedural justice and vice versa and other related terminalogy as inquired from the sample and recorded on 5 points scale, 1 representing ‘strongly disagree’ and 5 as ‘strongly agree’ were as follows.

- Turnover intention can be defined as how long the employees take to change the job, or how frequently they change the job (Cammann et al, 1979). Different items from Michigan Organizational Assessment Questionnaire were adopted.
- Organizational commitment: Northcraft and Neale (1996), defined commitment as the attitude that reflects the employee's loyalty to the organization, and an constant running process through which organization members can express their concerns for the organization, its success and well being. The research took twenty four items of the questionnaire based on the multidimensional nature of organizational commitment via three-component model as proposed by Meyer and

- **Job Satisfaction:** According to Locke (1976) the job satisfaction is a positive emotional state which is the result of the appraisal of one’s job performance. The data was collected using 8 items of the Porter et al’s (1974) questionnaire.

- **Motivation:** It is the process of inspiring people to take action for achieving the desired task (Luthans, 1998). The effect of employing effective motivation will be on workers who will be more satisfied and committed to their jobs. To measure the motivation the research got help from the 9-item questionnaire as adapted by Akinboye’s (2001).

**Data Analysis**

The collected data was scientifically treated and each variable and their relationship were analyzed by a SPSS v. 16- a computer based statistical package for social sciences. The results are presented in terms of counts and percentages because of the qualitative nature of data. In order to test that association between the procedural justice and various other factors like job satisfaction, commitment, turnover intentions, motivation, a Chi-square test was applied at 5% level of significance. For convenience, Chi-square test is defined as:

$$\chi^2 = \sum_{i=1}^{r} \sum_{j=1}^{c} \frac{(O_{ij} - e_{ij})^2}{e_{ij}}$$

(2)

Which under the null hypothesis ($H_0$) follows a $\chi^2$-distribution with $(r-1)(c-1)$ degrees of freedom. In equation (2), $O_{ij}$ and $e_{ij}$ are the observed and expected frequencies of cell in $i^{th}$ row and $j^{th}$ column, respectively.

**Results**

Table 1 indicates that there is a statistically significant relationship between job satisfaction and procedural justice, commitment and procedural justice and turnover intention and procedural justice. So all the following hypotheses were confirmed:

- **H1:** There is significant association between employees job satisfaction and procedural justice they experience at work place
- **H2:** There is statistically association between organizational commitment of employees and procedural justice.
H3: There is statistically significant association between job turnover of employees and procedural justice.

Table 1

<table>
<thead>
<tr>
<th></th>
<th>Procedural Justice</th>
<th>Job Satisfaction</th>
<th>Turnover Intention</th>
<th>Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural Justice</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>-.858**</td>
<td>.318**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>120</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>Pearson Correlation</td>
<td>.892**</td>
<td>1</td>
<td>.284**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.002</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>120</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>Pearson Correlation</td>
<td>-.858**</td>
<td>-.933**</td>
<td>-.358**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>120</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>Commitment</td>
<td>Pearson Correlation</td>
<td>.318**</td>
<td>.284**</td>
<td>.358**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.002</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>120</td>
<td>120</td>
<td>120</td>
</tr>
</tbody>
</table>

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

The value of R Square as shown in table 2 indicates that 79.5 percent of the variance in job satisfaction can be accounted for by procedural justice. Value of F as shown in table 3 is significant at .000 level which verifies that 79.5 percent of the variance in job satisfaction can be accounted for by procedural justice.

Table 2

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.892*</td>
<td>.795</td>
<td>.794</td>
<td>.52995</td>
</tr>
</tbody>
</table>
Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.892a</td>
<td>.795</td>
<td>.794</td>
<td>.52995</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Procedural Justice

Table 3

ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>128.851</td>
<td>1</td>
<td>128.851</td>
<td>458.786</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>33.141</td>
<td>118</td>
<td>.281</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>161.992</td>
<td>119</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Procedural Justice
b. Dependent Variable: Job Satisfaction

Table 4

Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.717</td>
<td>.150</td>
<td>.150</td>
<td>4.778</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>.813</td>
<td>.038</td>
<td>.892</td>
<td>21.419</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Job Satisfaction

The value of R Square as shown in table 5 indicates that 73.6 percent of the variance in turnover intention can be accounted for by procedural justice. Value of F as shown in table 6 is significant at .000 level which verifies that 73.6 percent of the variance in turnover intention can be accounted for by procedural justice.

Table 5

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.892a</td>
<td>.795</td>
<td>.794</td>
<td>.52995</td>
</tr>
</tbody>
</table>
Table 6

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td></td>
<td>126.236</td>
<td>328.424</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td></td>
<td>45.356</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
<td>119</td>
<td>171.592</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Procedural Justice
b. Dependent Variable: Turnover Intention

Table 7

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ProceduralJustice</td>
<td>-.805 (Std. Error: .044)</td>
<td>-858 (Beta: -.858)</td>
<td>-18.122</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Turnover Intention

The value of R Square as shown in table 8 indicates that 10 percent of the variance in commitment can be accounted for by procedural justice. Value of F as shown in table 9 is significant at .000 level which verifies that 10 percent of the variance in commitment can be accounted for by procedural justice.

Table 8

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.318²</td>
<td>.101</td>
<td>.094</td>
<td>.84557</td>
</tr>
</tbody>
</table>
Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.318^a</td>
<td>.101</td>
<td>.094</td>
<td>.84557</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Procedural Justice

Table 9

ANOVA^b

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>9.497</td>
<td>13.283</td>
<td>.000^a</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>118</td>
<td>.715</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>119</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Procedural Justice

b. Dependent Variable: Commitment

Table 10

Coefficients^a

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.208</td>
<td>.239</td>
</tr>
<tr>
<td>ProceduralJustice</td>
<td>.221</td>
<td>.061</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Commitment

References


