

The Effect of Organizational Justice on Employees' Psychological Well-Being: The Case under Study Hormozgan Rural Water and Sewage Company, Iran

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Abstract

One of the factors leading to attaining a better performance and the work force productivity is psychological wellbeing. The researchers have investigated the various factors affecting the psychological wellbeing; however, one of the factors which seem to affect the psychological wellbeing is organizational justice which has received little attention so far. The current research aims to study the influence of organizational justice on employees' psychological wellbeing. A quantitative research methodology has been conducted to examine the correlation between these two variables. The target population is all employees of the Rural Water and Sewage Company located in Hormozgan province in Iran. In order to gather the data two scales including a standard questionnaire of organizational justice composed of three dimensions and psychological wellbeing with five dimensions have been employed. Both Validities and reliability of scales have been confirmed. Findings show that organizational justice generally affects the psychological wellbeing. The minimum and maximum effect of the distributional justice is on thriving at work and feeling competency, respectively. The minimum and maximum effect of procedural justice is on involvement at work and perceived recognition, respectively. The minimum and maximum influence of interactional justice is on fit at work and thriving at work, respectively. It is proposed that to

improve psychological wellbeing, organizations ought to pay particular attention to organizational justice.

Key words: Organizational Justice, Psychological Wellbeing, Water and Sewage, Hormozgan

Introduction

Nowadays achieving a company's goals depends greatly on staff's high performance. Since one of the main problems of human resource management is existence of the unhealthy and disturbed workforce, no phenomenon is as important as psychological wellbeing for employees; therefore, on one hand planning to meet the staffs' psychological health aids their psychological-social wellbeing, and on the other hand it leads achieving the industrial development targets and improving production and productivity (Bayanzade, 1378). Without a doubt psychological wellbeing plays a substantial role in guaranteeing dynamicity and efficacy of any community and organization. Today humans' psychological wellbeing is fundamental among societies and nearly all countries have took extensive measurements to develop policies relating to psychological health. Meeting the staff's psychological wellbeing and as a result improvement and enhancement of an organization's productivity would be possible through endeavors, equity establishment considerations, and its expansion through administration of justice (Greenberg 1987).

Therefore, it seems that one of the factors influencing psychological wellbeing is organizational justice. Justice is one of the elegant and inseparable human heritages which builds the human rights foundation. In the recent world, justice is considered as the missing link that has shadowed all human's unjust activities. Considering the importance of justice in the current age, if Maslow were alive he would probably mention justice an initial need in theory of hierarchy. Although he failed to mention justice particularly in hierarchy list, regarding the prominence of this concept, he named it as an initial need and outlined the aftermath of injustice. Rather than justice he used to name concepts such as fairness, honesty, and coherence as a series laying the ground for satisfying the basic needs (Qoli Pour and PiranNezhad, 1386: 57). Justice is one of the basic terms in politics and ethics, enjoying a worldwide importance, it plays a crucial role in all political and social theories. In organizational setting, justice is important concept regarding human resource. Its global validity has led to development of a variety of analyses and practical designs which has made achieving an obvious and meticulous definition more difficult; hence, much controversy has come up on justice definition and examples of just and unjust exertion (PoorEzat 1382). However, in this research we would investigate justice in three dimensions of distributional, procedural and interactional based on Greenberg (1987) study.

Review of the literature shows that no or little field study has been done on the relationship between psychological wellbeing and organizational justice. Therefore, in addition to adding knowledge in this realm, the current survey can efficiently help organizations especially Iranian organizations in elevating psychological wellbeing. In this study, by conducting a survey, we aim to answer to this question that whether dimensions of organizational justice (distributional, procedural, and interactional) have any significant effect on workforce's psychological wellbeing dimensions (including fit at work, thriving at work, feeling competency, involvement at work, and perceived recognition) or not. This paper first reviews the theoretical principles and background, afterwards the methodology is explained, next the findings will be outlined. In the final section the survey's findings will be discussed and concluded.

Literature Review

To achieve competitive advantages companies greatly depends on employees' suitable and right performance. Since the process of creating an unhealthy and disturbed workforce is a part of organizational plagues, no phenomenon is as important as psychological wellbeing for employees; therefore, on one hand planning to meet the workers' psychological health aids the workers' psychological-social wellbeing, and on the other hand it aids achieving the industrial development targets and improving production (Bayan zade, 1378). Without a doubt psychological wellbeing plays a substantial role in guaranteeing dynamicity and efficacy of any community, this way today humans' psychological wellbeing is fundamental among societies and nearly all countries have took extensive measurements to develop policies relating to psychological health and predicting psychopathy. These policies which can enjoy high humane and economical values necessitate recognizing psychological health needs before anything else. Right now most psychologists are engaged in finding suitable ways for resolving various individuals' mental disorders with different social conditions.

Organizational justice is prominent as a crucial motivation tool in organizational behaviors. Justice is a multi-dimensionally far reaching concept and in different fields and branches it has a unique concept which implies non-discrimination and fair observation of differences. Several studies including Greenberg (1987), Jawahar (2002) and Colquitt (2001), identified different dimensions of organizational justice.

The concept of organizational justice concentrates on processes and procedures that are defined by employees; whether they are treated fairly and whether or not the processes influencing the efficiency, and results are fair and just (Alexander,1987). Organizational justice consists of three dimensions: distributional justice, procedural justice, and interactional justice (DanaieFard et al, 2013).

After years of experience, managers come to this conclusion that if an organization is willing to pioneer in its own work and economy and not retarding in competition arena, they have to enjoy highly motivated and creative specialists. Human resources is the real and valuable asset of an organization. Taking psychological care of people who work for the organization is vital. The influence of the work environment and the managers' behavior in order to attain psychological wellbeing, employees' welfare, and their satisfaction with work field is undeniable in work field's social welfare (Dagenais and Savoie, 2012).

The study of employees' behavior and also study of individuals and group reactions can provide managers with highly fruitful analyses. This can help managers in monitoring, predicting, controlling and altering formal and informal norms about character, perception, attitude of employees toward organizational objectives. Moreover, this can assist organizations to manage well the individuals' trainings and learning, so achieving strategies for enhancing appropriate norms or eliminating undesirable norms would be feasible to such managers (Daniels and Harris, 2000).

Studies about psychological wellbeing, due to its importance, attracted many researchers' attentions, for example Goldberg and Hiller (1979) as an early researcher in this area, emphasized the different dimensions of psychological wellbeing. Also in another study Daniels and Harris (2000), studied work, psychological wellbeing and it relationship with pperformance. They defined some dimensions for Psychological Wellbeing.

Modern attitudes implying organizational wellbeing, take various approaches into account. Most of the previous studies have looked at the organization wellbeing phenomenon objectively oriented, and in the light of explaining materialistic factors. However, DanaieFard, et. al. (1392=2013) in their comprehensive study introduce the subject from a different point

of view, and explain subjectively the formation of organizational wellbeing. Hence, by integrating different approaches, a new typology has been presented which is adequately comprehensive. Accordingly, organizational wellbeing outlines the aspects of “mental”, “social”, “spiritual” and “psychology” that indicate an inspiring and motivating force in order to explore the work life significantly continuous, perceive work value profoundly, pay attention to personal belief system, and elevate the psychological level and constructive social relations (DanaieFard, et al, 1392). Figure.1 illustrates each of these dimensions.

Furthermore, in this respect, as an important research in this area, Dagenais-Desmarais and Savoie (2012), in an inductive approach, conducted a research and revealed that psychological wellbeing can be conceptualized through 5 dimensions, namely, Interpersonal Fit at Work, Thriving at Work, Feeling of Competency at Work, Desire for Involvement at Work, and Perceived Recognition at Work. In this study, we considers psychological wellbeing with these dimensions.

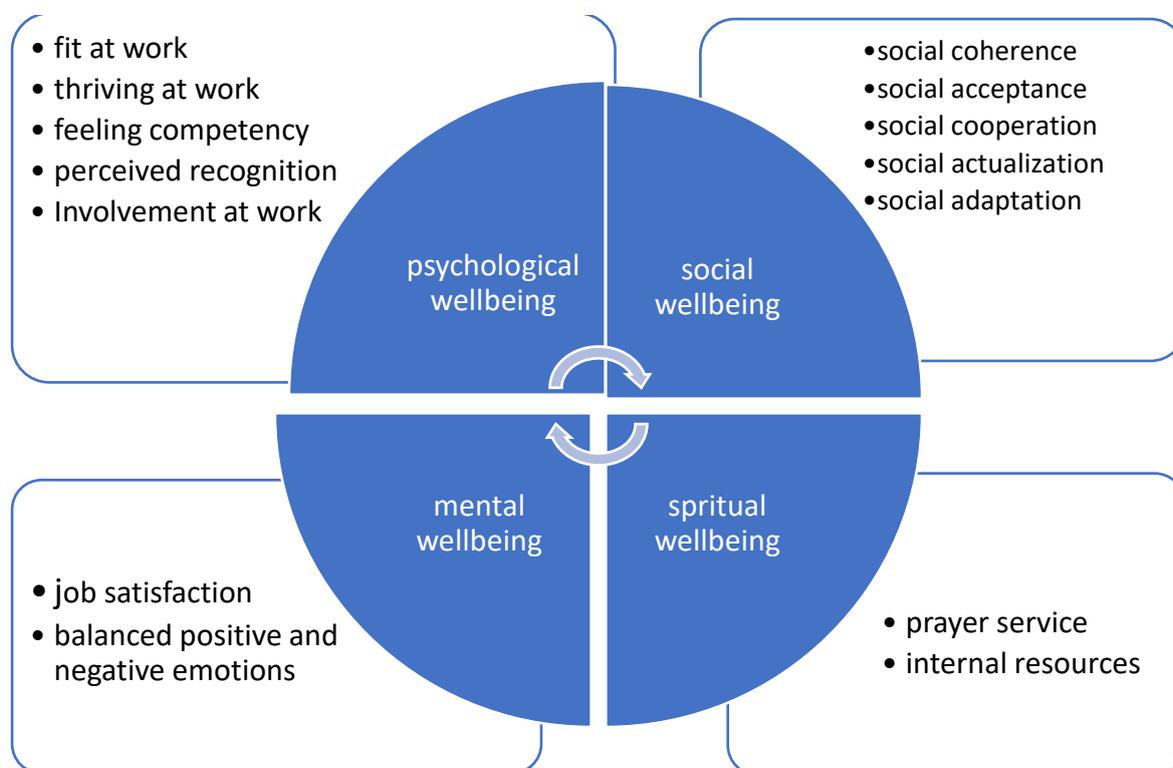


Figure. 1 Typology of organizational wellbeing (DanaieFard, et al, 1392=2013)

Regarding studies in this domain, a research conducted by Runy, et al (2012) dealt with exploring the effect of perceived organizational justice on psychological wellbeing (life satisfaction) among police forces. The results revealed that the perceived organizational justice has a positive relation with psychological wellbeing which leads to life satisfaction. Moreover, dimensions of organizational justice (distributional, procedural, and interactional justice) are the strongest prediction of components of psychological wellbeing (independence, environmental dominance, personal growth, positive relations with others, life purpose, and self-esteem).

In a research regarding the relation between health behaviour and quality of work life and the organizational effectiveness, Donaldson, et al (1999) dealt with these three variables in a lumber industry. This study shows that health behaviour (lack of behaviours such as absence and

negligence) have to be taken into account together with other factors like job safety and job security as a factor in evaluating and elevating quality of work. The outcome of the study confirms the hypothesis that the more a person's behaviour health, the more his quality of life and effectiveness would be.

Moreover, Yulando (2004) in a study showed that there is a relation between mental wellbeing predicting factors and daily social activities with mental wellbeing. Also Pargament and Mahoney (2002) see voluntarily choice of being religious as the most important element in psychological happiness. Other researches have also revealed that people who consider themselves more spiritual and religious have reported higher levels of happiness and their attendance in church and prayer service has a positive relation with their mental feeling of wellbeing.

Research Methodology

Regarding the purpose of research, this study is practical and descriptive survey. In the present study, first theoretical principles and background are reviewed which is through investigating published papers and authoritative dissertations. Next in order to collect the data, after getting permissions from the relevant authorities, (to be compliance with research ethics) the questionnaires were distributed among all employees working of the Rural Water and Sewage Company in Hormozgan province, Iran as the participants of this study. 120 usable questionnaires were collected and analysed. The time period of the study was the first half of 2014. In this survey two instruments were employed; organizational justice questionnaire designed by Niehoff and Moreman (1993) in the form of five-point Likert-type scales consisting of 20 questions, and Dagenais-Desmarais and Savoie (2012), psychological wellbeing questionnaire in the form of five-alternative Likert-type scales questions consisting of 25 questions. The reliability for the psychological wellbeing questionnaire was 0.87 and for the organizational justice questionnaire was 0.84. Due to the five dimensions of psychological wellbeing and three dimensions of organizational justice, one major hypothesis and 15 minor hypotheses were proposed and examined. The descriptive statistical techniques were utilized to describe collected data comprised of frequency, percentage, and mean; also regression analysis and correlation coefficient were used to examine the hypotheses. SPSS20 was applied to achieve the purpose.

Findings

Descriptive analysis of data: Table 1 shows demographic characteristics of the participants in the study. in terms of correspondents' education level, bachelor degree made for the mode of the degree variable. Age variable had a nearly consistent distribution and the maximum frequency was in years of service; between 11 to 15 years. 88% of the job category was experts and expert assistants and there were more participants in design and development deputy department in the sample size. 66.4% of the participants were male and 33.6 were female and in another categorization 84.9% were married and 15.1% were single.

Table1. Demographic characteristics of the survey's population

Variable	Alternative	Frequency	%frequency	%Integrative frequency
Gender	Male	79	66.4	66.4
	Female	40	33.6	100
Marital status	Married	101	84.9	84.9
	Single	18	15.1	100
Degree/ education	Diploma and lower	37	31.1	31.1
	Associate	22	18.5	49.6
	Bachelor	53	44.5	94.1
	Master or more	7	5.9	100
Age	Up to 25 years	9	7.6	7.6
	26-30 years	30	25.2	32.8
	31-35 years	26	21.8	54.6
	36-40 years	28	23.5	78.1
	More than 41	26	21.9	100
Years of service	Up to 5 years	22	18.5	18.5
	6-10 years	15	12.6	31.1
	11-15 years	36	30.3	61.4
	16-20 years	20	16.8	78.2
	More than 21 years	26	21.8	100
Job category	Expert assistant	29	24.4	24.4
	Expert	76	63.9	88.3
	Expert in charge	1	0.8	89.1
	Manager/ boss in charge	13	10.9	100
department	Deputy of exploitation supervision	23	19.3	19.3
	Deputy of design and development	49	41.2	60.5
	Deputy of support and human resources	47	39.5	100

Testing the Hypotheses: Now in this section we would examine the hypotheses. Table 2 shows the examination result of hypotheses. The major hypothesis (hypothesis number 1) proposed that organizational justice influences employees' psychological wellbeing at the rural Water and Sewage Company in Hormozgan. The minor hypotheses also includes hypotheses 2 to 16 and hypothesis implies that organizational justice dimensions (distributinal justice, procedural justice and interactional justice) influence dimensions of psychological wellbeing (fit at work, thriving at work, feeling competency, involvement at work, and perceived recognition) of the staff who work for the rural Water and Sewage Company at Hormozgan. Following are the list of one main and 15 sub- hypothesis:

1. It seems that organizational justice has significant influence on employees' psychological wellbeing at the Rural Water and Sewage Company in Hormozgan (RWSCH).
2. It seems that Distributinal justice has significant influence on fit at work at RWSCH
3. It seems that Distributinal justice has significant influence on thriving at work at RWSCH
4. It seems that Distributinal justice has significant influence on feeling competency at RWSCH
5. It seems that Distributinal justice has significant influence on involvement at work at RWSCH
6. It seems that Distributinal justice has significant influence on perceived recognition at RWSCH
7. It seems that Procedural justice has significant influence on fit at work at RWSCH
8. It seems that Procedural justice has significant influence on thriving at work at RWSCH
9. It seems that Procedural justice has significant influence on feeling competency at RWSCH
10. It seems that Procedural justice has significant influence on involvement at work at RWSCH
11. It seems that Procedural justice has significant influence on perceived recognition at RWSCH
12. It seems that Interactional justice has significant influence on fit at work at RWSCH
13. It seems that Interactional justice has significant influence on thriving at work at RWSCH
14. It seems that Interactional justice has significant influence on feeling competency at RWSCH
15. It seems that Interactional justice has significant influence on involvement at work at RWSCH
16. It seems that Interactional justice has significant influence on perceived recognition at RWSCH

Table 2. The outcomes of statistical tests of the main hypothesis

	Independent variable	Dependent variable	R	R Square	B	t	Sig.	result
1	Organizational justice	Psychological wellbeing	/3320	0/11	/2130	3/828	/0000	confirmed
2	Distributional justice	Fit at work	0/31	0/096	/1770	3/545	/0010	confirmed
3		Thriving at work	/3480	0/121	/2510	4/031	/0000	confirmed
4		feeling competency	/2410	0/058	/1520	2/696	/0080	confirmed
5		Involvement at work	/3210	0/103	/2750	3/677	/0000	confirmed
6		Perceived recognition	/3310	0/11	/2210	3/813	/0000	confirmed
7		Procedural justice	Fit at work	/2790	0/078	/1610	3/157	/0020
8	thriving at work		/3010	0/091	/2190	3/429	/0010	confirmed
9	feeling competency		/1740	0/03	0/11	1/918	/0580	rejected
10	Involvement at work		/3340	0/112	/2890	3/854	/0000	confirmed
11	perceived recognition		/2180	0/048	/1470	2/429	/0170	confirmed
12	Interactional justice	Fit at work	/3150	0/099	/1640	3/604	/0000	confirmed
13		Thriving at work	/2370	0/056	/1560	2/654	/0090	confirmed
14		feeling competency	/1310	0/017	/075-0	1/432-	/1550	rejected
15		Involvement at work	/3130	0/098	/2440	3/579	/0010	confirmed
16		perceived recognition	/1470	0/014	/0220	1/611	0/11	rejected

Regarding the study's major hypothesis (hypothesis number 1), it can be said that since the estimated sig. value (significance level) is less than 0.05, hypothesis 0 is rejected and hypothesis 1 is confirmed. Therefore, organizational justice influences psychological wellbeing of the rural Water and Sewage Company employees in Hormozgan. Also regarding the Sign B, this effect had been positive and can justify 11% of the behavior of employees' psychological wellbeing variable. Taking hypothesis 2 to 6 into account, it is confirmed that distributional justice dimension affect on psychological wellbeing dimensions. Moreover, dimension of procedural justice has an effect on psychological wellbeing except for

employees' feeling competency. Also interactional justice dimension influences psychological wellbeing dimensions other than perceived recognition and their feeling competency. Table 2 illustrates tests' fine coefficients and confirmation or rejection status of hypotheses. To avoid long paper and repetitive explanations, we do not describe all hypotheses in this section. The proposed framework as the result of finding presented in next section in figure 2.

Conclusion and Discussion

The present study dealt with investigation of the effect of organizational justice on employees' psychological wellbeing at the rural Water and Sewage Company in Hormozgan province. Regarding collected questionnaires analyses, the results obtained from the collected data revealed that the major hypothesis and 12 sub- hypothesis were approved. Briefly, detailed findings of this study are as follows:

- 1) Distributional justice influences all five dimensions of organizational justice. The minimum and maximum effect of distributional justice is respectively on thriving at work ($R^2= 12.1$) and feeling competency ($R_2= 5.8$).
- 2) Procedural justice influences all dimensions of employees' psychological wellbeing, it only does not affect feeling competency. The minimum and maximum effect of procedural justice is on involvement at work ($R^2= 11.2$) and perceived recognition ($R^2= 4.8$) respectively.
- 3) Interactional justice does not influence dimensions of feeling competency and perceived recognition, while it influences other dimensions of employees' psychological wellbeing. The minimum and maximum influence of interactional justice is on fit at work ($R^2=9.9$) and thriving at work ($R^2= 5.6$).

Therefore, it can be concluded that organizational justice influences psychological wellbeing as a general. The results of study, as the study's framework, have been showed in figure 2 along with the amount of effect of organizational justice dimensions on employees' psychological wellbeing.

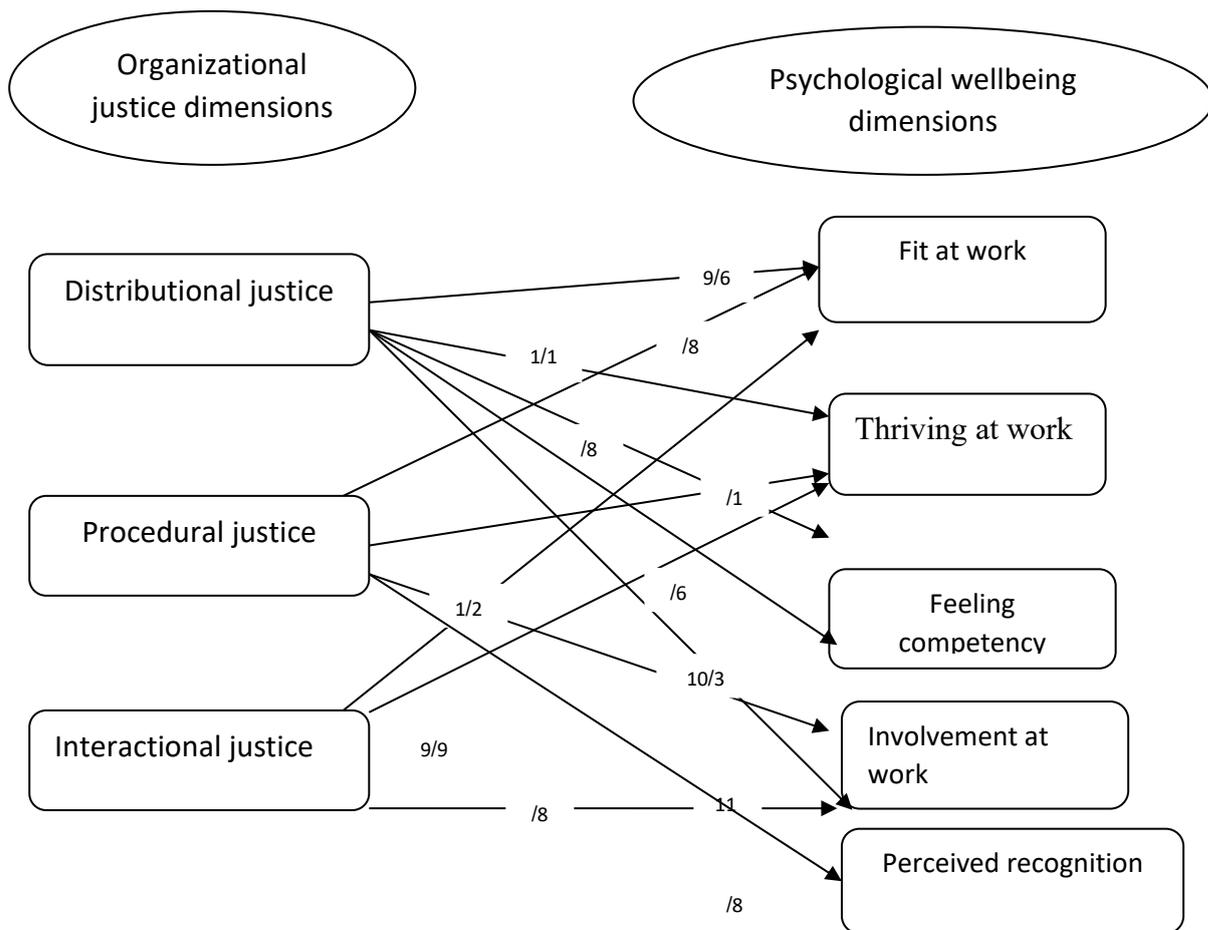


Figure 2. The amount of effects of each of organizational justice dimensions on psychological wellbeing

The study's results are in accordance with Kiviimaki, et al. (2002), Colquitt & Judge (2004), Elovainia (2004), Greenberg (2006), Edris, RisArdeli (1383), and Rousseau, et al. (2009). However, according to Rousseau et al. (2009) study, colleagues' support modulates the relation between distributitional justice and procedural justice with psychological wellbeing; on the other hand, job independence adjusts the relation between procedural justice and psychological wellbeing not the relation between distributitional justice with psychological wellbeing, i.e. as long as there is a high independency in job, it is less probable that injustice perception would increase stress.

Based on the findings of this study in case of the most fundamental variables predicting psychological wellbeing, some suggestions are detailed as follows: regarding the effect of organizational justice on psychological wellbeing, it is proposed that organizations managers should attain adequate information about organizational justice and investigate its performance throughout the organization. Also in short term planning it is suggested that managers apply procedural justice and interactional justice whose implementation does not cost significant amount of money. Hence, for procedural justice being implemented, instructions and procedures have to be clarified; promotions, payments, and organizational bonuses ought to be in a manner that employees know clearly and unambiguously how these decisions have been made.

In order to interactional justice to be established, employees should be provided with determinations in organization in a suitable fashion; on the other hand, since our nation is characterized by cultural pluralism, paying more attention on interactional justice is highly vital. During crisis that an organization has to cut down on expenses or postpone paying salaries, managers are to explain the reasons and specify the duration of such measurements, so the staff would work with more confidence, satisfaction, and motivation. Furthermore, in case of the role of balance, holding refreshing and amusing activities for the staff and their family and providing the needed spare time for fulfilling other familial, civil, spousal, and parental responsibilities can improve the staff's psychological health.

Paying attention to wellbeing, job environments and job conditions in recent years has been researchers concern in order to improve quality of work and maintain the staff's health to utilize their experiences adequately better. Work force comprises a large part of the country's population, and dealing with organizations' psychological wellbeing can be counted as a priority because purification of job condition implies work force purification and a healthy workforce can improve the country.

Organizations interested in improving quality of work life, generally attempt to create a feeling of security, pride, autonomy, and responsibility in staff, they need to know that they are treated equally, their work place is like their home, they are expected to work automatically, and in urgent cases they need to be flexibly carrying out their duties.

The current study is not devoid of imperfections and limitation. Among its limitations were choosing a single organization as the statistical population and also the few number of participants or the statistical sample. Future research can study this investigation in several organizations within a different domain. Moreover, future studies can carry out this research via qualitative approach as well. In addition to this, a comprehensive investigation on all factors influencing psychological wellbeing can also be one of the related studies in this realm.

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