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# Impact of Organizational Justice on Organizational Effectiveness among the Employees of a Public Sector Organization in Kochi

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***Abstract:*** *The objective of the study is to identify the impact of organizational justice on organizational effectiveness among the employees of a Public Sector Organization in Kochi. Organizational Justice has acknowledged excessive attention from researchers and it has become a normal subject in the field of industrial/organizational psychology. However, only a few research studies have been carried out to find the fundamental statement that organizational justice can improve the effectiveness of organizations. This empirical study was undertaken in the city of Kochi during the last quarter of 2022. A sample of 114 employees participated in the study. Data were collected by administering questionnaires through Google Forms, and e-mails and were analyzed with statistical tools. Results showed that there is a moderate positive correlation between Organizational Justice and organizational effectiveness. This research paper enhances the understanding of the Organizational Justice of the employees in the public sector organization of Kochi. Inferences from the findings were discussed and suggestions were given.*

***Keywords:*** *Organizational Justice, Organizational Effectiveness, Employees, Perception, Job Satisfaction.*

## 1. INTRODUCTION

In any organization, human resources hold a significant spot among all tasks, regardless of marketing targets, sales volume, budget, or operational processes. The core division responsible for work execution and final output is the human resources department. Each employee, irrespective of their position, has specific job responsibilities to fulfil. They contribute their services as required and strive to achieve the desired outcomes. However, it is crucial to acknowledge that employees are not machines that can be programmed to eliminate



errors. The performance of an employee is influenced by various factors, and organizational justice stands out as a key determinant of effective employee functioning (Greenberg, 1990). According to Greenberg (1987), employees care about justice-related matters, which impact their job attitudes such as job satisfaction, organizational commitment, and organizational citizenship behaviour. Similarly, Moorman (1991) highlights the importance of organizational justice, emphasizing that when individuals perceive fair treatment, they are more likely to develop positive attitudes towards their work, work outcomes, and supervisors. Multiple studies conducted by AlexRuder and Ruderman (1987), Folger & Konovsky (1989), and Fryxell and Gordon (1989) support the relationship between procedural, distributive, and interactional justice and various organizational variables. In recent reviews of organizational justice theories, several researchers have predicted that perceptions of justice also enhance organizational effectiveness by influencing individual employees' job satisfaction and level of commitment.

### **Organizational Justice:**

Organizational justice refers to the perception that employees have about the fairness of their workplace. It encompasses various aspects of fairness, including distributive justice, procedural justice, and interactional justice.

**Distributive justice** relates to the fairness of the outcomes that employees receive, such as pay, promotions, and recognition. Procedural justice refers to the fairness of the process used to make decisions about these outcomes, such as the transparency and consistency of decision-making procedures. Interactional justice refers to the fairness of interpersonal treatment by supervisors and colleagues, such as respect and dignity.

Organizational justice is important because it can influence employees' attitudes, behaviors, and performance. When employees perceive their workplace as fair, they are more likely to be satisfied with their job, committed to the organization, and willing to go the extra mile in their work. On the other hand, when employees perceive their workplace as unfair, they may experience negative emotions, such as anger and resentment, and may be more likely to engage in counterproductive behaviors, such as absenteeism and turnover

### **Organizational Effectiveness:**

Organizational justice is the employees' perception of fairness within their workplace, encompassing multiple aspects such as distributive justice, procedural justice, and interactional justice.

Distributive justice focuses on the fairness of the outcome's employees receive, such as salary, promotions, and recognition. Procedural justice pertains to the fairness of the decision-making process for these outcomes, including transparency and consistency. Interactional justice, on the other hand, relates to the fairness of interpersonal treatment by supervisors and colleagues, such as respect and dignity.



The importance of organizational justice lies in its ability to shape employees' attitudes, behaviours, and performance. When employees perceive their workplace as fair, they tend to experience higher job satisfaction, exhibit commitment to the organization, and demonstrate a willingness to go beyond their job requirements. Conversely, perceiving the workplace as unfair can lead to negative emotions like anger and resentment, and may contribute to counterproductive behaviours like absenteeism and turnover.

### **Public Sector Organizations in India:**

Public sector organizations in India encompass a wide array of industries, including banking, energy, transportation, and telecommunications. These organizations encounter various challenges, including:

**Financial Performance:** Several public sector organizations in India have grappled with financial issues such as high debt, operational inefficiencies, and competition from private sector counterparts.

**Governance:** Concerns have arisen regarding governance and transparency within some public sector organizations in India, with allegations of corruption and political interference.

**Efficiency and Productivity:** Some public sector organizations in India face concerns regarding efficiency and productivity, characterized by low employee output, outdated technology, and slow decision-making processes.

**Employment and Talent Management:** Attracting and retaining talent has proven challenging for certain public sector organizations in India due to factors like comparatively lower salaries than the private sector, limited career growth prospects, and bureaucratic work environments.

Nevertheless, efforts have been made to enhance the performance of public sector organizations in India. The government has launched initiatives like the Atmanirbhar Bharat Abhiyan and the National Monetization Pipeline to boost efficiency and productivity. Transparency and accountability have also been prioritized through measures such as the Right to Information Act and the establishment of institutions like the Central Vigilance Commission and the Comptroller and Auditor General in India.

## **2. RESEARCH METHODOLOGY**

The following aspects of the study's scope, nature, hypothesis formulation, data collection, sample design, and statistical tools have been outlined:

To select the sample, a stratified proportionate sampling technique was employed. The respondents were individually contacted via phone and provided with a Google Form and email to complete. A structured questionnaire was distributed to 156 participants. Out of these, 114 questionnaires were received and deemed statistically valid for analysis.



**Research Design:**

A study was conducted to examine the influence of organizational justice on organizational effectiveness within public sector organizations in Kochi. The researcher employed a stratified proportionate sampling technique to identify the participants. The data for the study were collected from both primary and secondary sources. Primary data was collected through structured online questionnaires administered to employees of public sector organizations.

**Research Tool:**

**Organizational Justice:** The measurement of organizational justice involves assessing its three dimensions - distributive, procedural, and interactional justice. The scale used for this purpose was originally developed by Niehoff and Moorman (1993). It consists of 20 items and employs a 5-point Likert scale, with responses ranging from 1 (strongly disagree) to 5 (strongly agree).  
**Managerial Effectiveness:** To evaluate managerial effectiveness, a questionnaire comprising 31 items was developed. It utilized a 5-point Likert scale, where 5 represented "always" and 1 represented "never." This questionnaire aimed to measure four dimensions of organizational effectiveness.

**Limitations and Scope for Future Research:**

Future research should take into account various limitations that were present in this study. One such limitation is the small sample size, which hinders the generalizability of the results. It is important to note that the findings of this research are specific to public sector organizations in Kochi and may not apply universally due to cultural heterogeneity across India. To overcome this limitation, future researchers could expand their studies to include other regions of India. Additionally, the length of the questionnaire posed a challenge, as employees exhibited some reluctance and fatigue while responding to a lengthy questionnaire. Efforts should be made to minimize survey fatigue and enhance response rates in future studies.

**Objectives of the Study:**

To investigate the impact of organizational justice on the organizational effectiveness among the employees of a Public Sector Organization in Kochi.

**Hypothesis:**

H01: Organizational justice positively influences managerial effectiveness among the employees of a Public Sector Organization in Kochi.

**Data Analysis and Interpretation:**

Table 1. Demographic Statistics

Particular	Category	Percentage
Gender	Male	59.3
	Female	40.7
Age	Below 30 Years	27
	Between 30-40 Years	48.7
	Above 40 Years	25.3



Marital Status	Married	25.1
	Unmarried	74.9
Service Length	Below 10 Years	50.5
	10-20 Years	29
	Above 20 Years	20.5
Tenure of Present Position	Below 5 Years	45.1
	5-10 Years	21.4
	10-15 Years	16.8
	Above 15Years	168

Out of 156 questionnaires, 114 were found to be useable showing a response rate of 77 percent. The majority of respondents were married (74.9 percent), males (59.3 percent), within the age group of 30-40 years (48.7 percent), and at the present position from less than five years (45.1 percent).

Table 2. Reliability Analysis

Variables	Overall Cronbach's Alpha
Organizational Justice Scale (N-114)	0.913
	No. of items =20
Organizational Effectiveness Questionnaire (N-114)	0.97
	No. of Items = 36

The reliability and internal consistency for each scale and its dimensions were calculated separately. A Cronbach alpha value above 0.7 is considered to be acceptable (Ribere, 2001). Table 2 presents the inter-item consistency scores/Cronbach's alpha for both scales. The Organizational Effectiveness Questionnaire has a 0.97 alpha value and all its dimensions have alpha values above 0.7. The Organizational Justice Scale has got an overall alpha value of 0.913 and the alpha value for all its dimensions was also found to be more than 0.7. All the calculated values are above the acceptable limit; hence it can reasonably be asserted that both scales are reliable to be used in the study.

Table 3. Descriptive Statistics, and Inter-correlation between Organizational Justice and Managerial Effectiveness

Variable	Mean	Standard Deviation	DJ	PJ	IJ	OJ	OE
DJ	3.95	0.72	1				
PJ	3.43	0.83	0.48**	1			
IJ	3.67	0.89	0.52**	0.86**	1		
OJ	3.67	0.74	0.69**	0.92**	0.96**	1	
OE	3.68	0.85	0.52**	0.75**	0.76**	0.80**	1

\*\*Significant at .01 level (2-tailed)



DJ- Distributive Justice, PJ- Procedural Justice, IJ- Interactional Justice, OJ- Total Organizational Justice, OE- Total Organizational Effectiveness

Table 3 indicates the mean, standard deviation, and Pearson correlation coefficient for all variables, dimension-wise. A significant positive correlation between all dimensions of organizational justice and Organizational effectiveness has been observed. The correlation coefficient values vary from the lowest ( $r=0.48$ ) and to the highest ( $r=0.92$ ). The results reveal that as perceptions of organizational justice increase in employees, organizational effectiveness also improved. The findings and correlation values tend to be high and give evidence to support the hypothesis at the preliminary level.

### **3. RESULTS AND DISCUSSIONS**

Organizational justice encourages employees to prioritize corporate objectives and goals over personal goals. It has been observed that fair treatment reduces employee strain (Greenberg, 2006). Additionally, the study conducted by Cropanzano et al. (2001) proposes a multiple needs model, which highlights four fundamental human needs: the need for control, positive self-regard, belonging, and meaning. The relationship between organizational justice and these needs may vary significantly, and the independent variables show high correlations with each other.

### **4. CONCLUSION AND IMPLICATION**

Over the years, researchers in the social sciences have examined various aspects of workplace psychology. It is essential for organizations and managers to focus on improving employees' perceptions of organizational justice.

The objective of this study was to assess the impact of organizational justice on organizational effectiveness among employees of a Public Sector Organization in Kochi. The findings demonstrated a significant influence of distributive justice, procedural justice, and interactional justice on organizational effectiveness. These results align with the findings of Rana and Rastogi (2015), and the relationship between the variables was determined to be of medium to high strength. The formulated hypothesis was supported by the analyses conducted.

The insights from this study will be beneficial to Public Sector Organizations in Kochi, enabling them to enhance their processes and better equip their leaders to make informed organizational decisions regarding policies and procedures, thereby maximizing efficiency.

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