"The study of personnel and customers’ perception of organizational justice"

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Abstract:
Observation of justice is one of the most important indexes influencing satisfaction of the personnel of an organization so that perceiving injustice will result in the personnel dissatisfaction thereby leaving negative influence on their performance [38]. This situation also influences the customers’ satisfaction in the service organizations where the personnel have direct and face-to-face contact with customers; particularly perceiving interactional justice from the personnel behavior helps the organization to maintain its customers and provides the grounds for survival and long-term profitability of the organization.

Emphasizing the concept of justice and its influence on efficiency of service organizations in obtaining customers’ satisfaction, this article leads us to understand that in addition to a positive relationship between perceiving justice and job satisfaction, there is also a relationship between perceiving justice and customers’ satisfaction; meanwhile personnel are more susceptible to distributive justice than to interactional justice, although the customers are more susceptible to perceiving the interactional justice.

When reprocessing the research hypotheses, other discussions caught the attention of the authors. For example it seems that the customers’ susceptibility is not only focused on a fair relationship among themselves but they also pay attention to the fair relationship of the organization with the personnel and others.

Therefore a hypothesis was considered that it seems that people are interested in observing just behavior toward the others.

Of course it seems that this topic is roughly influenced by the level of maturity and aesthetical concerns of the observer.

Keywords:
Perceiving just behavior, Distributive justice, Procedural justice, Interactional justice, Observational justice

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**Introduction:**

Nowadays, considering the undeniable influence of justice upon the behavior of personnel, organizations try to increase the perception of justice in treating personnel and clients, and thereby improve their image in public's viewpoint. The life and survival of each organization or social system depends on commitment and loyalty of personnel and customers to the organization. The rapid changes resulting from global competition and development of information technology indicate the inefficiency of the past controlling strategies. The scientific researches focusing on the backgrounds which affect the results of organizational function show that justice plays a considerable role in survival of personnel and loyalty of customers. Meyer (1997) believes that the measures of human resources management in various fields of selection, compensation, promotion, and the likes, as a part of conditions which affect organizational results, are directly controlled by the organization; hence, they help creation and development of perception of justice or injustice in the organization. This can result in the improvement of personnel's beliefs toward fair behavior in the organization and increasing organizational efficiency. [1]

**Statement of the problem**

Organizations, in the competitive atmosphere of the market, seek to satisfy their customers and therefore attract more customers and increase their profits. They think about their life and survival. Getting customer satisfaction, as an independent variable, is influenced by numerous variables; among them, interorganizational variables influence customer satisfaction through exerting influence upon personnel satisfaction (agents of service provision). Personnel satisfaction, to a large extent, depends upon the observation of justice in the organization [3]. Research on organizational justice is significant from the respect that most of the decision-making situations of the managers result in injustice in the organization [24]; meanwhile, regarding the influence of people's perception on their behavior, irrespective of real observation of justice, it is this perception of justice that is considered by the personnel.

Regarding the importance of human forces in organizations and their influential roles in the image of the organizations in customers minds, particularly in service organizations, it is necessary to pay attention to the process of perception of justice; because perception of justice or injustice,
has a direct influence upon job satisfaction and behaviors of personnel and customers willingness to have relations with the organization [3]. The findings of the studies show that personnel's perception of justice affects their performance and increases their job satisfaction [22] and this, ultimately, influences customers satisfaction. It is clear that profit of the organization is greatly influenced by customers’ satisfaction and loyalty.

Today, a considerable share of work force is involved in service sector and is directly related with customers. Therefore, the present study, focusing on service sectors and investigates the perception of justice in this sector. Offering services is different from producing goods because of unique characteristics such as being intangible, simultaneous production and consumption, and necessity for the increased participation of service agent during provision of service. These characteristics have considerable influences upon the performances of managers and cause customers to evaluate the quality of services according to their performances. Consequently, the mental perception from service provision is a basic and important point, and studying customers’ perception is necessary in order to ensure the quality of services and customers satisfaction [3].

**Difficulty of perceiving the concept of justice**

Perception is an important modifier of cognition process by which people interpret the stimuli they face in the environment [17]; in other words, perception is the process of selecting, organizing, and interpreting environmental information through which people give meaning to their environment. Classification and interpreting this environmental information is done within the framework of people's present knowledge [19].

The following diagram indicates the process of conception:

![Diagram of the model of process of perception](image_url)

*Figure 1: The model of process of perception (adapted: McShane & Von Glinow, 2003, p.64)*
The above process shows that what people see is not real; rather people interpret what they see and consider it as a reality [15].

Determining an objective equivalent for justice is difficult, so it is considered as a "very subjective concepts".

In public's idea, there are various and sometimes different interpretations of the "justice" conception according to people's level of knowledge; it seems that everybody has a different view of it according to which speaks about justice! If we accept that the interpretation of everybody from justice is influenced by their personality and perceptive atmosphere and factors affecting the information processing in their style and structure of thinking, we can accept that each person has a specific interpretation of justice according to their specific situation [20].

The aspects of justice in the organization

Justice is an abstract concept which has been interpreted in different ways; when this concept is used in organizational environment, the concept of organizational justice is employed. Greenberg believes that perception of organizational justice is necessary for efficiency of performance and personnel satisfaction in organizations [35]; meanwhile, it is regarded as an important factor in keeping the balance of behavior and organizational health [28]. Fernandez and Vamle citing Greenberg state that organizational justice refers to fair and just behaviors of organizations with their personnel [35]. On the basis of content, structure, and background of every society, justice can be classified into three categories of distributive, procedural, and interactional [20].

Distributive justice - Distributive justice is related to the individuals’ conceptions about the results of the process and is always perceived via fairness in social interactions in a way that people compare their shares with that of others and perceive justice or injustice according to it [25]. Distributive justice is not only limited to fairness of payments, but also involves a vast collection of organizational consequences such as promotions, rewards, punishments, work plans, advantages, and evaluations [35].

The studies conducted regarding distributive justice indicate the fact that results-based perception of justice affects the attitudes and behavior of people (such as job satisfaction, organizational commitment, performance and leaving of organization) [10]. Among these researches we can refer to
Fischer studies which discovered a relationship between distributive justice and job satisfaction [1].

It seems that perceiving justice of the management behavior is mostly influenced by the personnel perception of distributive justice [13]. And the organizations expect to increase the personnel performance by justly distribution of bonuses based on performance and the degree of participation of individuals [14]. Therefore, managers, while considering individual differences in designing reward systems of organization, must make sure that personnel are treated fairly in these systems [18].

**Procedural justice:** procedures are established to ensure standardization of work processes; so that similar data are processed in similar ways and the same outputs are found out [2]. Procedural justice refers to fairness in procedures which are considered as the factors of distributing results [30]; this means that the justice in the organizations is influenced not only by the results but by the process used for realization of the results [4]. To give the answer to the question of "why do the procedures matter?" two viewpoints are discussed: The first viewpoint is an instrumental one and discusses that a just process guarantees realization of a just part of the results, and the second viewpoint, which is of a psychological aspect, indicates that the just process enjoys symbolic value which is used to respect the individual's identity and confirm the individual’s status in the organization [5].

Understanding the procedural justice is explained through the following factors:

- To provide the individuals with opportunity to express their opinions.
- To observe justice when determining the criteria for assessment of performance.
- Fairness in designing policies and procedures [7].

In addition to the above-mentioned points, Taylor and Bios (1990) believe that determining specific conditions and criteria for evaluating personnel by decision-makers should be added to above points; while they believe that concepts such as control of process and control of decision affect perception of procedural justice [27].

It seems that providing information and participating in decision-making process increase the probability of controlling the process that determines the results. Lind and Tyler (1988) found out that the chance to express the opinions is the most reliable variable for realization of procedural justice; this means that people show more favorable response to those
procedures that provide practical freedom for expressing opinions and presenting information in the process of decision making, and this increases the probability of perceiving the fairness of results [7]; in other words, when personnel consider the system procedure as just and fair, it is more probable that they perceive the results as fair, too, even when the results are not profitable for them [23].

Based on other researches, a fair process should enjoy the following characteristics:

1. The standards should be “consistent” among the individuals and during a period of time.
2. They should be “unbiased” toward the personal interests.
3. Decisions should be made based on the reliable and accredited information. Information should be “accurate and exact”.
4. Depending on the possibility of creating challenges or making changes in decisions, the process should be “correctable”.
5. They should be “representative” of interests of all parties involved.
6. They should be “ethical” [8].

Fischer's studies on justice underline the positive relationship between procedural justice and levels of systemic satisfaction particularly organizational commitment [1]. If managers provide individuals with sufficient information about the following topics, they will provide the grounds for better perception of procedural justice in the organization:

1. How to evaluate the endeavors and the time people spend to discharge duties;
2. How to evaluate the performance of individuals and determine the answering backgrounds as well as standards of quality, quantity, time and cost;
3. How to make decisions to compensate for people’s services.

On this basis, if people perceive that the procedures used to reward the services are unfair or the system of evaluation of personnel's performance is inaccurate, they will have no motivation to work despite high potency of work performance [9].

**Interactional justice**: Along with development of researches on justice during 1990s, researchers concentrated on the social aspects of this kind of research. Bies & Moag (1986) presented the interactional justice as one of the aspects of justice that indicates the way of intrapersonal behavior of organizational components. Some researchers believe that the interactional justice is a complementary component for procedural justice while others
have presumed it as an independent aspect [10]. The interactional justice means that the individuals' perception of the way and quality of intrapersonal behavior during implementation of procedures influences their judgment about observation of justice in the organization and thereby increases the probability that decision-making procedures will be perceived and understood as just [11].

Interactional justice requires timely, complete, and accurate presentation of information; so that equal opportunities could be provided for all people. Presenting such information during implementation of process and after implementation of decisions is of vital importance; in fact, managers play a very important role in creation of perception of justice in their thought by presenting objective, permanent and constructive feedbacks regarding personnel performance [12].

Customers are willing to see behaviors full of openness, honesty, respect, preservation, guidance, support, and loyalty in their relations with organizations [16].

Some other concepts identified in relation to interactional justice are as following:

Integrity, justification, politeness, friendship, senility, interest, sympathy, trust, guidance, concern, and attempt; meanwhile, two other concepts of “acceptance of mistake”, and “apology” are considered facing with customers complaint [21].

Other studies have emphasized concepts such as relations, openness to criticism, attention, knowledge, politeness, kindness, and humility [13]. In sum, it seems that influential factors on the perception of interactional justice are among the main factors of personnel's trust in the organization [26]. According to studies conducted, when people believe that the procedures of decision-making are unfair, they show less commitment to their employers, the probability of robbery and leaving the organization increases among them, and the useful citizen performances and behaviors decrease [29].

**Research hypotheses**

Considering the specific characteristics of service organization, the present study tries to investigate the following hypotheses:

1. There is a meaningful relationship between the personnel's perception of the rate of justice in organization and their job satisfaction.

2. There is a meaningful relationship between perceiving injustice and showing undesirable behavior on behalf of the personnel.
3- There is a meaningful relationship between job satisfaction of the organization's personnel and satisfaction of the organization's customers.

4- The personnel are more susceptible to distributive justice than to procedural and interactional justice.

5- The organization's customers are more susceptible to interactional justice than to distributive and procedural justice.

Research method

In this research, library studies and explorative methods have been used to compile the theoretical fundamentals, and opinion poll and survey method have been utilized for data gathering about the hypotheses.

Sample population of this research includes the end customers as well as the personnel of one of the governmental banks of Iran; personnel who have direct contact with the organization's end customers (renders of services); stratified sampling method was used to sample the population. At first, from among the branch offices of Bank, several branches were selected through random sampling method. Then the sample population was selected from among the personnel and customers of the selected bank branches. With respect to the size of sample population, 200 customers and 180 personnel were considered as sample population.

The questionnaires were used to gather information while interviews were also arranged to some extent to complete the questions.

To assure the reliability of questionnaire, the relevant experts assessed its primary design and then the corrected questionnaires were distributed among the participants. It should be mentioned that alpha Chronbach reliability coefficient was obtained to be 0.8501 in personnel questionnaire and 0.8614 in customers' questionnaire; therefore, it can be claimed that the questionnaires were sufficiently reliable.

Correlation analysis was applied to analyze the data. Since the variables considered in the hypotheses were mainly qualitative variables, nonparametric methods particularly Spearman rank correlation coefficient, Friedman test and proportion hypothesis test were used in order to test the hypotheses.

Results

Regarding the first hypothesis, Spearman rank correlation coefficient was used to test if there is a meaningful relationship between personnel's perception of justice and their job satisfaction.
While calculating statistics of the test, it was found that there is a meaningful level for correlation than 0.05. Therefore, the test statistic is located at $H_1$ area. Then it can be concluded that, with a 95% confidence, there is a meaningful relationship between perception of justice and the personnel's job satisfaction.

Regarding the second hypothesis, proportion hypothesis test was applied to test if there is a meaningful relationship between the personnel's feeling of injustice and showing undesirable behavior on their behalf.

The result showed that the amount of calculated statistics exceeded the critical amount, it was located in $H_1$ area and so $H_1$ hypothesis was confirmed; therefore, it can be deduced with a 95% confidence that if the personnel feel that they have been treated unfairly, they may show undesirable behavior.

Regarding the third hypothesis, Spearman rank correlation coefficient was used to test if there is a meaningful relationship between the personnel's job satisfaction and satisfaction of the organization's customers. It was it can be concluded with 95% confidence that there is a meaningful relationship between the personnel's job satisfaction and satisfaction of the organization's customers.

Regarding the fourth hypothesis, in order to compare the personnel's susceptibility to distributive, procedural and interactional justice, the correlation coefficient was calculated for the relationship between perceiving the aspects of justice and the personnel's job satisfaction. In the studied sample, the amount of correlation coefficient between perceiving distributive justice and job satisfaction is more than the correlation coefficient for perceiving procedural and interactional justice and job satisfaction. Also the personnel are more susceptible to distributive justice than to procedural and interactional justice.

Regarding the fifth hypothesis, Friedman test was used to compare the customers' susceptibility to interactional, distributive and procedural justice and it was found that the level of coverage of test statistic is less than 5%. Therefore, it can be deduced with a 95% confidence that there is meaningful difference between the tests (statistical assumption $H_1$); this means that the differences are meaningful and it is estimated that the average level of importance of interactional justice is more effective than other aspects to attract the satisfaction of customers; and this also means that customers'
susceptibility to interactional justice was more than distributive and procedural justice.

Reprocessing the research hypotheses

As it was seen, the results of research show that perception of justice influences the organizational effectiveness and attracting satisfaction of the organization’s customers. The results of research indicated that perceiving justice on behalf of personnel will lead to increased job satisfaction and improved performance of personnel and so will lead to satisfaction of customers. Of course, it is worth mentioning that there is probably a synergistic relationship among the aspects of organizational justice.

The point that attracted the attention of researchers in this stage is that it seems that people are not interested in justice administration only for themselves. Although the degree of anger and dissatisfaction due to injustice intensifies when the individuals themselves are victim of such injustice, but it seems that the entire atmosphere of organization is perceived to be a just and fair atmosphere when behavior toward others is also just and fair. This means that the spectators are influenced when they witness just and ethical behavior toward others. Maybe, this is the reason why many of large companies are active in humanitarian and charity activities. Therefore, another relationship maybe developed to describe the concept of interactional justice, based on which, noticing oppression and remaining silent on discrimination are considered as injustice [33, 34]. This kind of perception of justice is influenced by the interpretation of customer or any other outsider spectator of what they may see. For this reason, it can be called observational justice [33, 37].

In the first contact in the organization, the customer gets a primary impression or image about the organization when he perceives the observational justice in the organization; because the customers in their repeated references to the organization can perceive justice from the way the employees are treated and also from their appearances. When customers see that justice is administered in the general atmosphere of the organization, they are satisfied with the service they have received; in this case, the customer enjoys interacting with the given organization and this probably will lead to satisfying lofty needs in them.

Therefore, justice should be obvious and should be manifested in a visible atmosphere of the organization; i.e. it should be manifested quite clearly in the organizational relations. In this way the fair organization leaves
a positive image of itself throughout the society. The claim that is discussed here is formed within the framework of the following hypothesis:

"The customers' satisfaction (and all beneficiaries in the environment) is strongly influenced by perception of justice in the relationship between the organization and other parties (all individuals associated and in contact with it)".

To study this hypothesis, researchers prepared a separate questionnaire to study the influence of "observing a just behavior" or "observing an unjust or a cruel behavior".

Regarding the sixth hypothesis, a proportion hypothesis test was used in order to test the meaningfulness of the relationship between observational justice in the organization and the customers' satisfaction. It was found out that the amount of calculated statistic was more than the critical amount and it is located in $H_1$ area and $H_1$ hypothesis which means the research hypothesis was approved with 95% confidence. The following figure shows distribution of dispersion of responses given to the sixth hypothesis, a quite positive to quite negative spectrum from right to left.

![Figure 2. Distribution of data about the sixth hypotheses](image)

The results indicated that although the individuals' satisfaction with the organization increases when they see just behavior on behalf of the organization toward the others, but on the other side, they are severely dissatisfied with "injustice and inequality of behavior" toward the others.
Therefore, it seems that observing fair behavior toward the personnel is very effective in maintaining the customers.

As it is observed, the primary model of research (Figure 1) was very simple. In the first stage of research, the dimensions of model were increased (Figure 2). But in the final stage of research, the researchers became interested in a more sophisticated model. (Figure 3).

Figure 3. The Relationship between justice and satisfaction of customers and personnel.

Figure 4. The relationship between aspects of justice and satisfaction of customers and personnel.
Based on the final model of research, a kind of positive cycle is formed that attracts the attention of organization's officials to a commitment to consider justice as one of the factors that determine identity to achieve social prestige for the organization.

**Conclusion and Suggestions for further research:**

Observing Justice in the organization has direct and indirect influences upon the satisfaction of customers and employees. The employees are influenced by distributive justice while customers are influenced by interactional justice. Procedural justice has a direct influence on satisfaction of both groups with a less severe effect. But when the individuals witness justice in the organization they are led to have a positive image of the organization and this will strongly influence the organization's social prestige and its status in the environment.

The following suggestions are given for further studies in this regard:

- Making attempts to design suitable mechanisms for correction of payment system in the organization and to improve distributive justice based on the real performance of the individuals.
- Making attempts to design suitable mechanisms for career promotions and develop interactional and procedural justice.

- Designing suitable educational systems for development of interactional justice and to improve the ethical behavior toward colleagues and customers.

- Designing a suitable system for promoting perception of customers and other environmental beneficiaries of just behavior in the organization for the purpose of promotion of social prestige and status of the organization via offering a positive image to the society.

- Making attempts to design and develop a suitable educational and informational system in order to promote perception of individuals and outside spectators of the interactional justice.

- Making attempts to design a dynamic and "continues learning system" and assessment mechanisms of the way of justice perception in the minds of personnel and outsider spectators.

- Making attempts to extend the culture of understanding truth-oriented justice [33].

- Making attempts to design customer-oriented system in the organization in order to promote perception of interactional justice in the customers' viewpoints.

- Making attempts to extend the people's perception of observational justice in the organization in order to continue and improve the organization's social prestige.
REFERENCES


