

The Relationship between Perception of Organizational Justice and Employee Empowerment in Industrial Town of Rasht

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ABSTRACT

To understand the justice in organizations results in achieving a high level of organizational confidence. Researchers believe that when people observe organizational evaluations as fair ones, they trust more to organizations. Verdicts indicating the presence of fairness are used as an alternative for confidence and trust in interpersonal relationships. On the other hand, human resources empowerment is new and modern way to control those prone organizations having a more competitive and complex future. If, in the organizational management strategy, no employee empowerment is seen then that strategy is condemned to failure. The present paper uses the descriptive – analytical methodology. Moreover, its goal is classified as the applied one. In order to obtain required data for hypotheses testing the researchers has used questionnaire as data gathering tool. According to information gained from the company of industrial towns of Guilan province population of this research was determined to be all active and working industries in industrial town of Rasht. There are 150 active industries in this town of which 76 are identified as entrepreneur industries and all of them answered the questionnaire. Results indicate that there is a significant and positive relationship between perception of organizational justice and employee empowerment. Furthermore, this relationship is true about three aspects of organizational justice.

KEYWORDS: organizational justice, interactive justice, distributive justice, procedural justice, empowerment

1. INTRODUCTION

The survival of every social system and institute depends on the strength of the link available among its forming elements. This link is influenced by the respect given to a kind of equality (justice) in that system. Theorists of cognitive sciences consider behavior as personal reaction and a function of human beliefs, expectations, values and other intellectual perceptions. Social justice-based human resources empowerment is a new way to control those prone organizations having a more competitive and more complex future. Continuous improvement is meaningful only when individuals catch required data and be trusted on to be able to use their skills and abilities. A great deal of research is done in this area and it is shown that justice process plays a very important and significant role in an organization. Besides, different manners of treating individuals in the organization affect employees' beliefs, feelings, trends and behavior. Fair behavior of an organization toward its employees usually leads them to have more commitment about the organization and express an over-role citizen behavior. On the other hand, those individuals facing an unfair behavior from the organization are more capable of leaving it or expressing lower levels of organizational commitment or even rough behaviors such as malice. The present paper tries to investigate the empowerment range in companies of industrial town based on the psychological approach. Those individuals who take advantage form communications in a social network or social capital and use their feelings can increase their beliefs and verdicts about empowering themselves.

Research Theoretical Principles

Justice is a necessary factor for every social and, especially, organizational participation. Continuous voluntary participation of individuals in groups and teams depends on their perception from how fairness and justice is respected. The more fair perception the members of a social system or group have from system's behavior the more they assure participation, maintenance and development in that system (Pour Ezzat, 2003, p.75). Treating individuals fairly increases their power and results in more voluntary efforts made by them to achieve social goals. In general, justice leads to individuals'

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integration and injustice results in separation and sequester among them (Khatibi, 2009, p.15). In the theory of "Social Exchange", organizations and workplaces are environments in which social exchange is formed. That is, aggregation of individuals in a common place in which they act to achieve a common goal best provides requirements of multiple functional and behavioral exchanges (Rezaeian, 2005, p.56). While injustice is experienced this provision leads individuals toward the belief that correct social principles are violated and thus they react to really or perceptually retrieve these principles. This reaction can happen in two ways: emotionally (lower commitment) or behaviorally (more job leaving and consequent behaviors) (Fine et al, 2010, p.75). Justice is an abstract concept of which a variety of interpretations are considered. When used in an organizational environment the concept equals "organizational justice". Organizational justice is a variable used to describe the justice which is directly related to job positions. Organizational justice, especially, proposes ways and manners to treat employees to make them believe they are treated fairly (Moorman, 2009, p.845). Greenberg (2009) defines organizational justice as the fair behavior of the organization toward its employees and Tanova (2010) emphasizes that organizational justice is related to individuals or groups' perception from observance of fair and justice in behaviors and decisions by the organization (in different levels) and perceptual and behavioral reactions to these perceptions. By organizational justice the present research means employees' perception from job fairness in the organization. Based on literature, perceptions of justice are classified into three groups: distributive justice, procedural justice and interactive justice (Berggren, 2009, p.49).

Distributive justice: It deals with fairness percept from events and consequences and is considered as a potential factor having significant applications in organizational fields. It should be noticed that this justice does not only relate to payment fairness, but it involves a wide range of organizational consequences including promotions, remunerations, punishments, curricula, advantages and performance evaluations (Erstad, 2007, p.117).

Procedural Justice: From this viewpoint, justice must be defined using fair procedures. That is, fair decisions are those resulted from fair procedures. Principles of procedural justice include being neuter, having the right to assess and participation in decision-making (to note a few) (Robbins, 2003, p.120).

Interactive Justice: It involves some aspects of communication process such as curtsy, honesty and respect between sources and the recipient. Two important factors effective on the perception of interactive justice are:

- Sufficient clarification of main reasons for making decisions on resource allocation
- Respectful behaviors of executive authorities toward those individuals affected by made decisions.

In fact, having a positive behavior and trend toward individuals in an organization reinforces the process of obeying organizational procedures without changing individual decisions of infrastructural processes (Dickson, 2011, p.135).

Empowerment is a term frequently used in human sciences but no agreement has come to on its various definitions. Thus, the term "empowerment" is still widely used in theoretical literature of organization and management but no clear definition is available (Colum, 2009, p.156). Indeed, empowerment is a process by which individuals of a society become aware of their own needs, obtain a type of self-confidence to meet those needs and accordingly gain the required ability to realize their goals. By another definition, empowerment means that people must achieve a certain level of individual development which enables them make choices based on their own needs (Floger, R & Cropanzano, 2008, p.925). Three elements providing for empowerment in workplace are: organizational structure, relationships and theories each of which must change to create empowered employees. Otherwise, attempts will have no results. An empowered workplace is an environment in which employees are the main propellant. Empowerment gives potential capacities for using human abilities which are not employed perfectly (Abbasian, 2008, p.111). In fact, it is a process through which individuals become aware of their own needs, obtain a type of self-confidence to meet those needs and accordingly gain the required ability to realize their goals (Chinho, 2010, p.24). Three elements providing for empowerment in workplace are: organizational structure, relationships and theories each of which must change to create empowered employees. Otherwise, attempts will have no results (Hoffman, 2009, p.130).

In the present paper, organizational justice and its aspects are considered as the independent variable and their relationship with employees' empowerment is the dependent variable. As suggested before, organizational justice is composed of three aspects: distributive, interactive and procedural.

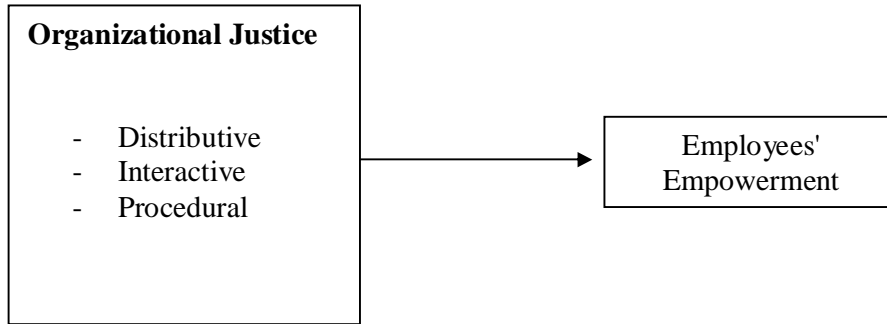


Figure 1: Theoretical framework or the analytical model of the research

Research Hypotheses

The main hypothesis: here is a significant relationship between the perception of organizational justice and empowerment of companies in Industrial Town of Rasht".

This hypothesis is sub-divided to three side hypotheses:

1. There is a significant relationship between distributive justice and employees' empowerment.
2. There is a significant relationship between procedural justice and employees' empowerment.
3. There is a significant relationship between interactive justice and employees' empowerment.

RESEARCH METHODOLOGY

The present study is an applied one in which data is gathered through descriptive (non-experimental) method and the research is considered to be a field study. It is considered as an applied research because its results could be used by different groups of planners and managers. Furthermore, it is a descriptive paper since it is accomplished without modifying variables and components. Active companies in Industrial Town of Rasht compose the field environment of this research.

As mentioned before, the population of this paper consists of 150 active companies in Industrial Town of Rasht. Based on Morgan's Table, if the population mass equals 150 at least 108 samples must be used. But since only 76 companies of this Industrial Town are known to be active (based on criteria of a state institute called The Company of Industrial Towns of Guilan Province) the researcher was inevitable to distribute (and collect) the questionnaire in (from) all of these 76 companies in order to have a comprehensive research. Some of these criteria are: high rates of entrepreneurship, developing social and economic motives in the society, transfer of modern technologies from developed countries, developing novel industries, identifying, developing and expanding new markets, etc. All of mentioned 76 companies relatively possessed these features.

Hypotheses Testing

Investigating the Main Hypothesis Testing

The Main Hypothesis: There is a significant relationship between perception of organizational justice and employees' empowerment.

H₀: There is no significant relationship between perception of organizational justice and employees' empowerment.

H₁: There is a significant relationship between perception of organizational justice and employees' empowerment.

Respecting the qualitative nature of all variables, Spearman's correlation test was used to investigate the relationship between variables. The results are in the following table.

Table 1: Correlation coefficient of perception of organizational justice and employees' empowerment

Dependent Variable	Independent Variable	Correlation Coefficient	Square of Correlation Coefficient	Sig	Independent Variable's Coefficient	Constant
Perception of Organizational Justice	Employees' Empowerment	0.554	0.564	0.000	0.797	1.3

Base on Table 1, the correlation coefficient among variables of this hypothesis is 0.554 and the significance level is $p < 0.000$. These indicate the positive correlation between perception of organizational justice and employees' empowerment and demonstrate the significant relationship between these variables with 99% confidence. In other words, with 99% confidence, H_0 is rejected and H_1 is accepted. As a result, the main hypothesis of the research, i.e. there is a significant relationship between perception of organizational justice and employees' empowerment, is confirmed.

Investigating Side Hypotheses Testing

The First Side Hypothesis: There is significant relationship between distributive justice and employees' empowerment.

H_0 : There is no significant relationship between distributive justice and employees' empowerment.

H_1 : There is a significant relationship between distributive justice and employees' empowerment.

Table 2a: Correlation coefficient of the structural aspect of social capital and employees' empowerment

Dependent Variable	Independent Variable	Correlation Coefficient	Square of Correlation Coefficient	Sig	Independent Variable's Coefficient	Constant
Distributive Justice	Employees' Empowerment	0.751	0.757	0.000	0.602	2.4

Base on Table 2a, the correlation coefficient among variables of this hypothesis is 0.751 and the significance level is $p < 0.000$. These indicate the positive correlation between distributive justice and employees' empowerment and demonstrate the significant relationship between these variables with 99% confidence. In other words, with 99% confidence, H_0 is rejected and H_1 is accepted. As a result, the first side hypothesis of the research, i.e. there is a significant relationship between distributive justice and employees' empowerment, is confirmed.

The Second Side Hypothesis: There is significant relationship between procedural justice and employees' empowerment.

H_0 : There is no significant relationship between procedural justice and employees' empowerment.

H_1 : There is a significant relationship between procedural justice and employees' empowerment.

Table 2b: Correlation coefficient of the structural aspect of social capital and employees' empowerment

Dependent Variable	Independent Variable	Correlation Coefficient	Square of Correlation Coefficient	Sig	Independent Variable's Coefficient	Constant
Procedural Justice	Employees' Empowerment	0.674	0.682	0.000	0.690	1.8

Base on Table 2b, the correlation coefficient among variables of this hypothesis is 0.674 and the significance level is $p < 0.000$. These indicate the positive correlation between procedural justice and employees' empowerment and demonstrate the significant relationship between these variables with 99% confidence. In other words, with 99% confidence, H_0 is rejected and H_1 is accepted. As a result, the second side hypothesis of the research, i.e. there is a significant relationship between procedural justice and employees' empowerment, is confirmed.

The Third Side Hypothesis: There is significant relationship between interactive justice and employees' empowerment.

H_0 : There is no significant relationship between interactive justice and employees' empowerment.

H_1 : There is a significant relationship between interactive justice and employees' empowerment.

Table 2c: Correlation coefficient of the structural aspect of social capital and employees' empowerment

Dependent Variable	Independent Variable	Correlation Coefficient	Square of Correlation Coefficient	Sig	Independent Variable's Coefficient	Constant
Interactive Justice	Employees' Empowerment	0.586	0.593	0.000	0.591	1.6

Base on Table 2c, the correlation coefficient among variables of this hypothesis is 0.586 and the significance level is $p < 0.000$. These indicate the positive correlation between interactive justice and employees' empowerment and demonstrate the significant relationship between these variables with 99% confidence. In other words, with 99% confidence, H_0 is rejected and H_1 is accepted. As a result,

the third side hypothesis of the research, i.e. there is a significant relationship between interactive justice and employees' empowerment, is confirmed.

Conclusion

According to results of this study the independent variable of perception of organizational justice has the minimum score of 25, maximum score of 70, average score of 40 and mode of 45. That is, the average perception of organizational justice is upside. The next variable, i.e. distributive justice, has the minimum score of 2, maximum score of 10, average score of 5.8 and mode of 5. This means that this structural aspect has an upside average. The variable of procedural justice has the minimum score of 3, maximum score of 10, average score of 9.3 and mode of 8. That is, it has an upside average. The variable of interactive justice has the minimum score of 17, maximum score of 48, average score of 29.6 and mode of 25. This indicates that it has an upside average. Finally, the dependent variable of the research, employees' empowerment, has the minimum score of 32, maximum score of 75, average score of 53.2 and mode of 48. That is, it has an upside average.

The researcher mostly focused on evaluating the significance of relationship between different aspects of perception of organizational justice and employees' empowerment. Hence, a questionnaire containing 32 questions was designed. According to results obtained from calculation of Spearman's correlation coefficient four research hypotheses were confirmed:

- Based on results it is deduced that the independent variable, perception of organizational justice, has a direct relationship of 55.4%. That is, this variable has a positive and significant relationship with the dependent variable (employees' empowerment in active companies in Industrial Town of Rasht). Besides, it has a 0.564% effect on employees' empowerment. This indicates that 56.4% of changes in employees' empowerment (in active companies in Industrial Town of Rasht) are influenced by perception of organizational justice.
- Based on results it is deduced that the independent variable of distributive justice has a direct relationship of 75.1%. That is, this variable has a positive and significant relationship with the dependent variable (employees' empowerment in active companies in Industrial Town of Rasht). Besides, it has a 0.757% effect on employees' empowerment. This indicates that 75.7% of changes in employees' empowerment (in active companies in Industrial Town of Rasht) are influenced by distributive justice.
- Based on results it is deduced that the independent variable of procedural justice has a direct relationship of 67.4%. That is, this variable has a positive and significant relationship with the dependent variable (employees' empowerment in active companies in Industrial Town of Rasht). Besides, it has a 0.757% effect on employees' empowerment. This indicates that 75.7% of changes in employees' empowerment (in active companies in Industrial Town of Rasht) are influenced by procedural justice.
- Based on results it is deduced that the independent variable of interactive justice has a direct relationship of 58.6%. That is, this variable has a positive and significant relationship with the dependent variable (employees' empowerment in active companies in Industrial Town of Rasht). Besides, it has a 0.593% effect on employees' empowerment. This indicates that 59.3% of changes in employees' empowerment (in active companies in Industrial Town of Rasht) are influenced by interactive justice.

Suggestions

Since improvement in perception of organizational justice is effective on employees' empowerment, it is suggested to reinforce and improve every aspect of organizational justice through considering its subset factors. Therefore, considering the results, since human capital is the most important and valuable capital of every organization the more attention is paid to this capital the more the organization is successful in achieving its goals. It is observed that managers' efforts to establish the organizational justice result in development of commitment in their employees. Hence, it is suggested, based on relationships observed between variables, that:

Managers try to be more sensitive in affecting employees' perception of organizational justice and to clarify the current status of perception of organizational justice in order to specify the organization's weaknesses and strengths. Then, they can provide a comprehensive plan to improve human resources development and more efficiency of their labor based on goals and perspectives of the organization. If employees are unsatisfied with aspects of organizational justice, then organizational results distribution, results distribution procedures and the relationship between managers and employees must be revised. Perception of organizational justice is formed in the basis of respecting labor the advantages

of which have been investigated in various studies. Thus, respecting this concept has multiple advantages for an organization.

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