

## Role of Organizational Justice and Job Security on Employee's Job Satisfaction: Study of IBA Community Colleges.

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### Abstract

*Employee retention is the problem of most of the organizations in today's competitive world in this situation employers are too much worried about the satisfaction of their employees towards the attainment of organizational task and performance, in this connection study was carried out for tracing the reasons for enhancing the satisfaction level of employees working in IBA Community colleges of Sindh Province, data was collected through a structured questionnaire and analyzed through SPSS. 18, and results suggested that Employee Job Performance and Organizational Justice are positively and significantly related with the Employee Job Satisfaction while Job Security got insignificant relation with Employee Job Satisfaction.*

**Keywords:** Organizational Justice, Employee Job Performance, Employee Job Satisfaction, and Job Security.

### Introduction

Greenberg, (1987) introduce the pioneer concept of organization justice, through organization justice judge the employees behavior, attitude regarding their organization and develop the employees capabilities loyalty and trust towards organization, organization justice create the employees interest and job satisfaction of employees if organization is fair to making decision or make strategic planning to develop the organization then their employees feel great with the organization and the paid the benefit in shape of salary and incentives, there are four prospectus to define organization justice 1. Distributive justice, 2. Procedural justice interactional justice and fourth is informational justice, human resource is a most powerful element of any organization employees want to justice in their work environment through fair procedures employees will motivated towards the organization, distribution of reward and bonuses also show the fairness of the organization when employees treated fairly in the organization then they give more response organization is social process where human resources consider as a most powerful element of the organization, rewards and variety of benefits give satisfaction to employees regarding their jobs, many researches have different perspective regarding job satisfaction, job satisfaction is the most powerful variable in organization behavior employees attitude and their response towards organization tell the satisfaction level regarding their jobs, job satisfaction and positive feedback enhance the level of performance "Reward Incumbent" is a reward system impact on employees performance major source of job satisfaction received valid feedback from employees positive response of

managers and organization enhance the job satisfaction level "Social Incumbent" social interaction of employees identify worth and status leads satisfaction with coworkers job security measure the "quality of life" if employees assure that they never been unemployed or surplus from their loved organization they have job security if they are permanent employees of any organization they feel security of their jobs Justice is most influences factor towards job satisfaction and job security

### Literature Review:

Abraham Maslow (1954) suggest in his hierarchy need theory there are five level of need like physiological needs, safety, belongingness and love, esteem to self-actualization. The job satisfaction came in the fulfillment need. According to the national center of employees (2000) it was reported that the more than 8.8 million employees compensated on the basis of justice, it was a proof that the organizations are giving greater attention to their employees and their satisfaction regarding job. When employees are given rewards for their performance then their satisfaction level will increase in terms of organizational performance.

When we talk about the justice it has great importance in our daily life whether home or office. This study conducted at the education sectors of Punjab, to find out the relationship between the job satisfaction and organizational justice. The research reveals that there is the positive relationship between the following statements, when employees contribute toward the organization they also expect to be praised for their

work. And if organization fails to provide the job satisfaction to its employees then they loses its human resources. (Rabia Aslam)

The evidences collected from a research recently conducted in china on job insecurity in state-owned enterprises and private joint venture organization by Wong, Wong, NGO and lui in 2005. The research study reveals that job insecurity was negatively related with organizational citizenship behavior (OCB) in private joint venture organization while negatively related with OCB in state owned enterprises.

Organizational justice and job recruitment have a positive effect towards trust on top management, the case study suggest that the organization take good care of their employees in term of social needs as well as the economic and security needs. According to Lee (2006), employee's relation with organization moderates the job insecurity through the justice and job security prevailing in the organization.

Organizational commitment is considered as the emotional attachment of the employees regarding their organization. The connection between the job satisfaction and organizational commitment has been tested in various fields and researcher shows that the positive relationship between Employee empowerment greatly improves organizational commitment, and job satisfaction, job involvement and career satisfaction (Noorliza et al., 2006).

According to the Bureau of Labor 2008, each year one million employees are terminated from their posts during mass layoffs. The awareness of having a job but knowing that it is not secure is stressful burden on the employees' shoulders. The research identified that the employee's job satisfaction and organizational commitment is based on the distributive and procedural justice. When employees are satisfied with their current job and probably committed to their organization, it reduces the cause of turnover of the employees. Employees are considering the valuable assets of the organization; the employee's turnover negatively affected the productivity of the organization. Therefore for the long term success of organization needs to retain their employees and its needs to treat the employee's equally and that can be done through the organizational justice and job satisfaction. (Choong Kwai Fatt, 2010)

75% of employees are looking for job security when they search for a job according to a survey(2010) conducted by KPMG. In 2010 survey conducted by the

university of Michigan's center for education of woman reveals that in teaching specially professors desire more job security. The study found that job security help them in balancing their job and personal life and also reduce the level of stress. According to Fernandes & Awamleh, 2010 Satisfaction of the employees is very crucial for the progress of the organization and in this globalized world where humans are the precious assets of the organization whose work determines the performance of the organization. Employees work efficiently when they are satisfied with the organization.

According to Geoffry James(2012) job security is essential element for the performace of the organization. He found out that organizations with low job security have low performance. Because the job security directly influence the performance of an employee which effects the overall performance of the organization. In general the civil aviation Authority which is a semi government organization their employees are qualified Professionals therefore they paid handsome salary to their employees as compared to other government organization the research reveals that if employees are satisfied with their current job they do not switch to other organization for better Opportunity and we see that the satisfied employees are more committed to their organization, and we get the better result that the organization performance will increase day by day. (Faisal Karim, 2012)

Organizational citizenship behavior (OCB) is greatly influenced by the organizational justice. There are different types of justice but in this study the great focus on procedural justice and distributive justice. The fairness of organization, it lead to their employees how to increasing the performance of the organization. (Hafiz Kashif Iqbal, 2012). A research study suggests that organizational justice has positive relation with employees work attitude. Employees work in organization for a long time if they are treated fairly in the organization. Organizational justices whether distributive, procedural or interpersonal increase the level of trust and commitment of employees. The organizations are successful in long run which provides justice to its employees. The organizations are well aware of the importance of employees. Employees are the backbone and living assets of the organization the motivated and committed employees increase the productivity of the organization. (Muhammad Jawad, 2012)

According to Princy Thomas and Dr. G Nagalingappa(2012) job satisfication and employees turnoveris judged through interactional justice than

distributive justice. (Princy Thomas, 2012) Greenberg (1987), organization are more concerned with employees perception because their attitude toward work and organization is greatly influenced by their perception. The previous research reveals that organizational justice is positively related with job satisfaction.

Job security has positive relationship with the organizational performance. More the employee enjoy the job security more he will perform his job well. The factor of economy pushed the job security at the first priority of the employee. Employee likely to work with the organization which offer more job security. (rahman, 2013). The study proves that the performance of the organization is greatly influenced by the human resources. In this competitive era those organizations will survive in the market that have motivated, committed, and satisfied employees. Every organization want hundred percent committed workforce, for getting the employees who are committed with organization it

needs to increase their job satisfaction and treat them fairly. When employees are fairly treated they are likely to work hard. (Rabia Imran, 2015).

Greenhalgh and Rosenblatt (1984, p. 438) define job insecurity as “the perceived powerlessness to maintain the desired continuity in a threatened job situation”. According to business dictionary.com “job security is an employee’s assurance or confidence that they will keep their current job for a longer period of time. The research conducted in public and private sector banks of Punjab to measure the job satisfaction level of employees. The study reveals that in public sector the employees are highly motivated and their job satisfaction level is very high due to job security while on the other hand in private banks the employees are not satisfied from their job because of job insecurity. Employees are not satisfied from their job due to less job security and stress. (AAmir Saeed khana, 2015)

### Methodology

Primary and secondary sources were used for data collection.

**Primary data:** Questionnaire was designed which consisted of three demographics and 25 research variables. Questions were based on five point scale:

- |   |                   |   |                |   |         |
|---|-------------------|---|----------------|---|---------|
| 1 | Strongly Disagree | 2 | Disagree       | 3 | Neutral |
| 4 | Agree             | 5 | Strongly Agree |   |         |

**Secondary data:** different research papers and research reports were used for quoting the work related to our data.

### Research Model



Results & Discussions

Table# 1 Reliability Statistics

Cronbach's Alpha	N of Items
.899	25

Table#2 exploratory factor analysis

Questions	F1	F2	F3	F4
Our organization makes sure that all employees' concerns are heard before job decisions are made.	.922			
The organizational decisions are made in an unbiased manner.	.757			
I believe my level of pay is fair.	.564			
I feel that my job responsibilities are fair.	.919			
Our organization makes sure that all employees' concerns are heard before job decisions are made.		.575		
I feel uneasy about losing my job in the near future.		.555		
My pay development in this organization is promising.		.816		
I am worried about having to leave my job before I would like to.		.878		
My future career opportunities in the organization are favorable		.666		
There is a risk that I will have to leave my present job in the year to come.		.888		
I believe that the organization will need my competence also in the near future.		.422		
I am satisfied the fringe benefits I receive.			.749	
I am satisfied with the chances I have to learn new things.			.972	
I am satisfied with the respect I receive from the people I work with.			.884	
I am satisfied with the chance I have to accomplish something worthwhile.				.803
I am satisfied with the amount of pay I get				.856
I am satisfied with the amount of job security I have.				.767
In general I am satisfied with the job I am working.				.787

F1= Organizational justice (OJ)

F2= Job security (JS)

F3= Employees job performance (EJP)

F4= Employees job satisfaction (EJS)

**Table#3 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.920 <sup>b</sup>	.846	.845	.39428738

**Table#4 ANOVA<sup>c</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	137.126	2	68.563	441.026	.000 <sup>b</sup>
	Residual	24.874	160	.155		
	Total	162.000	162			

Dependent Variable: Employee Job Satisfaction

By looking at the table of model summary the variance of adjusted  $R^2$  is .845 which is too good to predict the dependent variables. But keeping in view the position of adjusted  $R^2$  this is only because of two independent variables namely employees job satisfaction and organizational justice. No any significant contribution of variable (job security) has on dependent variable. As significance level from above given table of ANOVA is .000 that shows overall significant of the model.

**Table#5 Coefficient**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-5.724E-17	.031		.000	1.000
	Employee Job Performance	.495	.065	.495	7.563	.000
	Organizational Justice	.454	.065	.454	6.940	.000

a. Dependent Variable: Employee Job Satisfaction

Looking at the Coefficient table the results of Beta for Organizational job performance is positively and significantly related with Employee Job Satisfaction (0.495), at (.000) and Organizational Justice is also positively and significantly related to Employee Job Satisfaction (0.454), at (.000).

**Table# 6 Excluded variables<sup>C</sup>**

Model	Beta In	t	Sig.	Partial Correlation	Collinearity Statistics
					Tolerance
1 Job Security	.032 <sup>b</sup>	.751	.454	.059	.536

a. Predictors in the Model: (Constant), Employee Job Performance

b. Predictors in the Model: (Constant), Employee Job Performance, Organizational Justice

c. Dependent Variable: Employee Job Satisfaction

Variable of JS was excluded from the analysis because of its contribution and significance level:  $\beta$  of JS is equal to .032 and significance level is .454 that is not entertain able.

### Limitations

Study is limited according to sample that is the employees of IBA Community Colleges, especially in Sindh, financial conditions of government of Sindh in 2014-15, economic conditions of the country in 2014-15.

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