# ORGANIZATIONAL JUSTICE IMPACT ON ORGANIZATIONAL COMMITMENT

(In case of company "A")

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Abstract: The research examined how organizational justice affects organizational commitment. A total of 250 employees were randomly selected at "A" company in Mongolia. Exploratory factor analysis of the scales was conducted using Microsoft Excel and IBM SPSS Statistics 29.0. The findings indicate all factors of Organizational justice have a rather similar impact on Organizational commitment. There is a slightly stronger correlation between Distributive Justice and Affective Commitment. Procedural justice has a rather strong impact on Continuance Commitment. Both interpersonal and informational justice have a slightly stronger correlation with Affective commitment.

Key words: Organizational Justice, Organizational Commitment, Distributive Justice, Affective Commitment

# БАЙГУУЛЛАГЫН ШУДАРГА ЁС НЬ БАЙГУУЛЛАГАДАА ҮНЭНЧ ХАНДЛАГАД НӨЛӨӨЛӨХ НЬ

("А" компанийн жишээн дээр)

**Хураангуй:** Тус судалгааны ажлаар бид, "Байгууллагын шударга ёс" нь ажилчдын "Байгууллагын үнэнч хандлагад" хэрхэн нөлөөлж буйг "А" компаний санамсаргүй түүврийн аргаар сонгогдсон нийт 250 ажилчдын хувьд судалж үзлээ. Судалгааны үр дүнг Микрософт Эксел болон SPSS 29.0 программуудыг ашиглан шинжлэв.

"Байгууллагын шударга ёс"-ны хүчин зүйлс нь "Байгууллагадаа үнэнч хандах" бүх хүчин зүйлстэй ойролцоо утгатай нөлөө үзүүлсэн үр дүн гарлаа.

Хуваарилалтын шударга ёс нь "Сэтгэл хөдлөлийн үнэнч хандлага"-д харьцангуй эерэг хүчтэй нөлөөтэй. Харин "Үйл явцын шударга ёс" нь "тууштай үнэнч хандлага"-д хүчтэй нөлөөтэй гэсэн үр дүн гарлаа. "Хүмүүс хоорондын" болон "Мэдээллийн шударга" ёс нь "Сэтгэл хөдлөлийн үнэнч хандлагад" арай илүү хамааралтай байна.

**Түлхүүр үгс:** Байгууллагын шударга ёс, Байгууллагад үнэнч хандах, хуваарилалтын шударга ёс, сэтгэл хөдлөлийн шударга ёс.

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#### Introduction

In the contemporary business landscape, globalization stands as a transformative force. It is fundamentally reshaping the operational structures and employee relations of organizations on a global scale (Батхүрэл & Дорж, 2011).

It is commonly known that the most valuable resource of any organization is its employees, as the future success of the organization depends on their performance (Ponnu, 2010). Therefore, to empower employees and effectively manage capital, it is necessary to study their psychology, emotions, attitudes, motives, and behavior, as well as identify the organizational factors that influence them (Gabčanov6, 2011). To better understand and manage employee behavior, it is essential to examine several fundamental organizational elements.

Organizational justice and organizational commitment are critical constructs in organizational behavior research, both significantly influencing employees' attitudes and behaviors in the workplace.

Organizational commitment enables employees to do their assigned duties in a motivated and even enthusiastic manner, in compliance with the organization's objectives and goals (Mowday, 1979). Nowadays, it is critical for organizations to have or find personnel that are committed to accomplishing organizational goals. Organizational justice is one of the most important factors influencing organizational commitment. Colquitt et al (2005) define employees' conceptions of organizational justice influence their positive or negative attitudes towards the organization, and hence their organizational commitment.

Organizational commitment plays a key role in determining whether an employee will stay in the organization for a longer period and work passionately towards achieving the organization's goal. Defined organizational commitment helps predict employee satisfaction, employee engagement, leadership distribution, job performance, workplace insecurity, and other such characteristics. An employee's level of commitment to his job is important to know from a management perspective in order to have an idea of his commitment to the daily tasks assigned to him.

The concept of organizational justice is defined as a person's beliefs about the impartiality of conclusions and decision-making processes within an organization, and the impact of these beliefs on behavior (Greenberg, 2008). Research shows that the principle of organizational justice plays a very important role in organizational life. Fair, equal and mutually beneficial cooperation between employees of organizations has a beneficial effect on all aspects of the spiritual and material life of employees, shapes their social behavior and intensifies their work activity (Salih et al., 2019). On the other hand, those who feel a lack of fairness begin to experience emotional dissonance and stress, their level of commitment to organizational values gradually

decreases, because of which they may even commit immoral and illicit acts. Therefore, the problem of justice and commitment is directly related to the problem of survival and development of the organization.

When examining the theory of justice, it's beneficial to consider modern debt philosophy alongside one's own cultural and intellectual traditions (Ган-Өлзий, 2012). Cultural and intellectual backgrounds shape how individuals perceive justice, fairness, and obligation.

#### Research question.

Although various studies have been conducted on these issues, there are no comprehensive studies examining them all together. As a result, there is a need for study that clarifies the complexities of two concepts and explains their relationships.

This article aims to answer the following question: Does organizational justice have an impact on organizational commitment?

# LITERATURE REVIEW

# Organizational justice

Organizational justice pertains to how fairness is perceived and assessed in the workplace (Byrne et al., 2001). It includes the fair distribution of rewards and resources, the procedures governing decision-making, and the treatment individuals receive from supervisors and colleagues (Colquitt et al., 2001). Rita Silva et al. (2014) describes organizational justice as the equitable treatment extended by organizational leaders to all members of the work team.

Greenberg (1990), who highlighted that perception of fairness may differ between management and employees, introduced the modern interpretation of "organizational justice". For instance, wages or benefits deemed fair by management may be viewed as unfair by employees (Cohen-Charash & Spector, 2001). Greenberg et al. (2008) underscored that employees scrutinize factors like workload, hours worked, wages, and benefits to assess the fairness of management's treatment.

According to Cohen-Charash and Spector (2001), organizational justice comprises three primary dimensions:

- Distributive justice focuses on the fairness of outcomes, such as pay, promotions, and rewards.. It is concerned with whether individuals believe they are receiving a fair share of the resources and rewards available in the organization (Cropanzano R., 2007).
- According to Chen et al. (2015) procedural justice refers to the fairness
  of the procedures and processes used to make decisions. It includes factors
  such as the involvement of individuals in decision-making, consistency,

- accuracy, and the explanation of decisions.
- Interpersonal justice relates to the fairness of interpersonal treatment and interactions with supervisors and colleagues, claim Akram et al (2017). It considers aspects such as respect, dignity, and consideration in interpersonal relationships.

Colquitt's original scale, developed by Jason A. Colquitt, is a widely used tool for measuring organizational justice. It encompasses four dimensions: distributive, procedural, interpersonal, and informational justice.

The fourth dimension, which is informational justice, evaluates the fairness of communication and information dissemination within the organization, moreover, focuses on the clarity, accuracy, and timeliness of information provided to employees (Colquitt, 2001).

Research has shown that organizational justice is a vital aspect of the workplace environment and is associated with numerous positive outcomes. Employees who perceive greater levels of organizational justice are more likely to experience job satisfaction, trust in their superiors, and higher levels of organizational commitment (Chen et al., 2015). They also exhibit higher levels of motivation, engagement, and are less likely to engage in negative behaviors such as turnover, absenteeism, and counterproductive work behavior (Уянга, 2021).

Moreover, organizational justice has been linked to various individual and organizational outcomes such as employee well-being, performance, and ultimately, the overall effectiveness and success of the organization (Greenberg, 2008).

Overall, organizational justice plays a critical role in shaping employee experiences and attitudes within the workplace (Yesil & Dereli, 2013). Understanding and actively promoting justice in organizations can contribute to the creation of a positive work environment, which, in turn, can lead to increased productivity and employee well-being (Colquitt et al., 2005).

## Organizational commitment

Webster's dictionary offers multiple explanations for "commitment" (Webster, 1999), including:

- · A promise or vow to undertake a future action.
- Something promised or pledged.
- The condition or occurrence of being bound or emotionally driven by obligation.

Numerous researchers have conducted studies on the phenomenon of organizational commitment. Organizational commitment remains a critical area of study within the realm of organizational behavior, attracting considerable attention from scholars, practitioners, and policymakers alike. By examining the evolving

landscape of organizational commitment research, this review seeks to provide insights into current trends, emerging perspectives, and future directions in this dynamic field (Уянга, 2021).

Organizational commitment refers to an employee's emotional attachment to, identification with, and involvement in a particular organization. It reflects the extent to which an employee feels dedicated to their organization and believes in its goals and values. Colquitt (2009) defines organizational commitment as an important factor in employee retention, job satisfaction, and overall organizational performance.

Meyer and Allen's (1991) three-component model of organizational commitment delineates affective commitment (emotional attachment), continuance commitment (perceived costs of leaving), and normative commitment (sense of obligation) as key components.

- 1. Affective Commitment: According to Ahmed (2014) this component refers to an employee's emotional attachment to the organization. Employees with high affective commitment are more likely to stay with the organization because they want to, not because they feel they have to. They identify with the organization and feel a sense of belonging.
- 2. Continuance Commitment: This component is based on the perceived costs associated with leaving the organization. Employees with high continuance commitment may stay with the organization because they feel they cannot afford to leave due to factors such as salary, benefits, or lack of other job opportunities (Field, 2002).
- 3. Normative Commitment: This component is based on a sense of obligation to stay with the organization. Employees with high normative commitment feel a moral or ethical obligation to remain with the organization because they believe it is the right thing to do (Field, 2002).

Organizations can foster organizational commitment through various means, such as promoting a positive work culture, providing opportunities for growth and development, recognizing and rewarding employees for their contributions, and fostering open communication and transparency (Farzanjo, 2015). According to him, strong organizational commitment can lead to higher employee morale, increased productivity, and lower turnover rates.

Numerous empirical studies have investigated the relationship between organizational justice and organizational commitment, yielding consistent findings supporting a positive association between these constructs. Research indicates that perceptions of fairness in the workplace, including distributive, procedural, and interactional justice, are positively correlated with employees' affective commitment to the organization. Furthermore, procedural justice has been found to have a particularly strong impact on affective commitment, suggesting that employees' perceptions of fair decision-making processes significantly contribute to their

emotional attachment to the organization (Cohen-Charash, 2001).

Moreover, studies have demonstrated that organizational justice not only influences affective commitment but also indirectly affects continuance and normative commitment through its impact on overall organizational satisfaction and trust in the organization (Colquitt et al., 2001). Employees who perceive their organization as fair are more likely to feel a sense of loyalty and obligation, as well as a reduced inclination to leave the organization due to perceived costs or lack of alternatives.

Understanding the relationship between organizational justice and organizational commitment has significant implications for organizational leaders and managers (Уянга, 2021). By fostering perceptions of fairness in decision-making processes, promoting transparent communication, and cultivating a culture of respect and equity, organizations can enhance employees' commitment and loyalty (Masterson et al., 2000). Moreover, efforts to address perceived injustices and mitigate sources of organizational injustice can lead to improved employee morale, job satisfaction, and organizational performance.

#### **METHOD**

## Sample and procedure.

The respondents in this study were all the employees of an organization "A" in Mongolia.

30.3% male and 69.7% female total of 251 respondents. 51.4% of them were employees from 31-40 aged and in terms of occupancy 81.7% were technicians compared to engineers. Table 1 presents detailed and additional information. In qualitative research, subsequent to delineating the research objectives and identifying the most suitable sources and locations for data acquisition, the researcher proceeds to establish the sample and its structural framework (Нарантуяа, 2015). Data was collected through self-administered questionnaires.

		n	%	95%		
				Min	Max	
Gender						
	Male	76	30.3%	24.8%	36.2%	
	Female	175	69.7%	63.8%	75.2%	
Age						
	20-30	50	19.9%	15.3%	25.2%	
	31-40	129	51.4%	45.2%	57.5%	
	41-50	57	22.7%	17.9%	28.2%	
	50<	15	6.0%	3.5%	9.4%	

Table 1. Demographic information

Оссирансу						
	Technician	205	81.7%	76.5%	86.1%	
	Engineers	46	18.3%	13.9%	23.5%	
Tenancy						
	1-3 years	52	20.7%	16.1%	26.0%	
	10+ years	94	37.5%	31.6%	43.6%	
	4-6 years		18.3% 13.9		23.5%	
	7-10 years	57	22.7%	17.9%	28.2%	
Education						
	Less than High school	4	1.6%	0.5%	3.7%	
	High school	64	25.5%	20.4%	31.1%	
	Bachelor's degree Masters degree		47.8%	41.7%	54.0%	
			15.9%	11.8%	20.8%	
	Some college	10	4.0%	2.1%	7.0%	
	Professional degree	11	4.4%	2.4%	7.5%	

The survey employed a questionnaire administered alongside factor and correlation analyses. The questionnaire utilized a 5-point Likert scale ranging from 1, denoting "completely disagree," to 5, representing "completely agree." Data analysis was conducted using Microsoft Excel and IBM SPSS Statistics 29.0.

# Methodology and instrumentation

in the context of the study, a total of 38 questions were selected, comprising 20 questions categorized into four (4) factors addressing Organizational Justice examined through the adapted Argentine version of Colquitt's Scale (2001), 18 questions grouped into three (3) factors pertaining to Organizational Commitment by Meyer and Allen's (1991).

Prior to analysis, the adequacy of the sample size for factor analysis was evaluated using the Kaiser-Meyer-Olkin (KMO) test. All parameters yielded values below 0.6, indicating satisfactory adequacy. Furthermore, to assess the reliability of factors, Cronbach's alpha was computed, revealing values below 0.8, suggesting optimal questionnaire development. The reliability analysis of the variables is depicted in Table 2.

	KMO	Cronbach's alpha	n
Total	0.95	0.93	38
Organizational Justice	0.94	0.935	20
Organizational Commitment	0.96	0.925	18

Table 2. The adequacy table

# **RESULTS**

#### Factor Analysis

As for Organizational Justice, the factor loading demonstrates strong internal consistency among the items, supported by Cronbach's alpha values. Consequently, all questions loaded onto their respective factors reliably, indicating their suitability for subsequent analysis (Table 3).

Like Organizational Justice, the items of Organizational Commitment demonstrated consistent high factor loading (Table 4). Several questions (CC7, CC10, NC13, NC18) were excluded due to the low factor loading.

Generally, items of both concepts are deemed suitable for further analysis.

Table 3. Organizational Justice

Eastern	6 1 11 11	Factor loading KMO		
Factors	Cronbach's alpha	Items	.935	
		DJ1	0.833	
Distributive	0.051	DJ2	0.859	
Distributive	0.951	DJ3	0.829	
		DJ4	0.699	
		PJ5	0.788	
		PJ6	0.805	
		PJ7	0.879	
Procedural	0.920	PJ8	0.869	
		PJ9	0.867	
		PJ10	0.834	
		PJ11	0.842	
		IPJ12	0.689	
I.,	0.925	IPJ13	0.721	
Interpersonal	0.923	IPJ14	0.727	
		IPJ15	0.792	
		IFJ16	0.728	
		IFJ17	0.798	
Informational	0.947	IFJ18	0.802	
		IFJ19	0.809	
		IFJ20	0.802	

Table 4. Organizational Commitment

Factors	Cyanhashia almha	Factor loading KMO		
ractors	Cronbach's alpha	Items	.925	
	0.951	AC1	0.698	
		AC2	0.734	
Affective		AC3	0.790	
Affective		AC4	0.823	
		AC5	0.832	
		AC6	0.809	
	0.920	CC8	0.647	
G i		CC9	0.723	
Continuance		CC11	0.635	
		CC12	0.738	
	0.925	NC14	0.732	
NI		NC15	0.812	
Normative		NC16	0.684	
		NC17	0.731	

Table 5. Correlation between Organizational Justice and Organizational Commitment

FACTORS	ОЈ РЈ	OJ DJ	OJ IPJ	OJ IFJ	OC AC	OC CC	OC NC
ОЈ РЈ	1.000	.585**	.469**	.463**	.302**	.336**	.307**
OJ DJ		1.000	.733**	.696**	.492**	.481**	.413**
OJ IPJ			1.000	.843**	.477**	.461**	.399**
OJ IFJ				1.000	.451**	.451**	.371**
OC AC					1.000	.857**	.778**
OC CC						1.000	.844**
OC NC							1.000

In general, a positive correlation is observed among all items of Organizational Justice and Organizational Commitment. The most notable correlation is found between Distributive Justice and Affective Commitment. A positive correlation would suggest that employees who perceive higher levels of distributive justice are also more likely to exhibit stronger affective commitment toward their organization. In other words, when employees believe that rewards and outcomes are distributed, they are more emotionally attached and loyal to the organization.

Another thing to notice is that fair Distributive Justice has a positive effect, when employees believe that rewards and outcomes are fairly distributed, they may feel less inclined to leave the organization because they do not perceive significant negative consequences or costs.

# **CONCLUSION**

The aim of the study was to see the correlation between the perception of organizational justice and organizational commitment.

The relationship between organizational justice and organizational commitment is a fundamental area of inquiry in organizational behavior research, offering valuable insights into the mechanisms underlying employee engagement and retention. By recognizing the importance of fairness in the workplace and its impact on organizational commitment, organizations can cultivate environments conducive to employee well-being, satisfaction, and long-term success. Further research exploring the nuanced dynamics of this relationship and its boundary conditions can contribute to a deeper understanding of organizational behavior and inform evidence-based practices for organizational effectiveness.

The evaluation of the statement suggests a clear understanding of the relationship between Organizational Justice and Organizational Commitment, particularly emphasizing the importance of Distributive Justice in fostering Affective Commitment and reducing turnover intentions. The statement is well supported by theoretical frameworks and empirical research in organizational behavior.

Procedural justice has a stronger impact on Continuance commitment. Other words, by perceiving the decision procedures as just, strong influence on peoples' decisions stay with the organization due to the reason to have fewer alternatives or the cost of leaving the organization as too high.

Conversely, distributing resources such as salary, just has a strong influence on an employee's perceived attachment to the organization. When employees perceive that the decisions are fair, their personal values and priorities are in line with the company's mission.

When employees perceive interpersonal decisions are just, their sense of affection to the organization strengthens. By informing the decisions in just manner, organizations can influence on Normative Commitment. Employees have a sense of obligation to the organization.

The assertion of a positive correlation between Organizational Justice and Organizational Commitment aligns with established literature, which has consistently demonstrated the significant impact of perceived fairness on employees' emotional attachment to the organization. Moreover, the identification of Distributive Justice

as the most influential dimension further underscores its critical role in shaping employees' attitudes and behaviors.

The statement effectively highlights the practical implications of fair Distributive Justice, emphasizing its role in mitigating turnover intentions by reducing employees' perceived costs associated with leaving the organization. This insight underscores the importance of organizational fairness in fostering employee retention and organizational success.

Overall, the statement provides a clear and concise analysis of the relationship between Organizational Justice, Organizational Commitment, and the specific role of Distributive Justice, supported by relevant theoretical perspectives and empirical evidence.

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