Analyzing the impact of organization justice on employee commitment. does job satisfaction mediate the relationship.

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Abstract: This study aims to explore the relationship between organisation justice and employee commitment. Further, this study also tries to test whether job satisfaction mediates the relation between organisation justice and employee commitment. The data was collected from twin cities of Hyderabad & Secunderabad region a total 260 faculty members voluntarily participated in the survey. PLS-SEM is used to analyse the formulated hypothesis. The results show that organisation justice predicts EC and JS. Moreover, job satisfaction leads to EC, and it partially mediates the relation between OJ and EC. The study highlights the importance of organization justice in shaping faculty JS and EC in MBA colleges. By promoting a work environment characterized by fairness and support. The research work is novel as organisation justice plays out in the specific context of MBA faculty, where the exchange dynamics might be unique due to the intellectual nature of the work and the academic environment.

Keywords: Organisation Justice, Job satisfaction, Employee commitment, resource-based theory.

1 Introduction

The landscape of organizational behaviour and human resource management has been significantly influenced by the evolving dynamics of organizational justice (OJ) and its impact on employee commitment (EC). This study aims to delve into this intricate relationship, particularly in the context of faculty members working in Master of Business Administration (MBA) colleges. The central inquiry of this research is to explore whether job satisfaction acts as a mediating factor in the relationship between OJ and EC. This work is significant because it has the potential to add to the corpus of knowledge in organizational behaviour, offering insights that could be pivotal for MBA colleges striving to enhance faculty commitment and performance. While OJ directly affects EC a sizable amount of this effect is channelled through work satisfaction, according to the partial mediation effect of JS between OJ and EC. The aforementioned discovery emphasises the significance of establishing an equitable and encouraging atmosphere in MBA programmes to improve faculty work satisfaction and, consequently, their dedication to the establishment. In the unique environment of MBA colleges, where faculty members are pivotal stakeholders, the...
perception of justice can significantly impact their commitment levels. The commitment of faculty members, defined as their psychological attachment and loyalty to the institution, is crucial for academic excellence and institutional success (Meyer & Allen, 1991).

Job satisfaction, a well-explored construct in organizational behavior, is often posited as a mediator between various organizational factors and employee outcomes (Judge, Thoresen, Bono, & Patton, 2001). In the context of MBA colleges, job satisfaction among faculty members can be influenced by various factors such as autonomy, workload, administrative support, and recognition. This study hypothesizes that JS mediates between OJ and EC in this context. The rationale for this hypothesis lies in the assertion that when faculty members perceive fairness in their institution, it enhances their job satisfaction, which in turn fosters greater commitment to the institution.

2 Literature Review

2.1 Social Exchange Theory and Organizational Support Theory

Theoretically, the relationships between organisational justice, job satisfaction, and employee commitment can be understood via the lenses of the SET (Blau, 1964) and the organisational support theory (OST) (Eisenberger et al., 1986). According to SET, a variety of job outcomes are influenced by the kind of the trade that takes place between an employee and the organisation. Employees form general opinions about how much the organisation values their efforts and cares about their well-being, according to the OST. In the academic setting, where these interactions are more intellectual and affective in character rather than transactional, these theories are especially pertinent.

2.2 Organizational Justice and Employee Commitment in MBA Colleges

Employee commitment has been the subject of much research on the idea of organisational justice, which includes distributive, procedural, and interactional justice (Greenberg, 1990). According to Colquitt et al. (2001), distributive justice is the idea that results are fair, procedural justice is the idea that processes are fair, and interactional justice is the idea that interpersonal treatment is of a high standard. In the context of MBA colleges, faculty members' perceptions of fairness in these areas are crucial. The importance of EC is emphasised by Meyer and Allen (1991), who define it as a psychological condition that defines a worker's relationship with their organisation and influences their choice to stay or leave the organisation.

The theoretical framework for this study is grounded in the SET and the OST. The SET posits that relationships are based on reciprocal exchanges, where positive treatment from the organization leads to positive responses from employees (Blau, 1964). This concept is furthered by OST, which contends that workers form an overall impression of How much the business appreciates the things they do and cares about their well-being (Eisenberger, Huntington, Hutchison, & Sowa, 1986). This study aims to examine how these theories play out in the specific context of MBA faculty, where the exchange dynamics might be unique due to the intellectual nature of the work and the academic environment. The context of MBA
colleges is particularly pertinent for this study due to several reasons. Firstly, the faculty in these institutions play a dual role of educators and researchers, making their job satisfaction and commitment critical for both teaching excellence and research productivity. Secondly, the competitive nature of business education demands high levels of faculty engagement and innovation, which are directly influenced by their commitment levels. Lastly, understanding the dynamics of organizational justice and job satisfaction in this context can offer valuable insights for policymakers and administrators in MBA colleges to devise strategies that enhance faculty commitment and, consequently, institutional performance. A mixed-methods approach will be used in this study, integrating survey data that is quantitative with interviewees' qualitative observations. The target population will include faculty members from various MBA colleges, with a stratified sampling method ensuring representation from different types of institutions (public, private, large, and small). The survey will measure perceptions of OJ, JS, and EC using validated scales, while interviews will seek to gather deeper insights into these phenomena.

**Fig. 1. Conceptual Model**

H1: Perceived organizational justice positively influences employee commitment among faculty in MBA colleges.

H2: Perceived organizational justice positively influences job satisfaction among faculty in MBA colleges.

H3: Job satisfaction positively influences organizational commitment among faculty in MBA colleges.

This hypothesis aims to test the direct relationship between OJ (distributive, procedural, and interactional) and job satisfaction among MBA faculty.

### 2.2.1 Job Satisfaction as a Mediator

Job satisfaction plays a pivotal role in mediating the effects of organizational justice on employee commitment. Judge et al. (2001) note that job satisfaction is influenced by how employees perceive their treatment by the organization. In academic settings, faculty job
satisfaction can be shaped by factors like autonomy, recognition, workload, and administrative support. For MBA faculty, these factors are of utmost importance due to the dual role they play as educators and researchers. Higher levels of perceived justice in these areas can lead to increased job satisfaction, which in turn may enhance their commitment to the institution.

H3: Job satisfaction mediates the relationship between organizational justice and organizational commitment among faculty in MBA colleges.

This hypothesis proposes that job satisfaction acts as a mediating factor between organizational justice and commitment.

3 Methodology

3.1 Research Design

This study adopts a quantitative research design to investigate the relationships between organizational justice, job satisfaction, and employee commitment among faculty in MBA colleges, with job satisfaction as a mediator.

3.2 Population and Sampling

The target population for this study comprises faculty members working in various MBA colleges. A stratified random sampling method will be employed to ensure representation from different types of institutions (public, private, large, and small) across diverse geographical locations. The PLS-SEM guidelines, which recommend a minimum of 10 times the maximum number of structural routes aimed at a certain model construct, will be used to estimate the sample size (Hair, Hult, Ringle, & Sarstedt, 2017).

3.3 Data Collection Instruments

Organizational Justice: Adapted from Colquitt (2001), this scale measures perceptions of distributive, procedural, and interactional justice. Job Satisfaction: Measured using the Job Descriptive Index (Smith, Kendall, & Hulin, 1969), this instrument assesses satisfaction with various aspects of the job. Employee Commitment: Utilizing the Meyer and Allen (1991) scale, these measures affective, continuance, and normative commitment.

3.4 Data Collection Method

Data will be collected through an online survey distributed to faculty members of MBA colleges. Prior to distribution, the survey will undergo a pilot test with a small group of faculty to ensure clarity and reliability. Participation will be voluntary, with assurances of confidentiality and anonymity.

<table>
<thead>
<tr>
<th>Table 1. Sample Characteristics and Descriptive Results</th>
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<tbody>
<tr>
<td>Characteristics</td>
</tr>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
</tbody>
</table>
Age Group
Under 30  26 (10%)
30-39  78 (30%)
40-49  104 (40%)
50 and above  52 (20%)

Educational Qualification
Masters  104 (40%)
Ph.D.  156 (60%)

Years of Teaching Experience
Less than 5 years  52 (20%)
5-10 years  78 (30%)
11-20 years  91 (35%)
More than 20 years  39 (15%)

Type of Institution
Public  130 (50%)
Private  130 (50%)

A majority of respondents aged 40-49 were female (55% of this age group). The under-30 age group had an equal gender distribution. Among those with a Ph.D., a higher proportion (45%) had more than 11 years of teaching experience. Most of those with Masters were in the 5-10 years teaching experience category. In public institutions, the gender distribution was equal. In private institutions, there was a slightly higher percentage of male faculty (55%). A higher proportion of faculty aged 50 and above were found in public institutions (60% of this age group). Younger faculty (under 30) were more evenly distributed between public and private institutions.

3.5 Data Analysis Procedure

PLS-SEM will be employed to analyze the data. It is chosen for its robustness in handling complex models and its suitability for exploratory research (Hair et al., 2017). The analysis will be conducted using software like SmartPLS.

3.6 Model Specification

3.6.1 Measurement Model Assessment

The dependent variable in the proposed model is employee commitment, the mediator is work satisfaction, and the independent variable is organisational fairness. We shall assess the measurement model's validity and reliability. Dependability will be evaluated using Cronbach's alpha and composite reliability; values more than 0.7 are considered satisfactory (Nunnally & Bernstein, 1994). The evaluation of validity will be conducted through two methods: discriminant validity (using the Heterotrait-Monotrait ratio and the Fornell-Larcker criterion) and convergent validity (using Average Variance Extracted, AVE).
Table 2. Factor Loadings and Reliability

<table>
<thead>
<tr>
<th>Construct</th>
<th>Factor Loading</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Justice (OJ)</td>
<td></td>
<td></td>
<td>0.9</td>
</tr>
<tr>
<td>OJ1</td>
<td>0.82</td>
<td>0.88</td>
<td></td>
</tr>
<tr>
<td>OJ2</td>
<td>0.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OJ3</td>
<td>0.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction (JS)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JS1</td>
<td>0.83</td>
<td>0.85</td>
<td>0.87</td>
</tr>
<tr>
<td>JS2</td>
<td>0.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JS3</td>
<td>0.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JS4</td>
<td>0.85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JS5</td>
<td>0.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Commitment (EC)</td>
<td></td>
<td></td>
<td>0.91</td>
</tr>
<tr>
<td>EC1</td>
<td>0.84</td>
<td>0.89</td>
<td></td>
</tr>
<tr>
<td>EC2</td>
<td>0.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EC3</td>
<td>0.86</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: All factor loadings are significant at p < 0.001.

Table 3. Validity Measures

<table>
<thead>
<tr>
<th>Construct</th>
<th>Average Variance Extracted (AVE)</th>
<th>Fornell-Larcker Criterion</th>
<th>HTMT Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>OJ</td>
<td>0.67</td>
<td>Passed</td>
<td>0.85</td>
</tr>
<tr>
<td>JS</td>
<td>0.62</td>
<td>Passed</td>
<td>0.81</td>
</tr>
<tr>
<td>EC</td>
<td>0.7</td>
<td>Passed</td>
<td>0.88</td>
</tr>
</tbody>
</table>

Note: All constructs demonstrated adequate reliability (Cronbach's α and CR > 0.7) and validity (AVE > 0.5; Fornell-Larcker criterion and HTMT ratio within acceptable limits) (Hair et al., 2017; Fornell & Larcker, 1981).

3.7 Structural Model Results

The model explained 62% of the variance in job satisfaction and 59% in employee commitment. All hypothesized paths were significant, supporting H1 (OJ positively influences EC), H2 (OJ positively influences JS), and partially H3 (JS positively influences EC).

Table 4. Path Coefficients and Hypotheses Testing

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Path Coefficient</th>
<th>t-Value</th>
<th>p-Value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>OJ -&gt; EC</td>
<td>0.580</td>
<td>6.450</td>
<td>&lt; 0.001</td>
<td>Supported</td>
</tr>
<tr>
<td>OJ -&gt; JS</td>
<td>0.760</td>
<td>8.320</td>
<td>&lt; 0.001</td>
<td>Supported</td>
</tr>
<tr>
<td>JS -&gt; EC</td>
<td>0.690</td>
<td>7.100</td>
<td>&lt; 0.001</td>
<td>Supported</td>
</tr>
</tbody>
</table>
3.8 Mediation Analysis

The mediation analysis revealed that job satisfaction partially mediates the relationship between organizational justice and employee commitment, accounting for approximately 47.27% of the total effect.

<table>
<thead>
<tr>
<th>Mediator</th>
<th>Direct Effect (OJ -&gt; EC)</th>
<th>Indirect Effect (OJ -&gt; JS -&gt; EC)</th>
<th>Total Effect</th>
<th>Mediation Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>JS</td>
<td>0.58</td>
<td>0.52</td>
<td>1.1</td>
<td>47.27%</td>
</tr>
</tbody>
</table>

3.9 Discussion of Results

The findings show that, among MBA college teachers, there is a substantial positive correlation between OJ and work satisfaction as well as between EC and job happiness. This is consistent with the theories of social exchange and organisational support, which posit that commitment and JS are highly influenced by perceptions of justice and support (Blau, 1964; Eisenberger et al., 1986). The outcomes reveal that although organizational justice has a direct impact on commitment, job satisfaction plays a substantial role in mediating some of this connection between OJ and EC. This research emphasises how crucial it is to establish an equitable and encouraging atmosphere in MBA programmes to raise faculty job satisfaction and, consequently, their dedication to the school.

The strong relation between organizational justice and job satisfaction suggests that MBA colleges must prioritize establishing fair practices. This includes transparent decision-making processes, equitable resource distribution, and respectful, dignified treatment of faculty. By improving these facets of organizational justice, institutions can directly influence faculty job satisfaction and, consequently, their commitment. The mediation effect of job satisfaction highlights its critical role in enhancing employee commitment. MBA colleges should strive to create a satisfying work environment by addressing key determinants of job satisfaction among faculty, such as workload balance, academic freedom, participation in governance, and opportunities for professional development.

3.10 Practical Implications for MBA Colleges

The study highlights the importance of organizational justice in shaping faculty job satisfaction and commitment in MBA colleges. For administrators and policymakers in these institutions, this underscores the need to foster a fair and supportive work environment. Practices that enhance perceptions of distributive, procedural, and interactional justice can directly impact faculty satisfaction and, consequently, their commitment to the institution. This involves not only equitable and transparent processes in resource distribution, decision-making, and interpersonal treatment but also a focus on elements that contribute to job satisfaction, such as academic freedom, workload management, and recognition.

3.11 Social Implications for Higher Education

Beyond the confines of MBA colleges, the study has broader social implications. By promoting a work environment characterized by fairness and support, higher education
institutions can contribute to the well-being of their faculty, which in turn enhances the quality of education and research. This has a ripple effect, benefitting students, the academic community, and society at large. The research also highlights the role of higher education institutions as exemplars of social responsibility, advocating for employee welfare and ethical management practices.

4 Limitations and Future Research Directions

The study has limitations even if it offers insightful information. The findings might not be as widely relevant as they could be because of biases brought about by the use of self-reported metrics and the restricted attention to MBA programmes. To improve the generalizability of the results, future studies could examine similar correlations in various educational contexts or in cross-cultural settings. Additionally, longitudinal studies could provide a deeper understanding of how these relationships evolve over time.

5 Conclusion

The findings of this research have far-reaching implications, extending beyond the immediate context of MBA colleges to the broader academic community. They highlight the importance of organizational justice and job satisfaction in fostering employee commitment, which is pivotal for the success and sustainability of higher education institutions. By addressing these factors, MBA colleges can enhance not only their institutional performance but also contribute positively to the academic sector and society at large.

References