

UDC 331

A CRITICAL REVIEW OF ORGANIZATIONAL JUSTICE AND SOCIAL CAPITAL: THEIR IMPACT ON SATISFACTION AND COMMITMENT

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ABSTRACT

This research is a review of a paper authored by Heru Kurnianto and published in the International Journal of Business Excellence, Volume 17, Number 3, 2019. The article's title is Configuration of organizational justice and social capital: their impact on satisfaction and commitment. The research maintains that the restricted individual's knowledge in reacting to company regulations forces them to evaluate fairness subjectively. In reference to the social identity theory, the study proposes social capital as a crucial element to elaborate individual behavior in judging distributive and procedural justice. Employees with a high level of social capital are usually team-oriented with diverse principles of justice. By utilizing an experimental research method, this paper responds to the contentions regarding the effects of distributive and procedural justice upon organizational commitment as well as job satisfaction. In as far as the findings are concerned, distributive justice, procedural justice, and social capital are instrumental in explaining organizational satisfaction and commitment.

KEY WORDS

Organization justice, social capital, job satisfaction, job commitment.

According to conventional wisdom, individuals respond to events based on the outcome decisions and choices they create besides the systematic series of processes accompanying those results. In essence, people respond favorably when an outcome acts in their favor. Furthermore, positive reactions are reinforced if the outcome is galvanized by a fair process. However, contemporary researches in organization justice show that results and processes do not stand in isolation but with one another. Therefore, contextual factors more so are dictated to be antecedents on organizational psychology that impacts job satisfaction and commitment.

Organizational justice study was straightforward and unfragmented three decades ago. However, in the last decade, literature in the area has been on the rise as more constructs are under investigation and operationalized to understand the interaction between processes and results in as much as procedural justice distributive justice, interactional justice, and interactional justice is concerned. Perceptions of justice on a myriad of worker's behaviors are sequentially unveiled to understand their positive or negative effects on constructs not limited to work performance, commitment, and organizational citizenship behavior (E. Rupp, 2011).

Employee satisfaction and commitment are of crucial importance to organizations in this day and age. Strengthening the level at which staff is satisfied at their places of work, and improving their bond to the organization, will undoubtedly produce positive outcomes for the organization. Companies are thoroughly researching ways to upscale organizational commitment to improving their performance and well-being.

As a precursor of employee satisfaction and commitment, the perception of organizational justice has been capturing much attention, especially in the field of human resource management, industrial-organizational psychology, and organizational behavior. According to (Jafari & Bidarian, 2012), the authors explore the presence of social capital in three facets. First, the lack of information concerning the procedures and appearance of results in conceptualizing organization justice. Besides the inadequate information factor, personal intentions resonant with higher social capital usually lean on the social exchange

theory, thereby remaining unattached with the economic aspect. Furthermore, the disparities in individuals in relation to social capital provide the distinctness of justice moral compass utilized, for instance, equality and equity (Tjahjono, H. K., Fachrunnisa, O., & Palupi, 2019).

The author has discussed social capital under scrutiny as an individual's ability to unite with other persons to attain particular objectives through trust, interactions, and so, to develop a social network of attachment. The researcher points out social capital creations as mentioned by previous distinguished researchers. For example, (Manning, 2017) elaborates that during disagreements, social capital is instrumental in capturing and organizing knowledge which later increases a company's status. On the other hand, (Magnier-Watanabe et al., 2020) discusses that mutual trust is developed from social capital between company members in a bid to promote a just decision creation process. The author's third contribution of social capital is the formation of cooperation networks between members in growing passion by developing fairness in togetherness with Small and Medium Enterprises as per (Brink, 2015).

This critical review paper aims to give a critique for the paper published by (Tjahjono, H. K., Fachrunnisa, O., & Palupi, 2019) regarding the arrangement of organizational justice and social capital. The research is therefore classified into four sections. The first section, the introduction, gives the background and objective of this study. The second section is a literature review and it explores the vast presence of past literature within the investigated field. In the third section, research methods, the author provides the methodology used in this study. Results and discussions are in the fourth section, which provides the study findings. The conclusion section is the last category, whereas references come last.

LITERATURE REVIEW

Social capital

Social capital refers to the ability of an individual to deploy possibilities in a network of allies, friends, and companies. Furthermore, social capital is a non-public property influenced by an individual not based on the social exchange due to a person's capability that's determined over a large amount of time (Nahapiet et al., 1998). Usually, the persons with less social capital rely on working towards financial factors. Thereby, they are less inspired to be part of social systems, and never do they put social motives on top priority, and therefore they don't view themselves belonging to their alliance as much. In essence, individuals with lower social capital levels are more sensitive than persons with higher social capital in handling financial issues.

Distributive Justice

Prior to 1975, most of the literature regarding justice was involved with distributive justice. Much of the earlier works (Adams, 1965), indicates that people looked at the fairness of the results rather than the absolute level of outcomes. Adams created a theory on social exchange framework to assess fairness. One of the advocated items is the adoption of equity rule to ensure justness aside from equality and need. More works indicate diverse contexts like job and family, company objectives, and individual desires, which can regenerate the utilization of particular allocation guidelines. However, the comprehensive list of allocation rules has one goal: roughly a desire to develop distributive justice using different rules.

Procedural justice

The development of procedural justice theory, which is concerned with judgments about the method or means by which allocation choices are made, was inspired by studies on people's attitudes to dispute settlement procedures. Despite the fact that Thibaut and Walker were the first to develop the notion of procedural justice, their research mostly focused on disputants' attitudes to legal proceedings (Review et al., 2013). Leventhal and colleagues are recognized for bringing procedural justice into non-legal contexts such as organizational settings (Leventhal, 1980). Leventhal and colleagues expanded the list of

procedural fairness determinants much beyond the concept of process control in the process.

There is a six-step procedure to be met before judgments are viewed as fair, according to Leventhal:

- 1) Application should be made in a consistent manner across individuals and time;
- 2) Free from bias;
- 3) Factual information is retrieved and utilized for creating a decision;
- 4) Presence of a mechanism to correct mistakes in decisions.

Job Satisfaction

Employee satisfaction is one of the most commonly utilized factors in organizational behavior. It refers to an employee's attitude toward his or her employer. Job satisfaction is defined as an attitude that consists of evaluative, cognitive, and affective components.

1) Evaluative component. It refers to a person's general reaction to the parent organization summarized in an evaluative nature. The response is captured as a like or dislike towards the company.

2) Cognitive component. It refers to the person's ideas, thoughts, and expectations in relation to the company as a focal point of his cognitions. The staff has cognitions concerning the four central inducement systems. A positive assessment is usually caused by a person's perception that his or her expectations have been attained.

3) Affective component. This is the emotion elicited by the organization. Is it nice or unpleasant to think about and associate with the organization; does it provoke sentiments of rage or delight, feelings of security or stress, thoughts of affirmation or invalidation? Positive affect is elicited by information, feedback, and experiences that affirm or reinforce an individual's self-worth and self-concept, whereas negative affect is prompted by situations that invalidate the individual's self-worth and self-concept. Individuals' self-worth is validated when they are acknowledged as valuable members of the organization, and their talents and core beliefs are validated. Individuals who are in a positive affect state at work are more likely to have a favorable opinion of the company.

Organization commitment

Employees' work-related conduct has been identified as a crucial aspect in understanding and explaining organizational commitment. The majority of definitions of organizational commitment talk about how much an individual identifies with and is associated with a company (Curry et al., 1986). Organizational commitment, for example, was described by (Steers, 1977) as the relative strength of an individual's identification with and involvement in a particular organization.

METHODS OF RESEARCH

This research undertakes a critical review nature whereby its discussion is highly connected to a slew of literature on procedural justice, distributive justice, social capital, job satisfaction, company commitment, and experimental design. Previous works and knowledge have been predominantly covered from a number of journals like the Academy of Management and the Journal of Applied Business. This article explains the fundamental role of procedural justice, distributive justice, and social capital in elucidating organizational satisfaction as well as commitment.

RESULTS AND DISCUSSION

As the article elaborates a trend of high procedural justice as well as high distributive justice, exhibiting no disparities in the character that differentiates people claiming a high or low level of social capital to elucidate commitment and satisfaction. It can be mentioned then that the standing of social capital like a moderating variable cannot be proved as a result of lack of prominent equity issues existent in the duo sample teams.

The significance of social capital as a moderating variable in elaborating individual satisfaction is not supported in the interaction pattern of high distributive justice - low procedural justice; rather, distributive justice is more dominating in explaining satisfaction. When this interaction pattern explains the organizational commitment to the role of social capital as a moderating variable, this is not the case. The level of one's organizational commitment is related to procedural justice. In this situation, procedural justice must explain commitment such that people with varying levels of social capital respond differently to procedural justice.

Moreover, the duty of social capital in the place of a moderating variable explaining organization commitment and individual satisfaction is reinforced in the outlook of interaction trend in low distributive justice and high procedural justice. This comes to show how personal differences like social capital can cause diverse attitudes as well as behaviors while people encounter justice issues. In the case that low distributive justice is felt, the persons will not be satisfied. On the other hand, the level of dissatisfaction will decline only when procedural fairness is viewed to be just. Persons with higher social capital will develop better approval reaction to organizational satisfaction and commitment as compared to those with lower social capital as the soaring perception level of procedural justice is parallel to the circling of long-run relationships of people within an entity.

The significance of social capital in elaborating happiness and organizational commitment is also observed in the interaction pattern of low distributive justice - low procedural justice. This demonstrates that people with solid and poor social capital respond differently. They are primarily concerned with achieving wealth; thus, they place a greater emphasis on the distribution of goods and services. Both social capital groups will react badly if the allocation results are unfair, especially if the method is likewise unfair. Individuals with high social capital will nonetheless have more organizational commitment than those with low social capital, as they are more focused on long-term social ties.

Furthermore, procedural fairness has an impact on a person's organizational commitment, which is influenced by their social capital. Individuals with little social capital are more affected by procedural justice in terms of organizational commitment and personal happiness. Procedural justice can be defined as an organization's ability to satisfy its members' personal interests. Concerning the findings of an evaluation of this journal, the researcher believes that it is correct for an entity to seek and consider factors that support the creation of a conducive environment and a sense of comfort, in addition to organizational justice and social capital, to create job satisfaction and commitment from employees. Employee performance is closely tied to employee job satisfaction and dedication, according to the author's findings. Someone who is happy with their job will have high drive, devotion to the organization, and work engagement, allowing them to keep improving their performance. In fact, this will have an impact on their willingness to stay at work and not leave the company or resign.

According to the author, the journal's flaw is that it does not highlight topics that can boost employee work satisfaction other than distributive justice and social capital in order to increase employee contentment and commitment in a company. In reality, this publication will include a wide spectrum of studies. There are various other factors that can boost employee satisfaction within the workplace other than distributive justice and social capital, which have an effect on employee commitment and satisfaction. (Amisshah et al., 2016) points out salary (Oshagbemi, 2006), supervision (Peterson et al., 2003), training (Feldman, 1989), and promotion (Oshagbemi, 2006) as some of the factors influencing job satisfaction. In light of the varied factors impacting job performance, the authors neglect to discuss them, although their effect is cemented in promoting staff satisfaction and commitment. In regards to commitment, it is a person's internal decision about whether or not to do something. Commitment demonstrates moral strength, firmness of attitude, honesty, and a desire to improve. Commitment refers to a person's internal decision about whether or not to engage in a particular activity. Someone who has made a commitment will not hesitate to choose his attitude and accept responsibility for the decisions he or she has made. As a result, in the

author's opinion, someone who has committed will not hesitate to act since they feel close to them and have trust and closeness.

CONCLUSION

The outcome of the study developed some contributions on the aspect of research results and contexts. This critical review has weighed the strengths and weaknesses of the paper under focus. In essence, it has delved deeper into contextual aspects such as distributive justice, procedural justice, employee satisfaction and commitment, and social capital. The paper supports the strengths of the article in providing contextual insights and showcasing the effect of procedural justice on both entity commitment and individual satisfaction as stronger within people of lower social capital levels. Furthermore, weaknesses are highlighted, especially in areas of discussion not covered by the author. For example, other factors besides organizational justice and social capital that could spike employee satisfaction are left out. The character of workers who aren't satisfied within the entity is not brought to light. As the experimental design was taken in the methodology, it is supported for the author to express that qualitative research would provide a different angle of the study. All in all, firms need to put effort into their human capital by providing them with enough resources and training them to gather more skills while enabling the exchange of opinions to ensure work is executed. Furthermore, to create strong performance, it is inevitable for the firm to neglect that the most important areas of concern to build upon are welfare and trust among members so as to foster harmonious relationships.

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