INDONESIAN JOURNAL OF MULTIDISCIPLINARY SCIENCE

P-ISSN: 2808-5957
E-ISSN: 2808-6724
ijoms.internationaljournallabs.com

ANALYSING THE STUDY OF ORGANIZATIONAL JUSTICE CONFIGURATION AND SOCIAL MODAL ON SATISFACTION AND COMMITMENT

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Abstract

This study is a critical review of an article written by Heru Kurnianto Tjahjono, Olivia Fachrunnisa, and Majang Palupi and had published in the International Journal Business Excellence 2019, 17(3): 336-360 under the heading of " Configuration of organizational justice and social capital: their impact on satisfaction and commitment". The purpose of this study is to explain individual behavior in evaluating distributed justice and procedural justice. The method is done by reviewing a number of literature related to the topic of the article. The result indicates that contextual aspects, such as distributive justice, procedural justice, and social capital, play a large role in elaborating satisfaction and organizational commitment. Future studies are important to conduct a broader review of the impact on job satisfaction and organizational commitment in different contexts such as different industries, among different workers generations, and other demographic factors.

Keywords: *organizational justice; social capital; satisfaction; commitment*

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INTRODUCTION

This study is a literature review of the research of Heru Kurnianto Tjahjono, Olivia Fachrunnisa, and Majang Palupi and is published in the Journal of International Business Excellence in 2019, 17(3): 336-360 with the title "Configuration of organizational justice and social capital and its impact on satisfaction and commitment".

This study of the impact of organizational fairness on individual behavior, in general, has been conducted using experimental methods. Experimental design to look at the impact of employee behavior on a variety of artificially designed contexts. This study aims to analyze whether social capital both moderates the organizational impact on job satisfaction and organizational commitment. Supporting research in the writing of literary studies is a meta-analysis of Coluitt et al (2001), McFalin (1993) states that distributive justice has a significant effect on individual satisfaction while procedural justice has a significant effect on organizational commitment.

Other researchers who predict the impact of fairness, social capital, organizational satisfaction, and commitment do not necessarily require empirical support (Bawling and Philips, 1993; Tang and Baldwin, 1996; Tjahjono, 2010, 2011). Importance in considering subjective factors in the model of organizational justice (Harris et al, 2004; Tjahjono, 2014).

The research used in this literature review in which the researcher uses experimental methods that can be interpreted as a systematic and scientific approach in which the researcher manipulates one or more variables. This method involves as many as 247 subjects categorized into two groups,

namely high social capital and low social capital. 124 in high social capital and 123 in low social capital. Group selection was randomized among the groups and researchers tested only one effect at a time.

The subjects of this study were students in the 1st and 3rd semesters of business management majors and grouped randomly into four classes, the first class acted as lecturers with high distributive and procedural fairness in a class collection. Second class, acting as a lecturer of high distributive justice and low procedural justice. The third class acts as lecturers who have distributive justice and high procedural justice and the last class acts as lecturers with low distributive and procedural justice.

Satisfaction and Commitment

Organizational commitment is created if satisfaction is obtained in the organization. Satisfaction of work conditions related to the magnitude of job challenges faced, the attitude of superiors, and the existing supervision are determining factors of organizational commitment.

Some researchers related to satisfaction and commitment show that employee behavior perceptions related to satisfaction with a job are important predictors of organizational commitment. So it can be said that satisfaction has a positive influence on organizational commitment (Kenku and Ogunkuade, 2020).

Organizational Justice

Why is the influence of distributive justice more dominant on individual satisfaction than procedural justice? (Sweeney and McFarl in, 1993) in a two-factor model that maintains that twisted justice tends to have a positive influence on outcomes associated with a personal evaluation of individual satisfaction. Conceptually, it is due to distributive fairness, which is related to the little results employees get from the organization (Folger and Konovsky, 1989).

Distributive justice is based on the exchange theory and welfare theory that explains that employees have prosperous motives and motives for exchange (Tjahjono, 2010). The practice of fairness will relate to a number of work outcomes, compensation, and welfare.

Procedural justice is the employee's perception of the fairness of the mechanism or process of the presence of a number of results that they harp (Tibaut and Walker, 1978; Lind and Tyler, 1992; Tyler and Blader, 2003). Both concepts of justice play an increasingly central role in the studies of organizational justice and the consequences to be faced (Colquitt, 2001; Tjahjono, 2008; 2010; 2011).

A survey conducted by Christie et al. (2015) that there are several education personnel who show that employee trust in the organization can be achieved through organizational fairness. The fairness of justice has a positive effect on employee job satisfaction (Oze1 and Bayraktar, 2017). Organizational fairness that demonstrates as a moderating variable on the relationship between incentive behavior and incentive perception (Shoaib and Baruch, 2017). The higher the organization of justice in the organization, the higher the organization's results from job satisfaction.

Social Capital

Researchers must remember that social capital can outline social dilemmas in the judgment of justice with respect to an individual's internal conflicts whether to maximize his or her personal interests or sacrifice personal interests to build teamwork. Manning's research (2017), states that social capital plays a role in conflict through knowledge management so that it impacts the improvement of an organization's reputation; social capital is the ability of individuals to work with others to achieve certain goals through interactions, beliefs, norms, and rules, thus forming a new work of social attachment relationships. In addition, Maturer-Watanabe et al. (2017) found that social capital creates mutual trust between members of organizations, thus aiding in a fair decision-making process through organizational virtue and self-management in achieving work achievement. Social capital also creates a network of cooperation between members to foster spirit and compassion through increasing trust, justice, and economic welfare in SME cooperation (Brink, 2015).

Kostova and Roth (2003) mention that social capital will make individuals tend to work harder to maintain their social relationships or focus on financial factors. Low social capital will cause employees to work on their financial factors. This perspective is related to the situation of social dilemmas in each individual. Where when faced with the choice of maximizing social interests or personal sacrifices, among them will choose social interests. Individuals who have low social capital are most likely to choose the first option, which is more on their personal interests and low motivation in social capital so social interests are sometimes ignored both socially and socially in a group (Chua, 2002).

Based on the point of view of distributive justice, low-cap socially capitalized societies focus on short-term financial needs. So it can be said, with the change in the perception of distributive justice, the level of commitment will also change.

Hypothetical Model

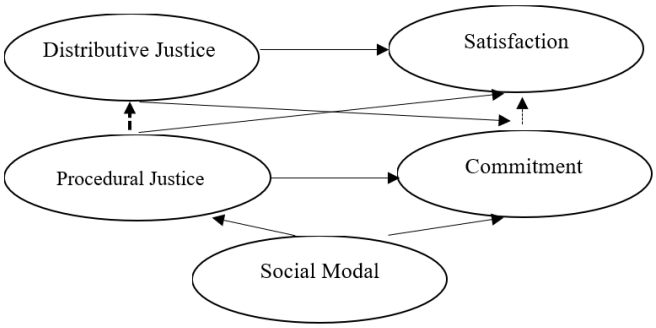


Figure 1. Model of Justice, Social Capital, Satisfaction, and Commitment

METHOD

This literature review deals with fairness, social capital, organizational satisfaction and commitment. An experimental method is a systematic and scientific approach to research in which

researchers manipulate one or more variables, and control and measure any changes in other variables.

The control group in the study where the subjects had been randomly assigned among the groups, and the researchers tested only one effect at a time. It is usually done to be able to predict phenomena. It is also built to be able to explain some kind of causation. Experimental research is important to society or organizations because it helps us improve the working lives of everyday organizations.

Hypothesis testing (moderation effect) using the ANOVA test. As suggested by Kuehl (2000), when the moderator variable is categorical (low and high) we can estimate a model analogous to ANOVA. This is usually used if we are interested in comparing the average effect size of a group to two or more groups. Using the one-way random effect ANOVA model, we calculated the average effect size and standard errors for each group, and then tested whether these averages differed significantly from each other. Furthermore, the average effect size and standard errors require an estimate of the variance component. In this study, we believe that variations between studies differ between groups.

ANOVA testing is seen in the reputation of authors and some journals that are referenced. Some of the journals that are referenced include *international journal business excellence, the international journal of arts and social science, and springer journal.*

RESULT AND DISCUSSION

The results showed that distributive fairness is low and high that differ depending on the manipulation. Therefore, low and high procedural fairness differ significantly. Empirical results of satisfaction testing obtained using the Levene test showed that the social capital of variant homogeneity was not met, but this was not an issue as long as the sample size was proportional. The study also concerned a second social capital that addressed randomized assessments in each group. Likewise, the normality of social capital does not affect ANOVA outcomes, which remain strong (Ghozali, 2005).

Organizational fairness and job satisfaction demonstrate that distributive fairness and procedural fairness play an important role in elaborating individual satisfaction. The results showed that distributive justice had a more significant influence in laying out individual justice than procedural justice. The results show that the interaction of distributive justice and social capital has a positive influence, more research is needed using plots and descriptive statistics to investigate significant interactions (distributive justice and social capital) by separating them into sub-samples of social capital value (Gibson, 2001).

When social capital becomes a moderating variable, two types of justice are empirically supported. Specifically, it is explained that the impact of distributive fairness on individual satisfaction is positively stronger in those with low social capital. Post Hoc individual satisfaction test Results of Post Hoc satisfaction tests are shown below. Based on the results of the Post Hoc test, the pattern of interaction of distributive justice, procedural justice and social capital in general differs markedly in elaborating individual satisfaction.

High distributive justice interaction patterns - high procedural fairness Post Hoc test results show that there is no role of social capital moderation on the impact of distributive fairness and procedural fairness on performance assessment satisfaction; The results are statistically insignificant. While the pattern of distributive justice interactions is high - low procedural fairness Post Hoc test results show that there is no role of social capital moderation on the influence of distributive justice and procedural fairness on performance assessment satisfaction. The results are statistically insignificant.

Low distributive justice interaction patterns – high procedural fairness Post Hoc test results show that there is a role of social capital moderation on the impact of distributive justice and procedural fairness on satisfaction ($p = 0.001$). Satisfaction in sub-samples with high social capital was higher than in sub-samples with low social capital. While the pattern of interaction of distributive justice is low - low procedural justice Post Hoc test results show that social capital has a moderating role in the impact of distributive justice and procedural fairness on satisfaction ($p = 0.01$). In this pattern of interaction, those with high social capital were more satisfied than those with low social capital.

Empirical results of satisfaction testing were obtained using the Levene test, which showed that the social capital of homogeneity variants in the data was not met; but the sample size is proportional (Ghozali, 2009). The impact of fairness on organizational commitment supports the argument that distributive justice and procedural fairness have a significant effect on organizational commitment. The results showed that the role of distributive justice was more dominant in elaborating organizational commitments.

The moderation of social capital to the organization's commitment is carried out by observing the interaction of distributive justice - social capital and procedural justice-social capital. The results showed that the social distributive-capital justice interaction was significant at $p=0.001$ and the procedural-social capital justice interaction was significant at $p=0.001$. Further investigation is conducted using descriptive plots and statistics to evaluate the relationship between distributive justice and social capital, as well as between procedural justice and social capital, by separating it into high-low sub-samples (Gibson, 2001). The results showed that social capital moderates the impact of distributive fairness on organizational commitments. In particular, the impact of distributive fairness on organizational commitment was positively stronger in those with low social capital than others with high social capital.

The results showed that both distributive fairness and procedural fairness play an important role in explaining satisfaction and commitment. The role of each of these types of justice is in line with the perspectives of McFarlin and Sweeney (1992) and Sweeney and McFarlin (1993) and has a lot of empirical support (Colquitt et al., 2001; Masterson et al., 2000; Badawi et al., 2017). However, some previous studies have not supported the conception of two types of models (Barling and Philips, 1993; Tang and Baldwin, 1996; Tjahjono, 2010, 2011).

Sweeney and McFarlin (1993) are aware of limitations in their research. The main problem they criticize is that the model they propose should include more complex variables. Thus, a possible research opportunity is to test the moderation variables. Their perspective was later

sharpened by Harris et al. (2004), who stated that the perspective of an individual's subjective judgment should be considered in the formulation of the model. The heuristic theory of justice explains that people will not be able to obtain complete information. In assessing the fairness of a policy. The unavailability of objective information causes people to subjectively judge justice. In general, the results of this study support the perspective of an individual's subjective judgment.

CONCLUSION

The results of the study rose on consensual studies, research methods, and research contexts. Thus, distributive justice is dominant in explaining organizational satisfaction and commitment. Similarly, proper social capital illustrates how justice explains workplace satisfaction. If there is a change in the perception of distributive justice then the level of commitment will also change. This phenomenon describes that a low social capital society will be more sensitive when it comes to economic interests and influences commitment.

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