The effect of Organizational Justice on Organizational Citizenship Behaviour with regard to Mediating Effect of job satisfaction and loyalty (Case study: employees of Mellat Bank)

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ABSTRACT

This study propose to examine relationship between the organizational justice, Job Satisfaction and loyalty and organizational citizenship behaviour. The aim of this study was to identify the impact of organizational justice and organizational citizenship behaviour through mediating effect job satisfaction and loyalty. The research method is a descriptive survey. This study was conducted in employees of Mellat Bank in iran. The sample included 190 employees, which were selected randomly. Data have been collected by a researcher-developed questionnaire and sampling has been done through census and analyzed using SPSS and PLS. The validity of the instrument was achieved through content validity and the reliability through Cronbach Alpha and composite reliability. the study finds out some interesting results: (1): organizational justice is positively associated with Job Satisfaction, (2): organizational justice is positively associated with Job loyalty, (3): organizational justice is positively associated with organizational citizenship behaviour , (4): Job Satisfaction is positively associated with organizational citizenship behaviour , (5): Job loyalty is positively associated with organizational citizenship behaviour . with regard to results, In an service companies can increase organizational citizenship behaviour directly by improving the organizational justice and indirectly by Job Satisfaction and loyalty.

INTRODUCTION

As working under changing circumstances has become an essential feature of organizations, organizations will necessarily become more dependent on individuals who are willing to contribute to successful change, regardless of formal jobs requirements. Behaviour s that exceed delineated role expectations but are crucial for an organization’s survival are defined as organizational citizenship behaviors [35].

Organizational citizenship behaviour can be defined as “individual behaviour that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization” [26]. It is essentially the actions employees take that are above and beyond what is expected of them, and which do not give them any explicit reward. Research has shown that organizational citizenship behaviour helps maximize the organizational performance of companies [30]. Since this is the goal of every organization, it benefits managers to understand how various variables affect organizational citizenship behaviour . This understanding can help managers assess what kind of environment to provide their employees, and also what motivates and satisfies them.

Literature Review:
Organizational Citizenship behaviour:

Earlier research focused on individual psychological antecedents of organizational citizenship behaviour such as cognitive, affective and dispositional factors [26], while later studies revealed that organizational
citizenship behaviour also correlates highly with staffs loyalty and staffs justice. however, the main underlying thread connect these behaviour s is that they result in the facilitation of organizational functioning and productivity [30]. organizational citizenship behaviour has been shown to facilitate planning, scheduling, problem solving and the impressive allocation of resources [29].

Organizational citizenship behaviour is a kind of out-role behaviour under the landscape of corporation, that is, from the organizational perspective to define staffs individual behaviour s; yet, traditional attitude-behaviour model illustrate which support coming from corporation can induce which behaviour in nature; according to Social exchange theory, this kind of behaviour is more one inside role.

According to Organ [26] Organizational citizenship behaviour are the behaviour s which are not contained in the official organizational rewarding system directly and often ignored as well. However at the same time they are regarded as the voluntarily performed behaviour s which contribute to the organization as an entity in order to fulfill its actions in an drastic way.

According to Organ [26], Organizational citizenship behaviour have a variety of forms , including altruism, courtesy, sportsmanship, civic virtue and conscientiousness. Altruism means that employees help others with organizationally relevant tasks. Courtesy means that they treat others with respect. Sportsmanship implies that employees have a positive attitude and are willing to tolerate less than ideal circumstances without complaining. Civic virtue means that employees responsibly participate in, and are concerned about, the welfare of the company. Conscientiousness is discretionary behaviour that goes well beyond minimum role requirement of the organization, such as making phone calls to take care of business from home. Cohen and Vigoda (2000) highlighted the importance of Organizational citizenship behaviour for virtually all forms of organizations and noted that Organizational citizenship behaviour improve organizational effectiveness through a multitude of ways.

**Dimensions of Organizational Citizenship Behaviour:**

Organ [26] has examined the Organizational citizenship behaviour under such topics as: a) Altruism b) Courtesy, c) Conscientiousness, d) Sportsmanship and e) Civil Virtue.
- Helping behaviour: Helping behaviour includes all types of voluntary actions of workmen displayed to help the fellow workmen in performing their work and overcoming problems within the organization [27,30].
- Courtesy: Courtesy attitude covers up all behaviour s for helping others in avoiding problems to occur. Examples of this attitude include trying to prevent other people from suffering as a result of a certain event, informing fellow workmen on work schedule about the points which must be taken into consideration in advance [30].
- Conscientiousness: This attitude, defined as upholding high level work awareness, includes voluntary behaviour that goes beyond then lowest expected role definition and performance of workmen more than expected lowest level.
- Sportsmanship: Sportsmanship is defined as refraining from actions which may lead to unfavorable tension at the workplace and maintaining synergistic atmosphere within the organization against any adverse incidents [26,30].
- Civil Virtue: Civil virtue in this context means high level interest in and high level loyalty to the organization.

**Organization Justice:**

Nowadays, organizational justice concept and attitudes towards to workers has had a new meaning and it is more vital and central [32]. Organizational justice is as a basis for the process of organizational effectiveness and job satisfaction of employees [23,20]. Accomplished researches show that organizational justice is a predictor of many of the organizational variables that the most important of them, it can be named employee job satisfaction [38].

Moreover, studying of organizational justice is done for three important reasons: justice is a social phenomenon and includes aspects of social or organizational life. The most important asset of each organization is its human resource. How to behave and treat them will affect their future attitudes and behaviour s.

The construct ‘organizational justice’ refers to three specific components, comprise, distributive justice, procedural justice, and interactional justice.

Distributive justice: is based on a general theory of fairness, which offers a broad explanation of the motives underlying the actions of individuals.

Procedural justice: procedural justice relates to perceived fairness in the processes through which decisions are reached. procedural justice comprises both subjective aspects, such as the manner in which a specific procedure is perceived, and objective aspects such as the way in which a specific procedure is carried out de facto.
Interactional justice: is divided into two main components: (A) the interpersonal, which defines the degree to which employees are given proper and respectful treatment in the organization and (B) the informational, which defines the extent to which explanations given are compatible with the decisions reached.

Job Satisfaction:

Job satisfaction is a positive mood resulting from the evaluation of the works and work experiences of the employees [5]. Job satisfaction is one of the most widely studied and measured constructs in the organizational behaviour and management literature. Interest in job satisfaction proceeds from its relationships to other substantial organizational outcomes, including absenteeism, organizational commitment, turnover, and performance.

The theoretical definition of job satisfaction includes evaluative or expectancy components. For example, Locke [21] defined job satisfaction as a pleasurable emotional state resulting from the appraisal of one's job or job experience. Similarly, Mottaz [25] regarded job satisfaction as an affective response resulting from an evaluation of the work situation. It is widely accepted that job satisfaction is a function of work-related rewards and values [36].

Factors of Job Satisfaction:

It is possible to group the factors that create job satisfaction under two main headings.

Environmental Factors:
- Relations with the seniors and the Colleagues
- Wage
- Promotion Opportunity
- Communication:
- Control
- Organizational Reputation and Operating Conditions

Individual Factors: Individual factors that create job satisfaction reveal the need to meet the requirements like autonomy and personal development of the individual.

Job satisfaction is the employees’ response on their work itself and work environment and is caused when one’s need is satisfied at the workplace. Regarding the definition of job satisfaction, Hopkins [16] defined it as ‘the fulfillment or gratification of certain needs that are associated with one’s work’ (p. 7).

As discussed earlier, it is supported that job satisfaction has a positive effect on Organizational citizenship behaviour [2,37]. In this study, unlike previous studies, job satisfaction was considered as the resulting factor of Organizational citizenship behaviour. That is, employees’ Organizational citizenship behaviour could result in job satisfaction.

Job Loyalty:

There is no single opinion on the definition of organisational loyalty in research works. P. Morrow, analysed the works of various authors, found 25 concepts defining organizational loyalty. The reason for this disagreement and misunderstanding is a lack of a particular loyalty model [11]. The issue of reinforcement of staffs loyalty to the corporation is very relevant, because the most critical problem for businesses today is retention of excellent staffs. Staffs loyalty is the main factor guaranteeing long-term success and profitability for the company. There would be no business without customers and there would be no clients without employees. J. Meyer and N. Allen (1997) define organizational loyalty as a conditional drive for personal identification and involvement in a especial corporations. Conceptually that can be defined by the following dimensions [33]:

- Strong belief in the values and goals of the corporations;
- Determination to put efforts for the good of the corporations;
- Strong intention to stay with the corporations.

A Literature:

Organs [26] indicate that organizational citizenship behaviour refers to fair and voluntary actions such as assist colleagues on working issues, polite behaviour with personnel and competently described the organization to outside people which will improve the effectiveness of the organization. According to researches, the importance of organizational citizenship behaviour and the relationship of this behaviour with success, productivity and organizational effectiveness are considerable [30].

Zeinabadi and Salehi [40] investigated the effect of procedural justice, trust, job satisfaction, and organizational commitment in Organizational Citizenship Behaviour in 652 teachers. Result indicated that procedural justice has two lines to promote teacher organizational citizenship behaviour. First through
influencing teacher trust and the second line is to influence teacher organizational citizenship behaviour through job satisfaction and organizational commitment.

Jafari et al [17] in research with title "The relationship between organizational justice and organizational citizenship behaviour " indicated that mean of Organizational Citizenship Behaviour are slightly more than average. And there is significant positive relationship between the components of organizational justice (distributive, procedural, and interactional justices as predicative variables) and Organizational Citizenship Behaviour.

Zainalipour et al [39] in research with title "A study of relationship between organizational justice and job satisfaction among teachers in Bandar Abbas middle school" investigated relation between organizational justice and job satisfaction among teachers in Bandar Abbas. Findings indicated significant positive relationships between organizational justice and job satisfaction. Correlation analysis for the three components of organizational justice showed that two dimensions of organizational justice namely ,distributive and interactional justice had positive relations with four dimensions of job satisfaction namely supervision, coworker, pay and promotion and they didn’t have correlation with nature of job as a dimension of job satisfaction.

Research literature has consistently shown that perceptions of organizational justice or injustice are a key factor affecting the attitudes and behaviour s of individuals in organizations [9].

Mooman [23] pointed out perception of organizational employees for procedural justice and international justice had good prediction role for organizational citizenship behaviour.

Nidhof & Mooman [23] also believed when organization allocates resource and decide incentive, if employees subjectively perceive unfair, individual decided to balance the unfair by the way of reducing input; they don ’t often choose those input which has direct relations with work performance, because reducing this kind of input can affect his future reward.

Many studies support the effect of Organizational citizenship behaviour on job satisfaction [6]. For example, Feather and Rauter (2004) said that the attitude of employees’ who voluntarily work beyond their duty and have the intention to stay within the organization leads to employees’ satisfaction.

it is reasonable to expect the effect of Organizational citizenship behaviour on job satisfaction. According to Williams and Anderson [37], when employees participate in organizational citizenship, this participation leads employees to have positive feelings about their jobs. That is, employees who contribute their efforts and energy to the organization beyond the officially required work criteria enjoy their work and are proud of their affiliation with the organization. And these feelings and contributions lead to employees’ job satisfaction [19].

William et al [37] found that organization justice components have strong positive effects on Organizational citizenship behaviour . The positive contribution of Organizational citizenship behaviour to organizational performance is widely accepted by literature [30]. These important contributions to organizational success, it is critical for organizations to understand how and why employees engage in Organizational citizenship behaviour.

The purpose of the study presented here was to examine the relationship between organizational justice and Organizational Citizenship Behaviour with regard to Mediating Effect of job satisfaction and loyalty. We hypothesized that more positive organizational justice would be associated with more positive attitudes toward Organizational Citizenship Behaviour. We also hypothesized that organizational justice would be associated with Organizational Citizenship Behaviour more positive through Mediating Effect of job satisfaction and loyalty.

Fig. 1: conceptual model.

According to conceptual model of research, research are:

First hypothesis: Organization Justice is positively associated with job satisfaction among employees of mellat bank in isfahan city.

Second hypothesis: Organization Justice is positively associated with job loyalty among employees of mellat bank in isfahan city.

Third hypothesis: Organization Justice is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city.
Fourth hypothesis: job satisfaction is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city.

Fifth hypothesis: job loyalty is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city.

Methodology:
The current research is a descriptive-correlate design. The variables are chosen among employees of mellat bank in isfahan city. Data collection is done through random sampling. First, a group of 30 persons were selected from the subjects and the questionnaire distributed among them. After extracting the data from the responses of the intended group and the variance estimate, the volume of the sample of the study was drawn by using cookran formula 190 employees were selected randomly as the subjects of the study. Questionnaire in this study is the main tool for data collection and answers were analyzed using SPSS and PLS Software. The validity of its content was ensured by using the readers, advisors, and experts consensus and viewpoints. The validity of its structure was measured through Cronbach’s alpha. Nunnally (1978) suggested that a minimum alpha of 0.7 sufficed for stage of search. The Cronbach alpha estimated for total research was 0.76 and was much higher 0.7, the constructs were therefore deemed to have adequate reliability.

Table 1: Reliability coefficient of research variables related to given hypotheses.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Questions</th>
<th>Cronbach’s Alpha Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Justice</td>
<td>10</td>
<td>0.70</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>4</td>
<td>0.79</td>
</tr>
<tr>
<td>Job loyalty</td>
<td>4</td>
<td>0.77</td>
</tr>
<tr>
<td>Organizational citizenship behaviour</td>
<td>9</td>
<td>0.89</td>
</tr>
<tr>
<td>Total Participation</td>
<td>27</td>
<td>0.76</td>
</tr>
</tbody>
</table>

Descriptive data:
This study attempts to understand the relationships among between organizational justice, Job Satisfaction, Loyalty and OCB. Table 2 Descriptive statistical data shows the relation to the members of the survey Employees from different sectors participated to the research (n = 190). The social demographic qualification of the participants are as follows: 94 male and 96 female participated to the research. The educational background of the participants are: 32 people diploma, 18 people have Associate course, 132 people have b.sc, and 8 people m. sc.

Table 2: Demographic qualifications of participants.

<table>
<thead>
<tr>
<th>Variable Name</th>
<th>Frequency</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>94</td>
<td>49</td>
</tr>
<tr>
<td>Female</td>
<td>96</td>
<td>51</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td>32</td>
<td>16.8</td>
</tr>
<tr>
<td>Associate course</td>
<td>18</td>
<td>9.4</td>
</tr>
<tr>
<td>B.sc</td>
<td>132</td>
<td>69.0</td>
</tr>
<tr>
<td>M.sc</td>
<td>8</td>
<td>4.2</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-25</td>
<td>14</td>
<td>7.3</td>
</tr>
<tr>
<td>26-30</td>
<td>41</td>
<td>21.5</td>
</tr>
<tr>
<td>31-35</td>
<td>42</td>
<td>22.1</td>
</tr>
<tr>
<td>36-40</td>
<td>51</td>
<td>26.8</td>
</tr>
<tr>
<td>41-45</td>
<td>23</td>
<td>12.1</td>
</tr>
<tr>
<td>46&lt;</td>
<td>19</td>
<td>10</td>
</tr>
</tbody>
</table>

Table 3: Correlation Between research variables was examined:

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCB</td>
<td>.306</td>
<td>.434</td>
<td>.576</td>
<td>.786</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.744</td>
<td>.505</td>
<td>.514</td>
<td></td>
</tr>
<tr>
<td>Job loyalty</td>
<td>0.831</td>
<td>0.567</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational justice</td>
<td></td>
<td></td>
<td></td>
<td>0.759</td>
</tr>
</tbody>
</table>

In Table 4 the composite reliability of each variable was examined and The coefficients for all variables above .7.
Structural relationships in the conceptual model were tested with PLS. The maximum likelihood fitting function was used to estimated parameters. According to the indexes it can be concluded that the model have a relatively good fitness.

**Table 4:** AVE values and composite reliability.

<table>
<thead>
<tr>
<th>Composite reliability</th>
<th>AVE</th>
<th>variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>.828</td>
<td>.618</td>
<td>organizational justice</td>
</tr>
<tr>
<td>.861</td>
<td>.555</td>
<td>Job Satisfaction</td>
</tr>
<tr>
<td>.870</td>
<td>.692</td>
<td>Job loyalty</td>
</tr>
<tr>
<td>.916</td>
<td>.577</td>
<td>OCB</td>
</tr>
</tbody>
</table>

**Results:**
In the Table 6 Hypothesis was examined. The statistics about hypothesis Included Beta, T, and Result For each of the variables in research Hypothesis was examined. For example, in The first hypothesis, Beta is .576, T is 18.237 and Hypothesis was Accepted

**Table 6:** Analyzing the hypotheses of research.

<table>
<thead>
<tr>
<th>Result</th>
<th>T</th>
<th>Beta</th>
<th>Dependent variable</th>
<th>Independent variable</th>
<th>Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>confirmed</td>
<td>18.337</td>
<td>.576</td>
<td>Job Satisfaction</td>
<td>organizational justice</td>
<td>first</td>
</tr>
<tr>
<td>confirmed</td>
<td>11.402</td>
<td>.475</td>
<td>Job loyalty</td>
<td>organizational justice</td>
<td>second</td>
</tr>
<tr>
<td>confirmed</td>
<td>4.229</td>
<td>.278</td>
<td>OCB</td>
<td>organizational justice</td>
<td>third</td>
</tr>
<tr>
<td>confirmed</td>
<td>4.309</td>
<td>.215</td>
<td>OCB</td>
<td>Job Satisfaction</td>
<td>fourth</td>
</tr>
<tr>
<td>confirmed</td>
<td>3.052</td>
<td>.203</td>
<td>OCB</td>
<td>Job loyalty</td>
<td>fifth</td>
</tr>
</tbody>
</table>

First hypothesis: Organization Justice is positively associated with job satisfaction among employees of mellat bank in isfahan city: As shown in table 6, since observed Beta is equal to .576 and T is 18.237 so Organization Justice is positively associated with job satisfaction among employees of mellat bank in isfahan city with 95% confidence.

Second hypothesis: Organization Justice is positively associated with job loyalty among employees of mellat bank in isfahan city: As shown in table 6, since observed Beta is equal to .475 and T is 11.402 so Organization Justice is positively associated with job loyalty among employees of mellat bank in isfahan city with 95% confidence.

Third hypothesis: Organization Justice is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city: As shown in table 6, since observed Beta is equal to .278 and T is 4.229 so Organization Justice is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city with 95% confidence.

Fourth hypothesis: job satisfaction is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city: As shown in table 6, since observed Beta is equal to .215 and T is 4.309 so job satisfaction is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city with 95% confidence.

Fifth hypothesis: job loyalty is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city: As shown in table 6, since observed Beta is equal to .203 and T is 3.052 so job loyalty is positively associated with organizational citizenship behaviour among employees of mellat bank in isfahan city with 95% confidence.

**Discussion & Conclusion:**
The aim of this study was to identify the impact of organizational justice and organizational citizenship behaviour through mediating effect job satisfaction and loyalty. the study finds out some interesting results: (1): organizational justice is positively associated with Job Satisfaction, (2): organizational justice is positively associated with Job loyalty, (3): organizational justice is positively associated with organizational citizenship behaviour, (4): Job Satisfaction is positively associated with organizational citizenship behaviour, (5): Job loyalty is positively associated with organizational citizenship behaviour. If banks manager have not ability and authority to pay more to emloees and determine the promotion policy, they can behave fairly with emloees in bank. This in turn can help to increase job satisfaction and loyalty in bank. With a high quality of
interpersonal interaction in the workplace, employees elicit the extra-role behaviour, organizations should foster the development of close relationship between supervisor and their subordinates. However, Consistent and fair procedures regarding employment, promotion and performance assessment should be developed. In order for the implications of studies like this to have practical consequences for the future welfare of workers in organizations and their efficient functioning, ongoing research should increasingly reflect the attempt to seek out causality in the relationships between the variables.

REFERENCES


