EFFECT OF PERCEIVED ORGANIZATIONAL JUSTICE TO COMMITMENT AND TURNOVER INTENTION AMONG IBA LECTURERS FACULTY OF ECONOMICS AND BUSINESS UNIVERSITY OF SAM RATULANGI MANADO

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ABSTRACT

This study attempts to investigate the effect of organizational justice, commitment and turnover intention among lecturers in International Business Administration Study Program in Faculty of Economics and Business Sam Ratulangi University. A total of 9 respondents throughout the Lecturers of IBA Study Program of Faculty of Economics and business (FEB) Sam Ratulangi University (UNSRAT) participated in this study. The method used in this research is the qualitative research methodology through in-depth interview which will provide a descriptive insight about the effect of perceived organizational justice to commitment and turnover intention among lecturers. The data was gathered from interviews and observation which the samples are the lecturers of IBA study program. The result showed that there is a significant effect of distributive justice to both permanent lecturers or public servant and temporary lecturers’ commitment and moderate effect of procedural justice to both permanent lecturers and temporary lecturers’ commitment. Both distributive and procedural justice have no significant effect to permanent lecturers or public servants and have significant effect to temporary lecturers. These findings have important implications for leader or managers in formulating appropriate policies and procedures to improve employees’ commitment to their organizations and to reduce their turnover intentions.

Keywords: organizational justice, commitment, turnover intention

INTRODUCTION

Research Background

Justice has become the need of every human being. There is a demand the same right to be treated fairly. For example, the people demand the right to health care, education, employment, government, etc. There are many other examples, including the employee’s right to be treated fairly by the company. Not infrequently employees protested against company policy. One reason is because employees are treated unfairly by the leadership of the company.

Commitment is about to transform the promises into reality and commitment is a promise to be loyal to something. Commitment in the world of work is also needed so that employees can focus with the goal of the company or organization. Organizational commitment was observed to be one of the extensively studied topics in the management literature. It seems logical as the committed workforce particularly the faculty members could perform effectively to develop the intellectual capital of the future leaders for any nation.

Performance of a company is determined by the condition and behavior of the company. The phenomenon that often happens is that a company’s performance has been good can be tempered by a variety of employee behavior that is difficult to prevent the occurrence. One form of the employee’s behavior is a desire to leave (turnover intentions) that led to the employee’s decision to leave his jobs. High employee turnover can harmfully affects the organization. Cost of high employee’s turnover is considerable not only direct financial cost of replacing staffs but also other effects like potential loss of key skills, knowledge and experience and also it could cause the negative effects on workforce morale.
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Sam Ratulangi University is a public university and the largest university in term of student population in North Sulawesi and the Faculty of economics is an institution that is in North Sulawesi which carry some level of education there are Bachelor degree and Magister degree and 3 department there are Management, Accounting, Economics and International Business Program. It has total 274 employees including civil servant or permanent lecturers, temporary lecturers and staffs.

International Business Administration is a study program of Faculty of Economics and Business of Sam Ratulangi University. Student of this study program are required to speak English proficient as an international language. Besides having the ability in the field of information and technology applications, work experience in multinational and domestic companies.

Research Objectives

1. To know the effect of organizational justice (Procedural justice and distributive justice) to commitment among IBA lecturers of FEB UNSRAT Manado.
2. To know the effect of organizational justice (Procedural justice and distributive justice) to turnover intention among IBA lecturers of FEB UNSRAT Manado.

THEORITICAL REVIEW

Theories

Organizational Justice

Robbins and Judge (2007) stated that Organizational Justice is an overall perception of what is fair in the workplace, comprised of distributive, procedural and interactional justice. Organizational Justice has two distinct forks: Distributive Justice and Procedural Justice. Distributive justice is the perceived fairness in outcomes we receive relative to our contributions and the outcomes and contributions of others. Procedural Justice is the fairness of the procedures used to decide the distributions of resources (Mcshane & Glinow, 2005).

Organizational Commitment

Commitment also is important to implement in work place. Commitment could help people to stay loyal and focus on what will they get and the most important is what will they give to another. According to McShane and Glinow (2005:126) Organizational Commitment is the employee’s emotional attachment to, identification with, and involvement in a particular organization.

Turnover Intention

Turnover is the rate at which employees leave the firm (Dessler, 2013). Turnover intention refers to the relative strength of an employee’s intention to leave the organization (Hom and Griffeth, 1991). Besides, empirical findings with regards to the turnover process generally indicated that the effect of attitudes on turnover behaviour is mediated by turnover intention (Mowday et al, 1984; Stumpf and Hartman, 1984; Hom and Griffeth, 1991; Tett and Meyer, 1993 cited by Ponnu and Chuah, 2010)

Previous Research

Hassan (2002) described that both perceived internal and external equity contributed to increased commitment and decreased intent to leave. From the research by Malik (2011) revealed that Distributive Justice has a significant influence on turnover intentions. Research by Ali & Jan (2012) showed that there is a significant positive relationship between Organizational Justice (distributive justice and procedural justice) and Employees’ Commitment and a significant negative relationship between Organizational Justice (both distributive justice and procedural justice) and employees’ turnover intention. Also research by Ponnu and Chuah (2010) showed that when employees’ perceptions of procedural and distributive justice were high, their organizational commitment was also high and employees will be more committed to their present employer if they perceived higher fairness in the organization. Also when the perceived procedural and distributive justices were high, employees’ intention to leave the organization were low and employees will have lower intention of
leaving his or her present employer if they perceived higher fairness in the organization. A research was created by Turgut, et al. 2012 concluded that to increase their employees’ organizational commitment levels and their performances, the managers should be fair in their decisions, during the process of taking these decisions, in their behaviour towards the employees, in their relationship with the employees and they should give importance to this attitude of fairness to be perceived by their workers.

**Conceptual Framework**

![Conceptual Framework](image)

**Figure 1. Conceptual Framework**

*Source: Theoretical Review*

The figure above shows the conceptual framework of this research to know the effect of perceived organizational justice to commitment and turnover intention among lecturers in IBA. This research identified two major types of employees’ justice perception:

1. Distributive justice – The fairness of the allocation of rewards by an organization.
2. Procedural justice – The fairness of the procedure used by an organization in allocating rewards and the voice afforded employees in the allocation process (Ponnu and Chuah, 2010).

**Type of Research**

This research is appropriated to be conducted qualitatively by the researcher. As quoted by Malhotra (2007), Qualitative Research is an unstructured, exploratory research methodology based on small samples that provides insights and understanding of the problem setting. Burns & Bush (2006) described that qualitative research involves collecting, analyzing, and interpreting data by observing what people do and say. This research used a descriptive study method. The descriptive study method was found to be appropriated for this research because the purpose of this research is to analyze phenomenon of the effect of Organizational Justice to Commitment and turnover intention.

**Place and Time of Research**

The researcher conducted this research in International Business Administration Management Program of Faculty of Economics and Business Sam Ratulangi University. This research has been started since June 2014 when the proposal has been approved by the faculty.

**Social Situation**

Situation Analysis is a preliminary investigation or informal gathering of background information to familiarize researchers or managers with the decision area. Social situation consists of 3 elements those are: Place, Actors, and Activity which have synergetic interaction. Those 3 elements can be expanded to Space, Object, Act, Event, Time, Goal, and feeling (Sugiyono, 2013:389). The sample of this research is named informants by the researcher. The informants are the lecturers in International Business Administration Management Program of Faculty of Economics and Business Management Program of Sam Ratulangi University. The informants are determined by purposive sampling and snowball sampling. Sugiyono (2013) explained that purposive sampling is sample choosing by consideration and certain purpose. Snowball is sample
choosing technique, from the small amount in the first, and then it becomes bigger. The size of sample in this research in case the number of informants are 9 informants which are 5 public servant or permanent lecturers and 4 temporary lecturers of International Business Administration Management Program. Permanent lecturers in this research are public servant lecturers. They are government employee who have been determined eligible, appointed by the competent authority and entrusted with the task in each ranks, or entrusted with another state duties and are paid based on the legislation in force. Temporary lecturers are contract lecturers appointed by head of institution for a certain period and honorary or non contracted lecturers who teaches in the collage without working ties.

Data Collection Method

There are 2 types of data source which are primary data and secondary data. This research used both of primary and secondary data. According to Sekaran & Bougie (2009) primary data are data gathered for research from the actual site of occurrences of events are called primary data. And primary data refers to information that is developed or gathered by the researcher specifically for the research project at hand (Burns and Bush:2006). The primary data of this research is obtained by interview with selected informants. Sekaran and Bougie (2009) stated that secondary data are data that have already been gathered by researchers, data published statistical and other journals, and information available from any published or unpublished source available either within or outside of organization, all of which might be useful to the researcher. The secondary data of this research were theory from several text books more specifically human resources management, organizational behavior and journals.

Method of Analysis

Data Triangulation

Thurmond (2001) triangulation is a process of using trigonometry in determining an unknown point or location by using the position of two fixed points a known distance apart. This research uses Data Source Triangulation to analyze the impact of Organizational Justice to Organizational commitment and Turnover Intention among lecturers in IBA. Data are gathered from the interview with difference informants, different places of observation, and review from several literatures from previous research. The purpose of this triangulation is to make sure that this research has evidences to make valid claims and make sure that the researcher already had better understanding about the findings of this research.

RESULT AND DISCUSSION

Result

Informant 1 is a public servant of permanent lecturer in the organization. Informant 1 stated that fairness in the organization is very important to build employee commitment. And justice in the allocation of rewards is not affect her intention to leave this organization because she is a servant of the state will remain on her faithfulness in teaching and will not change her job or leave the organization. And about justice in the procedures used by the organization in allocating rewards could affect her commitment to work because when we talk about justice and fairness, all the employees have rights and obligations, if the employee has been doing all obligations according to the SOP, the employee should also get the same rights. And about procedural justice to turnover intention, it would not affect her desire or intention to leave this organization because if she got unfairness in terms of procedural justice, she would struggle to get fairness or justice.

Informant 2 is a temporary lecturer. About distributive justice to commitment, in her opinion, fairness in the organization is important to build employee commitment specially justice in allocating reward. Because if she knows that she work harder she will get what she supposed to get and will get more than when she worked lazy, it will increase her commitment to work. Fairness in the allocation of rewards to turnover intention does not really affect her intention to leave. But if she got intentional injustice, of course it would affect her intention to leave. She would decide everything that not harming each other. Because when commitment is decreasing, we will work not optimal and we will automatically harming each other. She also explained that if they are involved in the processes of decision-making along the course according to our level or related to procedural
Justice then temporary lecturer will be more appreciated by the organization and of course will increase the commitment to do the job. And the last about justice in the procedures used by the organization in allocating rewards affect her intention to leave this organization or not, she explained that it has an impact but less possibility because of her desire to teach.

Informant 3 is a temporary lecturer. He explained that justice in the allocation of rewards definitely affect his commitment to work. Because in terms of rights and obligations, lecturers also deserve to get what rightfully belongs to them. And justice in the allocation of rewards is not really affect his intention to leave the organization but if he suffer injustice, it will definitely affect his desire to leave this organization. About procedural justice or justice in the procedures used by the organization in allocating rewards it will not really affect his commitment as a lecturer because duties and responsibilities as a teacher is to teach and it will be different if they had not included anymore in the teaching learning processes. For procedural justice to turnover intention, his answer is not really affected. Because they as temporary lecturers have been working for this organization for long and almost all temporary lecturer are alumni of IBA. But if injustice happen in a long period of time, it will affect his intention to leave.

Informant 4 is a temporary lecturer. Distributive justice is important to build employee commitment to work for example rewards in financial like salary or another income. He continued that when they do not get what they deserve to get and as expected to get, the commitment will not decrease, but rather the spirit in work will decrease. If the opposite happen, he get injustice, he must to work professionally and must keep working to give the best. There must be disappointed, but the commitment will not waver because this is about the loyalty of a lecturer. And about is distributive justice affect his intention to leave or not, he explained so far what he has got is not in line with what he expected. And the income and welfare of temporary lecturer is still less than the permanent lecturer. Despite being loyal but if too long being an temporary lecturer, they are looking for other opportunities. He also explained that justice in term of procedures used by organization in allocating rewards could affect his commitment and it would affect and build their commitment and with that procedures they feel the organization appreciate their existence. And about effect of procedural justice to turnover intention, he explained that it affects his intention to leave. Still about time, if in certain period of time he do not get justice specially in terms of procedural justice, he would think and consider to look for another opportunity, or if there is better offer from other organization and indeed there is an offer, it will begin to affect the commitment and his intention to leave because this is about feeling appreciated.

Informant 5 is public servant or permanent lecturer. She explained that distributive justice is important because when they feel justice in work, they get appropriate with what they do, it will create a desire to work and build more commitment. And about the effect of distributive justice to turnover intention, it has no effect for her even if she got injustice in organization. She explained that it will not affect her intention to leave because she is a permanent lecturer. Regarding participation and involvement in terms of procedural justice, she explained that being included or not, it will not be so influential on my commitment because teaching is her hobby. And there is a pleasure in teaching and provide the best for students and this organization. She continue explained that procedural justice will not take affect for her to leave the organization.

Informant 6 is a public servant lecturer. He explained that in his opinion justice in the organization can support and increase commitment and distributive justice is not affect him to leave the organization because without rewards, without any factors, as a good permanent lecturer he have to run his duties and responsibilities properly. He also answered that procedural justice affect his commitment to work it is affect my commitment because due inclusion in processes of decision-making and justice in procedures used in the allocation of rewards, spirit to have this organization becomes larger. And the last question he explained that procedural justice has no effect to his desire to leave this organization because he totally devoted and do her duties and responsibilities as a lecturer as best as he can.

Informant 7 is public servant lecturer. In his explanation he stated that distributive justice definitely affect his commitment to work because with respect for all lecturers, automatically their commitment to the organization will increase and distributive justice has no affect of his desire to leave the organization because he explained that he is a permanent lecturer. He also continue explained that justice in term of procedures used by the organization in allocating rewards affect his commitment. He said that it would build commitment and
motivation to serve this organization. The last question he explained that there is no intention to leave this organization even he treated unfairly by the organization.

Informant 8 is a temporary lecturer. She explained that organizational justice to commitment and turnover intention, in theory far as we know it will take effect. But individually, it could have an effect but it is not significant and not the most important thing for her. So, organizational justice for her personally, will not affect her commitment and intention to leave. Because if it was affect her, she have not worked in IBA. She work for the organization purely because she was feeling that her life’s calling is to teach.

Informant 9 is a public servant lecturer. She explained that distributive justice affect her commitment to work it is important and affect my commitment. Because the rewards can be a motivation. If lecturer were not given more rewards, it will lead them to not being motivated to the job. And if lecturer were given more rewards, they will do the job better. So, justice in allocation of rewards affect her commitment and distributive justice has no effect to lead her to leave the organization because she has become a permanent lecturer and the struggles and procedures are not easy. And if the opposite occurs, so far it has no effects for her to leave this organization. But if it happens in the long term period and repetitive, it could have an effect. She continue explained that procedural justice is not affect his commitment yet because for her it is still far from it and procedural justice is not affect her intention to leave the organization even if she treated unfairly by the organization because she is a permanent lecturer and they are more attached to the organization.

Discussion

The results of the study, lecturers have positive perceptions about organizational justice in university specially in campus. Support the previous researches that the results indicated that both distributive justice perception and procedural justice perception had a significant relationship with organizational commitment and turnover intentions (Ponnu and Chuah, 2010; Hassan, 2002; Ali and Jan, 2012).

Distributive Justice – Commitment

8 of 9 respondents explained that justice affect the lecturer commitment in work. More specifically in terms of allocation of rewards. Supports previous research by Ponnu and Chuah, (2010) stated that there is a significant, strong and positive relationship between the distributive justice and organizational commitment as well as a study by Ali and Jan, (2012) the results showed a significant positive relationship between distributive justice perception and commitment. In this study, informants explained that justice in the allocation of rewards can build or add to their commitments. Each of the informants expressed their reasons. 6 of 9 informants expressed relating to equality between lecturers each other. As to whether they are in accordance with the outcome of what they do within the organization and whether the allocation of rewards already treat them well and fair for each lecturer, more particularly for permanent lecturer or public servant lecturer, 3 of 5 permanent lecturers, explaining their reasons that they have duties and obligations and that should be implemented and they are deserve to get what should be their right. 1 of 5 permanent lecturers, explains that is about equally appreciated. Likewise with temporary lecturers, 3 of 4 lecturers explaining their reasons concerning about rights that they deserve to get and also get and feel that they are being appreciated by the organization in terms of allocation of rewards. 1 permanent lecturer explained that the rewards can be a motivation in doing the work, so that fairness in the allocation of rewards affects his commitment to work. In this study, there is 1 temporary lecturer who is not affected by the fairness in organization more specialized justice of fairness in the allocation of rewards, because she taught that she is working in this organization purely because she felt that her vocation is teaching. Some examples of fairness in the allocation of rewards that can affect their commitment to work are getting the courses of teaching, promotion, compliment, attendance, salaries, bonuses and compensation.

Distributive Justice – Turnover Intention

In this study, there is a different effects of Distributive Justice to Turnover Intention among permanent lecturer (Public Servant) and temporary lecturer. The results showed that distributive justice has no significantly effect on turnover intention for 5 permanent lecturer. Their reasons are same, that they are public servants and has been tied to the state. They have an obligation and responsibility to teach as a lecturer and because the
processes they go through to become a permanent lecturer is not easy. 4 of 5 respondents who is permanent lecturers replied that distributive justice does not affect their desire to move or leave this organization even though they get injustice within the organization. Explanation of respondents 6, without respect and without any factor, as a good public servant, he will continue to perform their responsibilities well and will not leave this organization. Informant 5 as well as explaining that teaching is her hobby. 1 of a total of 5 permanet lecturers explained that so far distributive justice will not affect my intention to leave the organization, but if it happens in the long term and repetitive, distributive justice could affect her desire to move. Another case with temporary lecturers, support previous research by Mohd Johan, et al. (2013) showed that distributive Justice Affects turnover intention, there was a significant, but a moderate relationship between distributive justice and turnover intentions. This means that when the distributive justice is high in the organization, the intentions of employees quitting is very low. Distributive justice turnover intention have an influence on them, especially if they feel injustice in a long time and repeatedly, they will decide to do something that do not hurt each other and. Informant 3 explained that despite being loyal, but if it is too long been a temporary lecturers, he will look for other opportunity. So is the informant 2 said that if she gets injustice, she will decide what it does not hurt anyone, including for exit or leave the organization. There is also one temporary lecturer explained that distributive justice does not affect her intention to move or leave this organization.

**Procedural Justice – Commitment**

In this study, 3 of the 5 permanent lecturers explained that Procedural Justice affect their commitment in work. Previous studies of Ali and Jan (2012) who have shown a positive relationship between Procedural Justice and turnover intention. Informant 1 describes as the inclusion in the decision-making process in the organization and given justice in expressing opinions can build commitment. And according to informant 6 and 7, Procedural Justice affect their commitment to work due to be included in the procedures used by the organization in the allocation of rewards, it cause that they passion to work will increase and feeling of being a part and family of this organization will grow larger. 1 of 5 permanent lecturers, explains that procedural justice is not really affect her commitment. She said that to be involved in the procedures used in the allocation of reward or not, it is not a problem for her because her hobby is teaching. 1 of total 4 temporary lecturers, explaining that the Procedural Justice does not really affect his commitment to work because the duties and responsibilities as a teacher is teaching. 2 of 4 temporary lecturers, explaining that Procedural Justice may affect their commitment to work. 2 respondents said that the inclusion in the procedures used by this organization in the allocation of rewards can make them continue to work and satisfied because their existence was appreciated by the organization and of course they are involved in accordance with their rights and corridors as a lecturer. Respondent 4 explained that the participation in the procedures used by the organization to allocate reward same as they are awarded and their existence as a lecturer is being appreciated. And 1 remaining informant said that the Procedural Justice does not affect the commitment in working.

**Procedural Justice – Turnover Intention**

All permanent lecturers or government employee, 5 informants said that Procedural justice has no effect for them to leave this organization because they are bound by these organizations and governments with their duties and responsibility as a government employee. As informant 7 said in one example, if in a meeting his opinions and suggestions were not accepted whereas it is a good suggestions, there will be a disappointment but no desire to move or leave this organization, but the spirit will decrease and tend to be passive in the works. Different of 3 informants of temporary lecturers, procedural justice can affect their desire to move or leave this organization. Because in terms of their participation in the procedures used by the organization in the allocation of rewards, they will feel more appreciated. If their perceived of procedural justice is low, their intention to leave the organization will be high. Supports previous research conducted by Ponnu and Chuah, (2010) stated that to the extent employees perceive to be unfair reviews their organization because it uses unfair procedures for resource allocations, employees will develop negative attitudes towards the organization and they will definitely quit. As well as research conducted by Hassan, (2002) that concluded that perception of fairness in awarding promotions as a measure of internal equity most significantly predicted higher levels of commitment and lower likelihood of employees leaving the organization. And in this research, obviously there is 1 temporary lecturer explained that organizational justice whether distributive justice or procedural justice is not affect her commitment to work or her intention to leave this organization.
CONCLUSION AND RECOMMENDATION

Conclusion

The final conclusions of this research are:

1. It can be concluded that the fairness of the allocation rewards affect lecturer commitment among both permanent lecturers or public servant and temporary lecturer. There was a significant, but moderate effect between Procedural Justice to Commitment among both permanent lecturer (Public Servant) and temporary lecturer.

2. The fairness of allocation rewards have no significant relationship to turnover intention among permanent lecturer or public servant related to their duties and responsibilities as a government employees. A different case among temporary lecturer, because of their position in the organization, if they get injustice in the allocation of reward, it can affect their intention to leave the organization or looking for another opportunity.

And the fairness of procedures used by organization in allocating rewards have no significant effect to permanent lecturer’s desire to leave the organization. And have significant effect among temporary lecturer, if their perceived justice were high, they intention to leave become lower and if they perceived justice were low it will effect on their intention to leave and looking for another opportunity.

Recommendation

The following are recommendations as input that hopefully can be useful as suggestions:

1. To increase employees’ organizational commitment, leader or manager should first improve the distribution justice because fairness in allocation rewards is important to build and gain the organizational commitment specially for the lecturers and hence increase overall levels of perceived justice by involving lecturers in the procedures for making decisions and allocating rewards.

2. Leader and manager should more pay attention to fairness of allocating rewards and procedures used to allocate rewards among temporary lecturer. The involvement of temporary lecturer in events, seminar and other procedures for making decisions and allocating rewards is the appreciation of the existance of temporary lecturers.

REFERENCES


