

# Consequences of Justice Climate

## Multifoci Approach and Cross-Level Analysis

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### Abstract

The research was conducted because in the previous justice climate research was still dominated by the procedural justice dimension, and also fewer who use multifoci approach. In addition, the previous research had not included mediating variable. Therefore, the main purpose of this research is to test the influence of procedural and interactional justice climate to proactive behavior with trust as mediating process. Social exchange theory was used as a grand theory to establish the relationship between variables used.

The research was conducted with using survey and questionnaire as a tool to measure the various variables. This research respondents are nurses at a private hospital in Central Java. Analysis tool which used is structural equation modeling (SEM). The research results showed that procedural justice climate Foci organization significantly influence organizational trust, interactional justice climate foci supervisor influence to trust in supervisor and trust in supervisor influence to proactive behavior. This research result support multifoci approach which developed by Malatesta and Byrne (1997), and not support multifoci approach which develop by Byrne (1999), Liao and Rupp (2005).

### Introduction

The research of organizational justice climate which has been conducted was dominated by procedural justice dimension and a few research which using multi-dimensional (except 12, 15, 20, 21). Besides, organizational justice climate research also has not been widely examined multifoci approach. Only Liao and Rupp (12) research which using both multidimensional and multifoci approach. Multifoci approach become important because organizational justice perception source can be comes from the organization, supervisor or co-worker. Each of these perception sources has different consequences. Organizational justice perception which comes from the organization will result in attitude and behavior related to organization. Therefore, it was needed organizational justice climate model testing and development which is not only consider a multidimensional approach, but also considering the multifoci approach. Multifoci approach opens opportunity to develop organizational justice concept and still need an extensive research in the future (12). That development model process should also consider the factor which becomes consequences of each dimension and those organizational justice climate foci.

One form of individual behavior which has not been related to both organizational justice and organizational justice climate is a proactive behavior which is one form of positive behavior. Most previous research used organizational citizenship behavior (OCB) as the consequences of individual level organizational justice (e.g. 2, 7, 9, 19) and organizational justice climate (e.g. 6, 26). OCB is considered important to organization, but that behavior is only limited on things that are "trivial" and disposed to maintain status quo

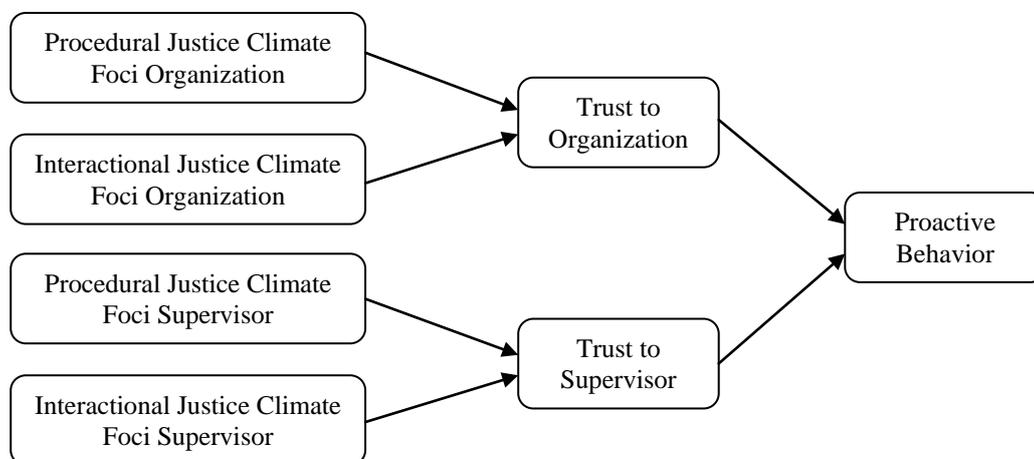
condition (16). On the other hand, proactive behavior related to business or individual initiative to change their environment, particularly related to work in his unit or organization (17).

This research is focus on the testing of interactional and procedural justice climate consequences model to proactive behavior using multifoci approach. This research is also take trust as mediating variable. This mediating factor has not been used in previous research.

### Discussion and Hypothesis

One of important issue in organizational behavior area and always need a deep research is the testing of cross level model and various approach integration (10). The approach which will be used are multidimension approach and organizational justice multifoci, target similarity model and organizational climate with social exchange theory as *grand theory* which explain integration model. Figure 1 showed the integration model which will be tested in this research.

Figure 1. Integration model and hypothesis testing model



The model above shows the relevance between justice climate with trust and proactive behavior. Procedural justice climate foci organization will determine trust in organization (hypothesis 1). Interactional justice climate foci organization will determine trust in organization (hypothesis 2). Procedural justice climate foci supervisor will determine trust in supervisor (hypothesis 3). Interactional justice climate foci supervisor will determine trust in supervisor (hypothesis 4). Trust in organization and trust in supervisor will determine individual proactive behavior (hypotheses 5 and 6). Beside, the model also shows that trust in organization and trust in supervisor becomes the mediating between organizational justice climate with proactive behavior (hypothesis 7, 8, 9, and 10). It means, the effect of procedural and interactional justice climate foci organization indirectly determine proactive behavior, but its mediated by trust in organization. Similarly, the influence of procedural and interactional justice climate foci supervisor indirectly to proactive behavior, but mediated by trust in supervisor. Various empirical results of previous research has supported the relation between these variables include Rupp and Cropanzano (19), Dirks and Ferrin (5), Aryee et al.

(2), Liao and Rupp (12), Wong et al. (25), Walumbwa et al. (24), Walumbwa et al. (23), and DeConink (4).

Social exchange theory becomes grand theory which explains that integration model. Organizational climate theory, social information processing and group value model become a bridge which relate between justice climate with attitude and behavior. Social exchange process explain reciprocal relation between organization and supervisor with all its members, that attitude and behavior of individual work done today is a consequence of the organization treatment or supervisor to individual and its work unit in the past. Several previous research which used social exchange theory to explain the consequences of organizational justice are Malatesta and Byrne (13), Masterson et al. (14), Aryee et al. (2) and Roch and Shanock (18). Social exchange theory explains that individual will perform various positive attitude and behavior if treated fairly by his organization or supervisor. Multifoci approach and target similarity model (11) also explains that justice perception source or responsible person for justice situation will determine the direction of individual attitude and behavior. If an individual considers that his supervisor is the person who responsible for the justice situation, then he will direct his attitude and behavior to his supervisor (e.g. trust in supervisor). If an individual considers that organization is responsible for the justice situation, then he will direct his attitude and behavior to organization (e.g. trust in organization). Individuals who has fair experience will exhibit trust in his organization or supervisor and lead individual to perform various positive actions such as proactive in working and prevent deviant acts. Instead, individual will perform various negative attitude and behavior when he treated unfairly by his organization or supervisor. Individual who perceive the injustice will reduce his trust perceive in organization or supervisor and lead individual to perform deviant action that harm his organization or his supervisor.

### **Procedures for collecting data**

This research was conducted by used survey research design and questionnaire as its instrument. The survey was conducted in a private hospital in Surakarta, Central Java with the nurses as respondents. This research uses seven variables. Four dimensions of organizational justice climate was measured at the group level, while trust in organization and supervisor also proactive behavior was measured at the individual level. Nurses were asked to complete questionnaires related to these variables. Researchers gave questionnaires directly to the nurse. Researchers will take the questionnaires back after seven days. The instrument which used refers to indicator that has been used in previous research. This research analyzes using the method of cross-level and testing model and hypothesis using Structural Equation Modeling (SEM).

### **Results**

The total number of questionnaires which distributed was 180 copies. The number of questionnaires returned was 110 copies or response rate 64 percent of 20 units or wards in two hospitals. Nurses who responded are dominated by women as much as 78 people or 70.9 percent while the male nurses are 32 people or 29.1 percent. The maximum age of respondents was 53 years old and minimum age is 22 years old, or the average age of respondents was 34.7 years.

Interclass correlation coefficients (ICC) and ANOVA were used to justify the aggregation process, that there is an agreement or consensus in the group and differences between groups. The results of previous research stated that the limit value of ICC was 0.12 and 0.60 (e.g. 12, 15, 26). The ICC results for procedural justice climate foci organization,

interactional justice climate foci organization, procedural justice climate foci supervisor and interactional justice climate foci supervisor cross its minimal line. Therefore, it can be stated that the aggregation in this research can be used to measure in the unit level. On the other hand, ANOVA test performed to determine the difference between groups which are related to four unit level variables mentioned above. ANOVA test results showed that there were difference between groups in terms of procedural justice climate foci organization ( $F = 35.307, p < 0.001$ ), interactional justice climate foci organization ( $F = 26.442, p < 0.001$ ), procedural justice climate foci supervisor ( $F = 32.712, p < 0.001$ ), and interactional justice climate foci supervisor ( $F = 29.132, p < 0.001$ ).

The suitability model test is conducted by using some common fit index in testing a model of SEM. Table 1 shows the various results of fit index from the tested model. From the results of fit index can be seen that the model doesn't have a perfect goodness of fit because there are some fit index that does not meet the critical value criteria. Only Chi-square, CMIN / DF, GFI, and CFI which meets the critical value criteria, while the RMSEA, TLI, AGFI, and significance probability does not meet the criteria that it should. Therefore, the initial model in this research is stated have no perfect goodness of fit.

Table 1. Goodness of fit index

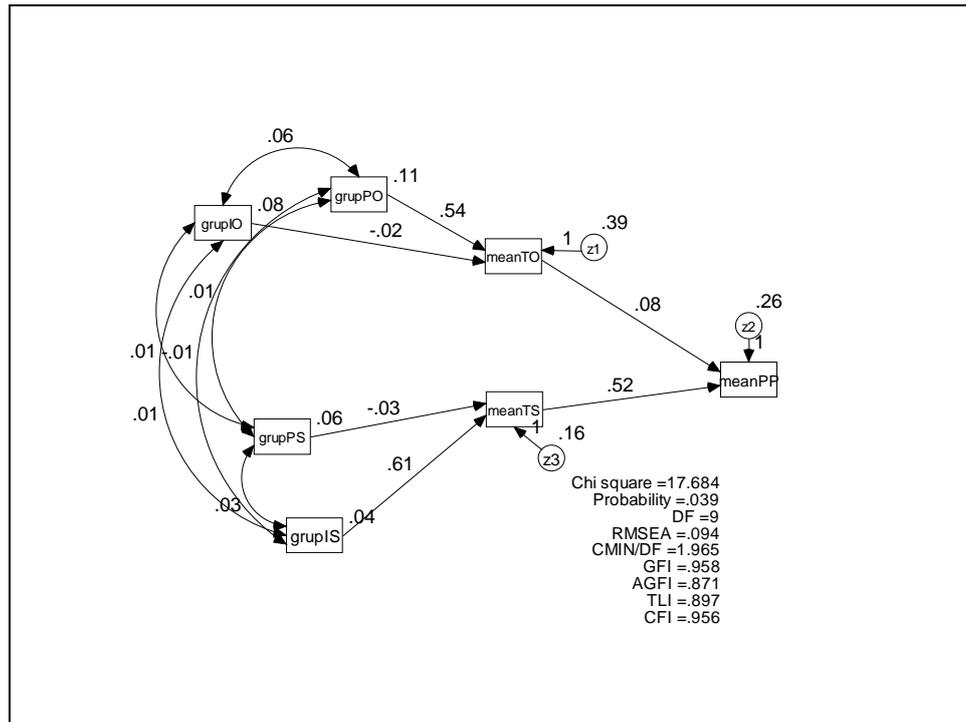
Criteria	Results	Cut-off	Evaluation
Chi-square	17,684	$\chi^2$ with DF = 9 is 20,514	Small
Probability	0,039	$\geq 0,05$	Not Good
CMIN/DF	1,965	$\leq 2$	Good
GFI	0,958	$\geq 0,90$	Good
AGFI	0,871	$\geq 0,90$	Marginal
TLI	0,897	$\geq 0,95$	Marginal
CFI	0,956	$\geq 0,95$	Good
RMSEA	0,094	$\leq 0,08$	Marginal

Nevertheless, the model in Figure 2 which include trust in organization variable and trust in supervisor as mediating variables has fit index suitability criteria better than direct effect model (not shown). The direct effect model does not include mediating construct, it has very bad fit index suitability criteria. There is no fit index which is suitable to goodness of fit criteria. Therefore, the model in Figure 2 is considered most appropriate for use in testing the hypothesis in this research.

### Hypothesis Testing

Figure 2 is the model which will be interpreted as the output of data processing by AMOS. The model is used to test the hypothesis in this research. The hypothesis is stated supported if the relationship between the two variables has critical ratio value above two with the probability or significant level under 0.05. Table 2 shows the AMOS output which are used for hypothesis testing.

Figure 2. The output result of hypothesis testing model



Legend: Procedural Justice Climate Foci Organization (group PO), Interactional Justice Climate Foci Organization (group IO), Procedural Justice Climate Foci Supervisor (group PS), Interactional Justice Climate Foci Supervisor (group IS)

Table 2. Regression coefficient

Regression Weights							
			Estimate	S.E.	C.R.	P	Label
meanTO	<--	grupPO	0.543	0.254	2.138	0.032	par-1
meanTO	<--	grupIO	-0.023	0.288	-0.078	0.938	par-2
meanTS	<--	grupPS	-0.025	0.216	-0.116	0.907	par-3
meanTS	<--	grupIS	0.614	0.260	2.366	0.018	par-4
meanPP	<--	meanTS	0.520	0.118	4.409	0.000	par-5
meanPP	<--	meanTO	0.077	0.076	1.013	0.311	par-12

Legend: Procedural Justice Climate Foci Organization (group PO), Interactional Justice Climate Foci Organization (group IO), Procedural Justice Climate Foci Supervisor (group PS), Interactional Justice Climate Foci Supervisor (group IS), Trust to Organization (meanTO), Trust to Supervisor (meanTS), Proactive Behavior (meanPP)

Based on the output of regression coefficient, then hypothesis one is supported, that the procedural justice climate foci organization significantly influence on trust in organization. Hypothesis two is not supported, interactional justice climate foci organization is not significantly influence to trust in organization. Hypothesis three is not supported procedural justice climate foci supervisor is not significantly influence to trust in supervisor. Hypothesis four is supported, interactional justice climate foci supervisor significantly influence to trust in supervisor. Hypothesis five is not supported manifestly trust in

organization is not significantly influence to proactive behavior. Hypothesis six is supported that trust in supervisor significantly influence to proactive behavior.

Hypothesis seven to ten examine mediation effect of trust in organization and trust in supervisor. Trust in organization mediates the effect of procedural and interactional justice climate foci organization to proactive behavior. Trust in supervisor mediates the effect of procedural justice climate and interactional foci supervisor to proactive behavior. Judge and Colquitt (8) compared three models in the determination of mediation effect in SEM model. The first model is examining the direct effect of independent construct with to dependent. The second model is examining the effect of the independent construct with mediation construct, then mediation construct with dependent construct. The third model is similar with the second model, only by adding the direct effect of independent construct to dependent construct. The comparison model is seen from the goodness of fit of each model. If the model with mediation effect have goodness of fit better than the other models, then it can be concluded that there is mediation effect in the model. Therefore, to detect the trust mediating effect in organization and trust in supervisor, the first step to do is make direct testing of the four dimensions of organizational justice climate to proactive behavior (not shown).

The result shows that the direct effect model of organizational justice climate to proactive behavior has very bad goodness of fit, not even a single fit index which suitable to the minimum criteria. The indirect model as seen in Figure 2 and Table 1 shows better goodness of fit. Therefore, the model with trust as a mediating construct is considered more able to describe the phenomenon which researched.

If we look at the model with that mediating construct, there is no significant relationship between trust in organization to proactive behavior, no significant relationship between interactional justice climate foci organization with trust in organization, no significant relationship between procedural justice climate foci supervisor with trust in supervisor. Therefore, hypothesis 7, 8, and 9 are not supported because it does not meet the criteria for testing mediation effect. On the other hand, hypothesis 10 is supported because there is a significant relationship between interactional justice climate foci supervisor with trust in supervisor, and trust in supervisor significantly related to proactive behavior. AMOS output result also shows the direct effect of interactional justice climate foci supervisor to proactive behavior that is has positive value (0.086).

## **Conclusion**

However, even the hypothesis is supported only by a few than hypothesis is rejected, but the results of this research may show that organizational justice can be measured at the unit level and has a significant influence to individual attitude. This shows that organizational justice climate not only supported conceptually and theoretically, but also supported empirically. That is, individual in a unit or group may consensus related to perception of fairness that he is perceived. This perception of unit then determining individual attitude to his organization and supervisor. Consensus or agreement among the member of this unit is based on the explanation of some theories and concepts such as organizational climate, group value model, social information processing, and theory of ASA.

In addition, even not perfect, this research also able to show that the phenomenon of organizational justice multifoci not only behave to individual level but also at the level of unit or group. That is, perception of fairness at the level of unit or group should consider the source of that perception, both from organization or supervisor. There are two versions of organizational justice multifoci approach. First, multifoci approach which developed by multifoci Malatesta and Byrne (13). This perspective states that the consequences of

procedural justice are attitude and behavior related to organization such as organizational commitment and organizational citizenship behavior, whereas the consequences of interactional justice are attitude and behavior related to supervisor such as trust in supervisor and supervisor citizenship behavior. Second, multifoci approach which developed by Byrne multifoci (3). This perspective states that multifoci approach is not only separate organizational justice dimension based on different antecedent and consequent, but also need to consider where the justice perception source is coming from. This multifoci approach assumes that organization or supervisor can be responsible for the creation of procedural and interactional justice.

The result of this research only support organizational justice multifoci approach which developed by Malatesta and Byrne (13). Procedural justice climate foci organization influence significantly to trust in organization, whereas interactional justice climate foci supervisor influence significantly to trust in supervisor. The result of hypothesis testing showed that procedural justice climate associated with attitude which related to organization, whereas interactional justice climate associated with attitude related to supervisor. The result of this research also appropriate with the previous research results that also support Malatesta and Byrne multifoci approach (13). The result of previous research are Masterson et al. (14), Tekleab et al. (22), Roch and Shanock (18), and Ambrose and Schminke (1).

The result of this research not support multifoci approach which developed by Byrne (3) because interactional justice climate foci organization that should be related to trust in organization and procedural justice climate foci supervisor which should be related to trust in supervisor is not supported empirically. Thus, organizational justice multifoci approach developed by Bryne (3) has not been supported empirically at the unit level or group in this research. This result is not appropriate with the previous research that support multifoci Byrne approach (3). The result of previous research include Rupp and Cropanzano (19), Lavelle et al. (11), Liao and Rupp (12) and Karriker and William (9). This discrepancy of course can be an empirical study and further research agenda.

### **International and managerial implications**

This research result provides insight to business practitioners and organization in improving proactive work behavior. This can be achieved by creating a fair atmosphere and condition in workplace because justice will bring individual trust to his organization and supervisor. Fair working condition and this trust showed a good relationship between member, leader and its organization. Members will tend to maintain good relation by perform useful behavior to the organization.

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