FAIR ORGANIZATIONS: IS IT POSSIBLE TO BUILD THEM?

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ABSTRACT

The well-being of workers and the productivity of companies have been subjects of great interest in the scientific literature and in the daily life of organizations. Organizational justice is one of the factors that contributes to achieving these results.

Theories that attempt to explain the effects of a perception of justice at work emphasize the relationship of reciprocity that must exist between the employee and the employer. The perception that the employer acts fairly gives rise to feelings of trust, commitment and loyalty to the employer, which has an impact on better job performance and positive attitudes in the workplace.

Each of the procedures carried out in the work environment, such as the selection of personnel, performance evaluation, conflict resolution, distribution of rewards and layoffs, are at high risk of generating perceptions of injustice due to the parties involved, this is why they must be rethought in the light of the dimensions of organizational justice.

The objective then is to know how the concept of justice can be applied in the most important procedures at the organizational level

KEYWORDS: Organizational Justice; Job Satisfaction; Procedures; Communication; Layoffs.

INTRODUCTION

Organizational justice as a concept had its beginnings in the social and economic sciences. There is currently a growing interest in their study and in relating it to some relevant events to organizations, such as commitment, job satisfaction, trust and performance (Khiavi, Shakhi, Dehghani, & Zahiri, 2016; Vaamonde, Omar, & Salessi, 2018; Wan, Zhou, Li, & Shang, 2018).



Los trabajos publicados en esta revista están bajo la <u>licencia</u> <u>Creative Commons Atribución-</u> <u>NoComercial 2.5 Argentina</u> **184** Theoretically, in the literature concerning organizational justice, it is argued that people seek positive social identities, therefore, by observing fair conditions in their workplace they can feel and recognize their status within the group (Blader & Tyler, 2009; Tyler & Blader, 2000). Due to this relationship between the person and their workplace, organizational injustice can be considered as a social stressor since it evidences an adverse relationship by excluding the person from their social group (Denise Francis, 2019; Dishon-Berkovits, 2017).

The perception of injustice in the workplace has been consistently linked to various workrelated behaviours, such as commitment, intention to leave the organization, motivation and productivity, as well as negative consequences for physical health and mental (Herr et al., 2016; Loerbroks et al., 2014).

When injustice is perceived, workers feel that their contributions are not valued properly and that it is difficult to obtain resources, which directly affects their well-being, reducing their commitment to work and increasing the presence of events related to a chronic exposure to stress, such as burnout syndrome.

Counterproductive behaviours at work, defined as those that are intended to harm the organization or the individuals within it, such as sabotage, misuse of property, fraud, theft, unjustified absenteeism, waste of resources, etc. they have also been related to the perception of organizational injustice by workers (Schulte-Braucks, Baethge, Dormann, & Vahle-Hinz, 2019).

This is why it is of great interest for organizations to align their processes according to the vision of organizational justice. This review addresses the operationalization of the dimensions of justice in organizational processes and proposes the possibilities of research in this area.

Methodology

A bibliographic search of scientific articles published in English and Spanish was conducted in peer-reviewed journals, with no time limit. The information search process included the bibliographic references contained in the databases: Pubmed, Ebsco, Lilacs, Scopus and Web of Science. The search terms were: Organizational justice, Procedural justice, Distributive justice, Interactional justice, Personnel selection, Layoffs, Punishment, Conflict resolution, Performance appraisal, all of them previously identified as Mesh terms or their DecS equivalents in Spanish, and an additional search was conducted by reviewing the bibliographic references of the articles identified. Initially, the articles were identified through the individual search of each of the researchers, and were analysed separately. The discrepancies were resolved by the concept of a third evaluator.

DEVELOPMENT

Organizational justice expresses the degree to which individuals believe the results they receive and the way they are treated within an organization are fair, equitable and in agreement with moral and ethical principles (Cropanzano & Ambrose, 2001).

The most popular classification of the dimensions of the organizational justice construct are distributive justice and procedural justice (Cropanzano R & Folger R, 1991), however, around 1986, a new dimension was introduced, called justice of the interactions (Bies & Moag, 1986). A subsequent study postulated that the justice of the interactions or interactional should be divided in two in order to expand its discriminating capacity: interpersonal justice, understood as the impartiality in interpersonal behaviour seen during decision-making on the procedures and distribution of results, and informational justice, referring to impartiality in terms of the explanations and information provided (Greenberg, 1993). Each of the dimensions is described below.

Distributive justice

An essential mainstay for the understanding of distributive justice is provided by the theory of equity, postulated by Adams (1965), which establishes a relationship between contributions that can be of various types (effort, work experience, dedication, age, etc.) and some results that can be positive (salary, benefits, intrinsic work rewards) or negative (fatigue, monotony, poor working conditions, uncertainty, violence, etc.), in this sense, people make a comparison of their contributions and results with other people inside and outside the organization and analyse the impartiality of this observation through a ratio. If after the comparison is made, the individual perceives that it is impartial, then one can say that there is distributive justice. But when the perception is of injustice or impartiality workers can reach states of anxiety, distress, feeling little compensated (resentment) or overcompensated (guilt).

Procedural Justice

It is the impartiality felt by the members of an organization in the decision-making process (Leventhal, Karuza, & Fry, 1980). Procedures are considered fair when they promote fair results. The critical aspect of this dimension is the means by which the results are achieved (Folger & Greenberg, 1985).

If the procedures within an organization are seen as fair, the perception of an individual about his/her organization will be positively influenced, which leads to greater loyalty and greater desire to work in the organization. The studies of Leventhal (1980) are recognized by the fact that the study of procedural justice has expanded from purely legal fields to labour fields.

For a process or procedure according to Leventhal (1980) to be considered fair, it must meet the following criteria:

- · Be consistently practiced over time and individuals
- · Be absolutely free of favouritism
- · Have mechanisms to correct wrong or inaccurate decisions
- · Accept and comply with ethical and moral standards
- Ensure that multiple groups affected by a decision are heard Interactional justice

Bies and Moag (1986), when introducing the concept of justice of interactions, affirm that together with the evaluation of processes and results, employees also evaluate the way they are treated. The theory of social exchange and the principle of reciprocity are the basis on which interactional justice is established within organizations (Cropanzano & Mitchell, 2005).

As mentioned earlier, interactional justice was divided into two: interpersonal justice: understood as the degree to which a person of authority treats other people with respect and dignity while implementing organizational processes and procedures, and information justice that refers to the explanations given to employees about why certain procedures were applied in a certain way or why the results were distributed in some way (Greenberg, 1990) in other words, deals with the veracity and justification of the information given to employees. This is because the perceptions that the information is inadequate or false lead to the view of injustice.

To clearly delineate the concept of interactional justice, Bies and Moag (1986), state the four concepts that define it:

- Respect: seriousness and dignity to treat subordinates
- · Property: avoid unwise and harmful assertions
- · Justification: the reasons inherent in a decision must be clearly explained
- Truthfulness: the reasons given must be truthful, frank and honest

All three types of justice work in interrelation, however, when it is desired to promote justice in the workplace, they must be analysed separately.

Operationalization of the concept of Organizational Justice Personnel selection process

Within the organizational context, the personnel selection process is perhaps one of the most uncertain with it, because the applicants to a process do not know what their chances of success are and they have little information on how it will work for a certain employer. This is why it is argued from the theoretical point of view that in the selection of personnel, the perceptions of justice are fundamental (Truxillo, Bauer, & Garcia, 2017; van den Bos & Lind, 2002).

The study of the perceptions of justice on the personnel selection processes has been traditionally carried out by asking employees to evaluate whether a selection technique or procedure is fair to hire applicants. A review in this regard shows that there is much variability in the perception of justice of different techniques, in general terms, interviews, resumes and simulations of performing the work, were positively evaluated, while the analysis of a manuscript or personal contacts of the applicant were negatively evaluated (Konradt, Garbers, Weber, Erdogan, & Bauer, 2015; McCarthy et al., 2017; Nikolaou & Georgiou, 2018).

The operationalization of the concept of justice must start from the same process of selecting the applicants. The use of an evaluation rubric, standardized tests and an interview process that can be carried out by at least one independent member of the organization can increase the perception of justice of the future worker. From the communicative point of view, it must be explained to the applicant how the selection process works and what is the expected profile for the candidate to fill the vacant position (Giannantonio Cristina, 2019; Konradt et al., 2015; McCarthy et al., 2017), these explanations have been seen to increase the perception of procedural justice (Melchers & Körner, 2019), however, in the scientific literature it is expressed that there is still lacking research on the messages, the content and the consequences of presenting this information to people interested in a position (Cortini, Galanti, & Barattucci, 2019).

Performance evaluation

One of the vital processes in the management of the human resources of a company is the evaluation of the performance of its employees, which subsequently allows the distribution of the rewards to them, to monitor labour development and ultimately make decisions about the permanence of an employee within an organization. Regarding performance evaluations, there is a lot of dissatisfaction on the part of the employees, since it is expressed that they do not agree with the procedures used, nor with the type of feedback received (Dusterhoff, Cunningham, & Macgregor, 2014; Meinecke, Lehmann-Willenbrock, & Kauffeld, 2017). When an employee believes that the evaluation of their performance had a negative result, due to conditions such as gender, race, age, some disability situation, they can claim some kind of discrimination in this process (Rubin & Edwards, 2018), also when he/she considers that the treatment given by the person conducting the evaluation is biased (Mulders, 2019; Rubin & Edwards, 2018; Tziner & Levy, 2017).

In this sense, the application of the concept of justice to the evaluation of performance includes a greater participation of the employee, clear expectations of performance from the organization and the supervisors and a communicative process where the feedback of the evaluation is made to the employee (Ibeogu & Ozturen, 2015). Ultimately, acceptance of the performance evaluation process depends on the perception that the procedure by which it is carried out is fair. Another suggestion to improve this perception, it is to adjust the performance evaluation instrument to specifically measure what an employee is expected to perform in their work (DeNisi & Murphy, 2017).

The participation of the employees in the different moments of the performance evaluation makes it easier for them to understand the aspects that the organization will take into account to carry out the assessment and therefore they will feel more confident, of being able to achieve what is expected of them. In the same way, a strategy to increase the perception of justice in performance evaluations is the development of management strategies to train those who carry out this process (Babagana SA, 2019).

Distribution of rewards:

The process of distributing rewards in the workplace is one of the main tools to maintain and increase employee job satisfaction.

Traditionally, three criteria have been used to distribute work rewards; equity, equality and need (Cropanzano, Bowen, & Gilliland, 2007; Fischer, 2008). Equitable distributions are made according to the individual contributions of each employee. Equal distributions establish that each employee must have equal opportunities to achieve rewards, without their personal characteristics influencing this distribution. Distributions by necessity are made according to the requirement of each individual, for example, if the employee has a lower socioeconomic level than another, he must receive a higher salary.

Equitable distributions of rewards despite recognizing individual effort, can favour inequality, reducing satisfaction and collaboration of other workers, as observed by Pfeffer and Langton (1993) in a study with academic staff, however, another study carried out in the health sector did not find a relationship between a payment scheme linked to performance and job satisfaction in the first and fourth year after the introduction of this reward model (Allen, Whittaker, & Sutton, 2017).

Organizationally, the rewards have two main objectives: to motivate individual performance and to maintain group cohesion (Cropanzano et al., 2007), which is why high-

performance employees or those with infrequent skills to find in the market, in light of equity, should have higher salaries and other incentives (Laundon, Cathcart, & McDonald, 2019). At this point, the interactional justice becomes very important, since it is through a communicative process where the wage differences and other types of rewards granted in the organizational sphere are explicit, thus being able to establish that the justice of the Information has a mediating role between some rewards and job satisfaction (Gangloff, Mayoral, Personnaz, & Rezazi, 2016; Long, 2016).

Conflict resolution

Conflicts in the workplace, defined in an observational study as high tension events (Saxton, 2012), occur at a frequency that has been estimated between one and four times per procedure (Booij, 2007; Saxton, 2012) and although they could have positive effects, such as better understanding of the task, improve the functioning of the team and making better quality decisions (Greer, Saygi, Aaldering, & de Dreu, 2012; Janss, Rispens, Segers, & Jehn, 2012), its negative effects must not be ignored, such as distraction from the task, and the costs for the organization. Given the inevitability of conflict situations, it is necessary to develop skills to handle it.

As frequent causes of conflict in the workplace, the lack of clarity about objectives or guidelines, personal differences, conflicts of interest and changes within the organization have been described (Greer et al., 2012; Umiker W, 2005).

Some authors have proposed different styles for conflict management; according to Thomas and Kilmann (1976), there are five management strategies: accommodation, avoidance, collaboration, competence and commitment, these styles not only depending on the culture of the organization but also on the geographical place where they are presented, (Silva & Caetano, 2016) suggest that in the organizational sphere, affective conflict should be avoided, that is, the one that occurs when two or more people realize that they have irreconcilable feelings and emotions, however, the substantive conflict, that is, the one that two or more people have with regard to the task and its content, should be maintained in a moderate way, given the possible beneficial effects that this has for the organization.

Negotiated conflict resolution styles, which at first glance might seem the most equitable, have been positively related to a greater psychological strain, because it is difficult to reach an agreement in a dispute in which each party is considering only its interests (Abas, Otto, & Ramayah, 2018). However, when this style of conflict resolution should be used, it is important to keep in mind that perceived interactional justice can act as a moderator of the somatic strain

and depressive symptoms of workers involved in conflict situations, however, it is argued that studies are still lacking in this regard that provide a broader picture (Sahoo, 2019).

When one of the parties involved in the conflict is uncompromising, its resolution becomes more difficult. At this point, the person in charge of human resources or the supervisor must carry out the arbitration in situations of disagreement, that is, act autocratically, that is, to decide how the conflict will be resolved. Although this arbitration carries the risk of not being approved by any or all of the parties involved, if it considers any of the dimensions of organizational justice, it is more likely to be accepted (Goldman, 2003).

Layoffs, situations of staff cuts or renegotiation of employment / work conditions:

The layoffs can have their origin in several situations that occur in the work environment, one of them is the cut-out or reduction of the workforce; this includes a series of activities intentionally executed by the management to improve efficiency, affecting the size of the company and its work processes (Cameron & Freeman, 1996). These staff reductions can occur reactively or proactively to contain costs and increase efficiency, this is achieved by eliminating or modifying the company's production process.

The dismissals are circumstances of great complexity in the workplace, since they affect both the workers who leave and those who remain, increasing the perception of distributive injustice (Lakshman, 2019). For employees who remain in the organization, negative changes in working conditions have been reported, as workload and responsibilities increases, increased feelings of job insecurity, anger, stress and a decrease in commitment and loyalty (Andreeva, Brenner, Theorell, & Goldberg, 2017; Andreeva, Magnusson Hanson, Westerlund, Theorell, & Brenner, 2015; de Jong et al., 2016; Paterson & Härtel, 2016), and for those directly affected by staff reduction, the scientific literature has focused more on describing their anxious and depressive symptoms due to the loss of their work (Andreeva et al., 2015; Snorradóttir, Tómasson, Vilhjálmsson, & Rafnsdóttir, 2015).

In these situations, the worker's group identity has a fundamental role. There are three aspects that influence the perception of justice in situations of cut-off, dismissal or renegotiation that are, first of all, if this is due to external or internal circumstances, if the superiors had an attitude of solidarity and if the dismissed workers were adequately compensated (Charness & Levine, 2000; Zwank & Diehl, 2019). Perceptions of justice during dismissals or staff cuts are the strongest predictors of affected making the decision to take legal action (Dutton J, 2017).

For the management of layoffs in accordance with an organizational justice vision, Karl and Hancock suggest some guidelines of good practices: first, it is defined that it should be the

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immediate supervisor who notifies the dismissal, although some external parties may also be present, hold the session in private, also train supervisors to help the employee face the discomfort of the news (Karl & Hancock, 1999).

Punishments or admonitions

The punishment within an organization can be defined as the application by the leader of a negative consequence or the withdrawal of a positive consequence to someone under his supervision, it has also been defined as a negative consequence to a certain act or behaviour (Mooijman & Graham, 2018; Trevino, 1992). The perception of justice for these cases will depend largely on achieving a proportionality between the severity of the act of breaking the rule and the punishment imposed on that worker, it is also necessary that the person in a position of power be clear about the purpose of the punishment. Workers are especially sensitive to the punishments received by themselves and their peers, in terms of their own level of punishment with respect to the offense, severity and consistency (Atwater, Waldman, Carey, & Cartier, 2001; Ball, Trevino, & Sims, 1994), and the perception of justice over punishment has been reported to be mediated by the empathy that a worker has with whom he/she is being punished and with whom he executes the punishment (Lu & McKeown, 2018; van Prooijen JW, 2015).

Then there are two situations that can lead to the perception of injustice about punishments or admonitions: for the consequence they generate, for the previous decision-making process that led to the punishment (Mooijman & Graham, 2018) and for the communicative process that it is followed throughout the punishment (Andrighetto et al., 2016).

When punishments are perceived as unfair by workers, the effect known as fear of punishment can be generated, FOP (fear of punishment) in English. An employee's fear of a threat of punishment may be related to the degree to which of perception that disciplinary rules and procedures are unfair.

In a context perceived as fair, disciplinary procedures, namely the rules of the game, should appear stable and, therefore, the environment should not appear risky to the employee. Although perceptions of procedural justice can mainly determine the safety of the work environment, unfavourable perceptions of interactional justice can modify the original image of the equity of these procedures (Goergen, Pauli, Cerutti, & Perin, 2018).

CONCLUSION

With respect to the question initially asked, the prospect is open so that each organization seeks the necessary means to increase the perceptions of justice of its employees. However,

this entails a process of rethinking organizations, from the basic aspects such as the selection of personnel to the less weighted processes such as layoffs or staff cuts.

Perceptions of injustice mean that the performance and satisfaction of workers are lower and that they seek to adopt counterproductive behaviours as a form of retaliation against injustice, such as robberies, obstruction of tasks, mishandling of resources and unjustified absences of working places.

From the positive point of view, the perception of justice contributes to maintaining trust and respect for organizations, so that, even if negative organizational events occur, their impact will be softened by this perception; mainly when an effort is made for the perceptions of procedural and interactional justice to remain high.

The commitment of the workers has also been reported that depends largely on the perception of justice that this organization has. In the same way, exceptional talent will be retained more easily.

Each of the procedures carried out within an organization conveys the risk of generating an impression that one acts unfairly or that one wishes to benefit a particular individual. Organizational justice allows these procedures and decisions to be taken in a more equable manner, and although by itself does not guarantee that all parties involved feel that they received the best possible, it makes the power to be managed for the respect of the dignity of workers.

From the investigative point of view, a wide panorama of possibilities arises in this subject. It is evident the need to have the results of longitudinal studies that prove what are the actions on the organizational procedures that can increase the perception of justice of the workers, it is also important to know what is the role of communicative interventions in the workplace to have a greater vision of justice, also to know the effect of the interventions in the theme of organizational justice on labour commitment and counterproductive behaviours at work.

It is necessary to rely on ethical criteria and always act towards achieving equity to achieve maximum productivity and satisfaction of workers and the organization.

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Please refer to articles in Spanish Bibliography.

BIBLIOGRAPHCIAL ABSTRACT

Please refer to articles Spanish Biographical abstract.