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IMPACT OF ORGANIZATIONAL JUSTICE ON EMPLOYEE TURNOVER AT COMMERCIAL BANKS

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Abstract

This research investigated the influence of organizational injustice on reducing employee turnover. Most of the employees leave the organization because of injustice, discrimination, and various other unfair reasons. If there is a justice system that works on accurate parameters, then employees will have fewer chances to quit the organization, and they will prefer to get involved in the workplace. Most of the employees quit the banking sector due to an excessive work burden, but it could be managed through a proper justice system. In this research, commercial banks were surveyed; in total, 200 questionnaires were distributed, and 158 were returned completely filled out. It was observed that employees were committed towards banks and the justice system, which increases employee engagement. The results of the statistical analysis showed that organizational justice has a positive influence on reducing employee turnover. The results show that the organization's justice plays a significant role in reducing the turnover rate. Further, organizational justice and turnover have a significant association between them. It could be beneficial for the banking sector to implement organizational justice and give priority to the justice system to decrease employee turnover.

Keywords: Organizational Justice, discrimination, Employee Turnover, commercial banks

INTRODUCTION

People participate in social systems called organizations. As companies cannot be rediscovered without their ongoing efforts and devotion, they require effective and efficient approaches to improve their aims. The organization's work is hampered by two deeper factors: moral satisfaction and the fulfilment of improvisation. Organizational justice improves representatives' and employees' knowledge of one another. Throughout the last 20 years, HR practices have been effective in organizations, increasing day by day and having an automatically good impact on the business. Organizational justice is crucial for employees' well-being, and performance is correlated with employees' positive attitudes and behaviours. Nevertheless, there is a surprisingly little study that incorporates employee data. (Boxall, 2014; Cullinane et al., 2014).

The organization places a premium on its people resources and views them as a strategic asset. Human resource management is essential no matter the size of the company's sales, budget, or production procedures. An individual's contribution is one-of-a-kind regardless of their job title. The worker does work for the company and contributes tangible outcomes. People are more likely to appreciate their job, their outcomes, and their work in general if they feel they are being treated fairly, according to Moorman (1991), who argues for the importance of organizational justice. In a recent review, there are a number of researchers in the organization's theory of justice that predicts that the concept of justice can also contribute to the effectiveness of an organization by influencing individual employee job satisfaction. Justice is one goal that people hold in the ethical, political and social dimensions over the years. Justice is one of the most important concepts explained in political and social issues. According to Plato, fairness is essential to the existence of a social system that stands as a sign of civilization. Justice is

the focal point of the humanities since humans are much more attuned to its behaviour in terms of justice. When the right exists, all the work is done correctly, but the employee has to get their rights illegally if there is no right. In fact, the fairness of an organization is a kind of fulfilment of the actions, behaviour and trends of organizational individuals.

According to a recent Gallup study, "job involvement" topped the list of factors that helped boost employee productivity and satisfaction. The purpose of this research is to determine how organizational commitment affects productivity on the job. Employees are the firm's most vital asset and its most potent support system; as such, their participation is crucial to the company's success and financial well-being. Human resource management and the concept of employees (Carlson et al., Ferguson and Greenhaus, 2017, Haar, 2017). An employee's dedication to the company, level of motivation, and overall sense of contentment with the work may all be directly attributed to their level of job participation. This shows that a motivating process that alters individual work performance, like absenteeism or turnover, is more successful when employee well-being and involvement are high. Involved workers connect their work with their identities, bringing their whole selves to bear on the task at hand (Las Heras et al, 2016).

The benefits of work-life balance on employees' job happiness, family life satisfaction, and physical and mental health have been consistently demonstrated by research (2009, Ferguson, Greenhaus et al., 2017) We contend that emotional exhaustion, dedication to one's job, and happiness with one's family work interface connection with a spouse are all adversely correlated with the harmony between work-family interface and family work interface life. Just a handful of the above-mentioned outcome factors have been examined for direct assessment of work and working-life balance, despite the fact that the work-life interaction has been researched

through user interface (work-family conflict, work-family enrichment).

We propose that the drop in emotional weariness in 2010 is associated with the balance between work-life and family-work balance. There may be more stressful circumstances at work and at home if there are issues managing responsibilities in both settings. As a result, staff should be worn out and the energy resources should be depleted. Turnover occurs often in all areas of the company. High employee turnover is a major concern for any company, but more so for those in the Human Resources department, which is responsible for finding and hiring talented new staff members. Human resource managers in several Asian nations have trouble sleeping because of employee turnover. A widespread belief exists in certain regions that employees have adopted "bad" attitudes as a result of labour shortages. People who work for a company are often seen as doing it out of need rather than enjoyment. Unfortunately, despite the ebb and flow of workers being such a pressing issue in Asia, there has been very little study, and much less that uses a full set of factors.

Research Objectives

1. To assess the influence of organizational justice on Employee Turnover.
2. To assess the association between organizational justice and Employee Turnover.

Research Questions

1. Is there any influence of organizational justice on Employee Turnover?
2. Is there any association between organizational justices on Reducing Employee Turnover?

LITERATURE REVIEW

Organizational justice

Recognition of organizational success through an equitable procedure and in interpersonal relationships is known as organizational justice (Cropanzano & Greenberg, 1997). Employees who are treated properly may feel more confident in the

company, be more committed to it, experience less stress, and grow in importance as a result of going above and beyond the call of duty. One of the fundamental foundations for how organization members interact is justice. Aristotle, who is credited with developing theories of ethics and justice, is credited with developing both inquiry theory and justice. Based on a more general ethical standard. My first task in the 20th century was to engage in social contact. Balance the interests of different parties involved, and the notion of fairness is applied. Fairness in outcomes of justice in modern languages and the result of a certain occurrence or decision is thought to be right. It will not be seen as an unfair rise if some employees receive a wage since they did not request a raise. They state that they feel the implementation of the option, in addition to the choices made during the dispute negotiation, is crucial for the member's reaction to the technique. Researchers in management, psychology, and communications who gained traction in the 1980s and 1990s worried about how workers make decisions as part of this research as well. The term "procedural justice" refers to how fairly decisions are made. Do you know who accepted the higher decision and who did not receive fair and equal treatment, despite the fact that certain employees do not earn more fees? Cropanzano and Greenberg (1997) contend that structural evidence, including proper decision-making notifications and conclusions based on objective facts and social justice, is a part of procedural fairness. A number of studies have looked at how organizational justice and equality play a role in coping with the risks of a shifting work environment (Lind, 2001 Lind and Van den Bos, 2002). Employees' reactions depend largely on whether or not they feel their rights have been respected. He remarked that "fairness is vital to people," and that sometimes uncertainty and change motivate people to be interested in justice, as stated by Lind and Van den Bos (2002: 189). They argue

the data may or may not show that consumers are making an effort to assist the company lower the observed uncertainty. In light of these assurances, workers should react more favourable since they will appreciate the fair treatment they get at work.

The Outcome of Organizational Justice

Various studies have focused on the background of employees' perceptions of justice, and most of the research in the field examines the results of these perceptions, for example, when employees reflect on the distribution of decisions. Their perceptions of strategic justice tend to influence their satisfaction with decision-making, while procedural justice explains the difference in trust between supervisors and organizational commitments (Folger & Konovsky, 1989). That is, employees may be satisfied or dissatisfied with the outcome of a particular decision. In low-power long-distance cultures (for example, the United States and Germany), long-distance power culture (for example, China, Mexico, and Hong Kong) is not. "Organization recognizes justice and can also affect the physical health of employees."

Employee Turnover

Companies lose a lot of money when workers leave, particularly highly productive ones who are hard to replace (Sigler 1999). However, there has been a lack of reliable data on recruiting efforts since the 1960s in New Zealand. Official papers and studies subsequently highlighted the critical issue of coordinating labour mobility in the labour market (DOL 1972; Singer 1970). There was an annual turnover rate of 40-60% during the 1960s. We are once again mired in a difficult labour market, necessitating the manpower to further evaluate the outcomes, with the jobless rate hovering between 5 and 6 per cent. We are well-trained and advocate for the continued employment of productive workers.

A lot of work has been done on the topic of employee turnover since Greenhalgh's (1980) observation more than two decades ago. A thorough examination of space is prohibited.

Research on the history and significance of employee mobility was recently meta-analyzed by Griffeth, Hom, and Gaertner (2000). Nonetheless, the following are summaries of some of the most important and current results presented in this publication.

- Population data suggest modest estimates of natural attrition rates. Evidently, there is no correlation between race and gender and the likelihood of dropping out (Griffeth, Hom and Gaertner, 2000). There is, however, a constant and positive correlation with age. There is a negative correlation between age and sales throughout the holding period. According to (Griffeth, Hom, & Gaertner, 2000). To put it another way, there may not be a strong association between age and the choice to quit smoking, as some have hypothesized (Healy, Lehman, and McDaniel, 1995).
- Industries with high dismissal rates (Fry, 1973) and job instability for individual enterprises are often connected with lower rates of self-employment mobility and job security (Greenhalgh 1980). Staff turnover is a major issue for businesses that see a lot of their employees voluntarily leave. Fortunately, the credibility of management, the easing of processes, and the legitimate distribution of remaining workers may all help to reduce the negative effects of layoffs on those left behind (Bedean and Armenakis, 1998) and (Spreitzer and Mishra). 2002).
 Alternatives have some projected sales figures (Griffeth, Hom and Gaertner 2000). People's moods are affected by the unemployment rate. The alternatives to work and, by extension, how people plan to spend their time. Activities (Griffeth and Hom 1995). Periods of time when the unemployment rate is low. There is a widespread belief that there is a shortage of available workers, despite the fact that many people could work if they wanted to.
- Spontaneous rotation is part of the ongoing commitment to the term. Over time, there

is evidence that he will gradually abandon stronger recognition of retirees, consider more positive choices, and develop stronger opinions about the usefulness of employment change (Hom and Griffeth 1991). Paraphrasing Somers (1996), sales are events with a history related to understanding events.

- Job performance is positively correlated with representative sales (Harter, Schmidt, Hayes, 2002), so classification, self-sufficiency and obligation levels meet the requirements (Mowday and Spencer 1981). Disappointment in the profession is at the forefront of smoking cessation expectations (Griffeth, Hom and Gaetner 2000) and other exit perspectives (Hom and Griffeth 1991). Therefore, individuals who make the most of their work, especially their essential highlights, should be held by their managers.
- Employees believe their contributions are assessed by employers' organizations and their concern for their welfare is negatively correlated with voluntary rotation (Eisenberger et al., 2002). Eisenberg and others based on the support of the general organization, it recognizes the impact of all observed regulatory actions related to employee benefits and valuable contributions in employee rotation.
- Managers' recommendations for part-time or full-time work and matching of employee preferences, as well as matching of preference changes to working hours, are positively correlated with employee retention (Holtom, Lee, and Tidd 2002).

Employee Turnover Influence on Organizational Justice

Human capital (Kacmar et al., 2006; Hurley and Estelami, 2007) and social capital theory (Kacmar et al., 2006; Hurley and Estelami, 2007) are important concepts to keep in mind while analyzing the connection between employee turnover and business (Dess and Shaw, 2001; Shaw et al., 2005).

One of them is used to justify the argument that increased trade activity is bad for business. Human capital refers to the total of an individual's education, experience, and abilities that are directly applicable to their job duties. Training and education may help, and sometimes even count as, practical experience in boosting this quality. In human capital theory, premiums are placed on highly educated and experienced people. Relationships between people are the emphasis of the social capital approach, whether they are seen as such tacitly or overtly, formally or informally. Your ability to cultivate and maintain meaningful connections with other people is a key component of your social capital. It is possible that these networks will make it easier for new information to be created and used.

Knowledge may be disseminated via social networks at an increasing rate if organizations facilitate both formal and informal contact between people and groups (Sammorra and Biggiero, 2008). People are more open to providing information. Dismiss the expertise of individuals with whom you have a deeply personal or professional connection by making derogatory remarks. Uzzi and Lancaster (2003) and Hansen (1999) support this.

Knowledge-based firms have unique challenges when it comes to human and social capital due to the transient nature of their knowledge employees, making rotation a major issue. In order to cater to their consumers' specific wants and requirements, these businesses often need individualized or tailored assistance. In order to manage their operations and reach their desired objectives, businesses increasingly depend on their tacit knowledge. Personalization (Hansen et al., 1999). Lacking this background, new hires are more prone to making mistakes and taking longer to find answers (Hausknecht et al., 2009), both of which may have a detrimental effect on the productivity of the organization. The challenge of passing on tacit knowledge is exacerbated in workplaces with high rates of

employee turnover since new hires will surely need some time to establish meaningful connections with their colleagues (Day, 1994). For this reason, in a knowledge-based setting, significant turnover might be detrimental to productivity. Young workers do not have the requisite tacit knowledge yet to do their professions successfully.

Research Model



Research Hypotheses

1. Organizational justice has a positive influence towards reducing Employee Turnover.
2. There is an association between organizational justice and Employee Turnover.

Research Methodology

The research paradigm makes the general methodology that goes along with the research approach familiar. The research methodology encourages ways for putting together actual data and variables used in speculative research models. The general or organized arguments that serve as the review's overall direction are referred to as the study design. As previously indicated, the current research looked at how an organization's justice affected employee churn. In order to test the hypothesis, a self-administrated cross-sectional survey based on the adopted questionnaire was conducted among the employees of the commercial banks in the Sukkur division. 200 Questionnaires were distributed and 158 properly filled questionnaires were returned, so the sample size is 158. The sampling technique is Probability simple random sampling. As it makes sense given the kind of data I gathered, I believed that a revision survey technique was the most appropriate tactic for the review. In this study, the

quantitative research method was used. The scale of the questionnaire is as:

1. Strongly disagree
2. Disagree
3. Somewhat disagree
4. Somewhat agree
5. Agree
6. Strongly agree

For the findings of the study, frequency distribution, correlation and regression analysis were performed through SPSS for testing the hypothesis.

FINDINGS

Frequency Distribution

Table 01: Age

		Frequency	Per cent	Valid Percent	Cumulative Percent
Valid	25-35	134	84.8	84.8	84.8
	36-45	24	15.2	15.2	100.0
	Total	158	100.0	100.0	

In the age group section of the frequency table and the bar chart, it is shown that the highest percentage of respondents is between 25-35 years of age, 84.8 per cent valid; and 15.2% of the respondents are 36-45 years or older. The ratio of the highest percentage of respondents is between 25-30 years of age because the majority of respondents are bachelor's degree.

Table02: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	139	88.0	88.0	88.0
	Female	19	12.0	12.0	100.0
	Total	158	100.0	100.0	

The table of frequencies and the bar graph shown below illustrate that 88% are men and 12% are women. It is shown that the majority of males as compare to females. The main cause of this disparity is accessibility that the

banking sector of Pakistan the male is dominant and the female ratio is very low, especially in the banking sector of Pakistan.

Reliability

Table 03: Reliability Statistics

Cronbach's Alpha	N of Items
.781	12

Reliability shows the consistency of the data namely the thickness of response, so for the Cronbach alpha technique was applied if follows criteria or its results are .6 then it will be treated as poor reliability means questionable, where .7 is acceptable, .8 is recognized as good on another side .9 is excellent one. Before checking the reliability of each factor all question is checked and all have a value greater than .7. Further each variable is checked and reliability is known: the first variable is **organization justice** which is comprised of 7 questionnaires, and the **second** variable is **employee turnover** including 5 questionnaires.

Testing Hypothesis

Regression Analysis: There are three tables involved in regression analysis: the Model Summary table, the Analysis of Variance table, and the Coefficient table. Here, we explain how to make sense of all the relevant tables.

Model Summary

Model	R	R Square	Adjusted R Square
1	.910 ^a	.828	.826
a. Predictors: (Constant) Organizational Justice			

The findings of the model are summarized to indicate the extent to which the various explanatory factors contribute to employee turnover. Exhibiting the importance of independent factors in predicting the dependent variable, adjusted R square is included in the model summary. The altered R grid may also be seen as a measure of model

fitness. Employee turnover is the dependent variable, whereas organizational fairness, employee participation, and job engagement are the independent factors under investigation. The model summary reveals an adjusted R square of .828, which equates to an accuracy of 82.8 per cent.

Suppose that before conducting this survey, the commercial wanted to obtain 100% of the information on the topic, the contribution of the independent variables, the dependent variables, the accuracy of the model and which ones were not, but the commercial banks developed only 82.6 %. (.826 * 100 = 82.6) the knowledge that is what was adjusted. The square R is demonstrated in practice.

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1673.078	1	557.693	553.552	.000 ^b
	Residual	348.588	348	1.007		
	Total	2021.666	349			
a. Dependent Variable: Employee Turnover						
b. Predictors: (Constant), Organizational Justice						

This table of the ANOVA regression technique shows the results of the variable employee turnover. The Analysis of the Variance table or the ANOVA regression technique is generated using the linear regression version SPSS.25. The ANOVA method is used to show whether or not the independent variables (organizational justice, job participation, work engagement) are significantly related to the dependent variable (turnover).

Relationships between the three independent factors and employee turnover were examined. See the bottom for the results. A substantial positive correlation was found (P. With a.000 results in the ANOVA table, we may conclude that the independent

factors have a significant effect on the dependent variable.

Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Organizational Justice	.221	.085	.092	2.585	.010

a. Dependent Variable: Employee Turnover

It is comprised of many columns but here B column and sig. the column is more important. This table shows the contribution of each independent variable separately and the significant level B value shows the contribution and sig. the column shows the significance. It also helps us to check hypotheses.

Correlation

Table 07: Correlation

		Organizational Justice	Turn Over
Organizational Justice	Pearson Correlation	1	.522**
	Sig. (2-tailed)		.000
	N	158	158
Turnover	Pearson Correlation	.522**	1
	Sig. (2-tailed)	.000	
	N	158	158

The above table shows the association among the variables. Among them all it was found the positive and significant association. The criteria to check the significance value is that it must be 0.00 or 0.01.

Discussion

According to this study, organizational justice has a moderate impact on workers' intentions to leave their jobs at commercial banks. (Cohen, 1988). At a 0.05 level of significance, organizational fairness had a substantial impact on turnover intention. Organizational justice has an impact on turnover intention, according to research by Las Heras et al. (2016), Kacmar et al. (2006),

Hurley and Estelami (2007). Therefore, this study is consistent with other research on the link between organizational justice and employees' intentions to leave their jobs. There are some theoretical ramifications to our findings. First, any researcher who plans to explore the study's variables can utilize the findings. Additionally, they will offer greater assistance to scholars looking into the linkages included by this analysis. This study's quantitative findings can be combined with its qualitative results. The managers will be able to make organizational policies with the help of these outcomes. The results of this study, for instance, can be used by a manager who is concerned with procedural fairness to reduce turnover intentions at a bank. The relevance of organizational justice was emphasized by the equity theory of motivation, which also indicated that for employees, a fair allocation of resources may be more significant than how much is provided. Individuals form their own opinions on what is fair in the workplace. Employee stress and motivation are both affected by perceived unfairness.

Conclusion

This research investigates if injustice is in the organization, and then there will impact on employees and organizational performance. In this research researcher also investigated the association between organizational justice and employee turnover. Most of the employees leave the organization because of injustice in the organization and discrimination. If there is a justice system that works on accurate parameters then employees will have fewer chances to quit the organization and rather, they prefer to get involved in the workplace. Most of the employees quit the banking sector due to over an excessive work burden but it could be managed through proper work distribution on the basis of justice and equality. When research was conducted, and commercial banks were surveyed, it was observed that employees were committed towards banking jobs provided that there is organizational justice and fair treatment

within the job. While testing the hypothesis first, "Organizational justice has a positive influence towards reducing Employee Turnover. "The results showed that organizational justice has a positive influence towards reducing employee turnover. Thus, it shows good results to have a positive influence on the reduction of employee turnover and could be helpful for the banking system. While testing the second hypothesis, it was found that there is a positive association between organizational justice and Employee Turnover. The results show that all variables have significant associations among them. Thus it could be beneficial for the banking sector to implement such a model and give priority to the above variables as they want to decrease employee turnover.

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