

Nexus between Organizational Justice and Job Satisfaction among Medical Representatives: Psychological Capital as Mediator

Sami Alghamdi¹, Nazim Ali^{2*}, Fayaz Ali Shah³, Muhammad Sohail⁴

Abstract

The primary objective of this study was to examine the relationship between organisational justice (OJ), job satisfaction (JS), and psychological capital (PC). Additionally, the study aimed to test the mediating role of PC in the relationship between OJ and JS within the context of workers employed by multi-national pharmaceuticals companies. A total of 533 medical representatives employed in multi-national pharmaceuticals companies working in the regions of Khyber Pakhtunkhwa participated in this study. The findings from the correlation analysis indicate a statistically significant nexus between OJ and both JS and PC. Similarly, there was a significant positive relationship between PC and JS. The results of the confirmatory factor analysis provided support for the existence of a partly mediating impact of PC in the nexus between OJ and JS among workers of multi-national pharmaceuticals companies operating in KP.

Keywords: *Psychological Capital; Organizational Justice; Job Satisfaction; Medical Representatives; Multi-National Pharmaceuticals companies; Pakistan.*

Introduction

Organisations may be seen as social systems in which the efficacy and efficiency are heavily reliant on the human resources employed within them. In order to accomplish their goals, organisations need managers and staff who are capable of effectively fulfilling their respective roles. According to Rad and Yarmohammadian (2006), the efforts and dedication of staff are essential for the success of organisations. The success of organisations is significantly influenced by two crucial variables: employee job performance (JP) and employee job satisfaction (JS). In the context of intense global competition, it is essential for organisations to diligently ascertain the elements that have an impact on employee JP and JS. One aspect that might influence an individual's impression of fairness in treatment received from an organisation and their subsequent behavioural responses is organisational justice (OJ) (Fernandes & Awamleh, 2006). Employee satisfaction was shown to be higher when they perceived fair incentives for their work, especially when these benefits were based on actual contributions to the organisation and aligned with established reward systems. The potential reward may include a diverse range of advantages and privileges beyond just financial remuneration. Employees who possess higher JS exhibit a significant level of importance, as they hold

¹ Business Department, College of Business, University of Bisha, P.O. Box 551, 61922 Bisha, Saudi Arabia, samig@ub.edu.sa

² Associate Professor, Department of Commerce and Management Sciences, University of Malakand, Pakistan, nazimali1000@gmail.com

³ Department of Management Sciences, Islamia College University Peshawar, Pakistan, akhooon47@yahoo.com

⁴ Lecturer, University of Swat, Pakistan

the belief that the organisation holds substantial potential for future success. Moreover, these individuals demonstrate a genuine concern for the quality of their work, resulting in heightened commitment to the organisation, increased rates of retention, and a tendency towards greater productivity (Fatt, Khin, & Heng, 2010). According to Ishigaki (2004), employees who possess a higher level of JS tend to have a greater belief in the organization's potential for long-term success and demonstrate a heightened concern for the quality of their work. Consequently, these individuals display a stronger commitment to the organisation, exhibit better rates of retention, and generally achieve greater levels of productivity.

The term OJ is used to denote the concept of fairness within the context of the workplace. OJ's primary focus is on the examination of employee treatment within organisational contexts. The study conducted by Moorman (1991) examines the extent to which individuals perceive fair treatment in their employment and the subsequent impact of these perceptions on several work-related factors. According to Alsalem and Alhaiani (2007), OJ has the ability to provide an explanation for the reasons behind workers' tendency to react against results that they see as unfair or procedures and interactions that they deem unacceptable. The attitudes of employees are associated with three distinct characteristics of organisational justice, namely "distributive justice, procedural justice, and interactional justice".

Distributive justice refers to the equitable allocation of gains derived from different activities, ensuring that each member of an organisation receives a fair share depending on their contributions, collaboration, and talents (Pourezat & Ghoulipour, 2008). Distributive justice pertains to the perceived equity of the results that a person obtains from an organisation. According to Alsalem and Alhaiani (2007), the distribution of outcomes might be based on equality, need, or contribution. Individuals assess the fairness of distribution by comparing their own outcomes with those of others. The existence of perceived inequity in the allocation of work-related incentives has the potential to generate interpersonal tension within an individual, hence motivating such individual to actively seek resolution of this tension (Adams, 1963). The concept of procedural justice pertains to the subjective evaluations made by individuals on the fairness of the regulations and procedures that govern a particular process (Nabatchi, Blomgren Bingham, & Good, 2007). Procedural justice includes an employee's subjective evaluation of an organization's intentions, as well as the mechanisms and processes used to decide the results they experience (Folger, Folger, & Cropanzano, 1998). According to the findings of Nabatchi et al. (2007), procedural justice refers to the subjective evaluations made by individuals on the fairness of the regulations and procedures governing a particular process within an organisational context. While distributive justice posits that satisfaction is contingent upon the result, procedural justice asserts that satisfaction is contingent upon the process. Interactive justice is a concept that builds upon procedural justice, which pertains to the mechanisms by which authorities handle persons and is connected to how managers interact with their subordinates (Diab, 2015). The concept of interactional justice pertains to the level of quality shown in the behaviours between individuals both before to and after to the process of decision-making (Poole, 2007). Interactional justice refers to the concept of fairness in the treatment of subordinates (Robbins & Judge, 2017).

Psychological capital is defined as "an individual's positive psychological state of development characterized by self-efficacy, hope, optimism and resilience" (Luthans, Avolio, Avey, & Norman, 2007). According to Luthans et al. (2007), PC is "an individual's positive psychological state of development and is characterized by: (1) having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks; (2) making a positive attribution (optimism) about succeeding now and in the future; (3) persevering toward goals and, when necessary, redirecting paths to goals

(hope) in order to succeed; and (4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resilience) to attain success”.

Researches indicate a significant relationship between OJ and JS (Abasi, Mohammadipour, & Aidi, 2014; Akram, Hashim, & Akram, 2015; Bayarçelik & Findikli, 2016). A few studies have focused on testing the relationship between OJ and JS (Abbasi & Alvi, 2012; M. Ali & Saifullah, 2014; Parven & Awan, 2018; Usmani & Jamal, 2013). The relationship between OJ and PC has been found to be positive in many studies conducted in different settings and different countries (Bakri & Ali, 2015; Ghaffaripour, 2023; Lupsa, Baci, & Virga, 2020; Saadat et al., 2023; Totawar & Nambudiri, 2014). Similarly there is a positive association between JS and PC (N. Ali & Ali, 2014; Badran & Youssef-Morgan, 2015; Bergheim, Nielsen, Mearns, & Eid, 2015; Cheung, Tang, & Tang, 2011; Durrah, Alhamoud, & Khan, 2016; NGO, 2021). As there is a relationship among OJ, JS and PC, no studies have tested the mediating effect of PC in the relationship between OJ and JS in Pharmaceuticals sector of Pakistan. Hence, this study is conducted to meet the above objective.

Hypotheses

H1: OJ is positively associated with JS in medical representatives of multi-national pharmaceuticals companies, Pakistan (MRMNPCP).

H2: OJ is positively associated with PC in MRMNPCP.

H3: PC is positively associated with JS in MRMNPCP.

H4: PC mediates the nexus between OJ and JS in MRMNPCP.

Research Methodology

Data Gathering

Data were gathered from 533 medical representatives of multi-national pharmaceuticals companies operating in Khyber Pakhtunkhwa, Pakistan. The medical representatives were given 600 hundred questionnaires with the assistance of colleagues and students. Within two months, five hundred and forty one (N=541) questionnaires came back indicating a return rate of 90.17. Eight (N=8) questionnaires were excluded from the analysis due to insufficient data.

Measurement

Organizational Justice

To measure organizational justice, OJ questionnaire was used (Niehoff & Moorman, 1993). This scale has 3 facets: “Distributive Justice, Interactional Justice and Procedural Justice”. Examples of DJ are “My work schedule is fair.”, and “I think that my level of pay is fair”. Examples of PJ are “Job decisions are made by the general manager (GM) in an unbiased manner”, and “To make job decisions, my GM collects accurate and complete Information”. Examples of IJ are “When decisions are made about my job, the GM treats me with kindness and consideration”, and “When decisions are made about my job, the GM treats me with respect and dignity”. The Likert scale used to collect answers from participants consists of five points, with a range from 1 representing strongly disagree to 5 representing strongly agree. The reliability of “distributive justice, interactional justice and procedural justice” is .86, .79 and .82 respectively.

Job Satisfaction

To measure job satisfaction, the Minnesota Satisfaction Questionnaire was used (Lawler, Cammann, Nadler, & Jenkins, 1979). This study specifically examined three key facets of JS, since they were deemed very pertinent to the scope of this research. These three facts

are satisfaction with job security, salary and promotion. Each dimension was evaluated using a set of five items. Examples of satisfaction with pay are “On my present job, this is how I feel about the amount of pay for the work I do”, and “on my present job, this is how I feel about the chance to make as much money as my friends”. Examples of satisfaction with job security are “on my present job, this is how I feel about my job security”, and “On my present job, this is how I feel about the way my job provides for a secure future”. Examples of satisfaction with promotion are “On my present job, this is how I feel about the chances of getting ahead on this job” and “On my present job, this is how I feel about the way promotions are given out on this job”. The Likert scale used to collect answers from participants consists of five points, with a range from 1 representing strongly disagree to 5 representing strongly agree. The reliability of Pay, Security and Promotion is .91, .89 and .85 respectively.

Psychological Capital

The PC was measure through PC questionnaire (Luthans, Avey, Avolio, Norman, & Combs, 2006). PC has four facets: “Hope, Resiliency, Optimism, and Efficacy”. Each facet of PC consists of six items. Examples of Hope are "Right now I see myself as being quite successful at work," and "If I should find myself in a jam at work, I could think of several methods to get out of it". Examples of Resiliency are "I typically take tough things at work in stride" and "When I experience a setback at work, I have trouble rebounding from it, moving on." examples of Efficacy are "I feel confident representing my work area in meetings with management," and "I feel confident helping to create targets/goals in my work area". Examples of optimism are "If something can go wrong at work, it will," and "I always see the bright side of things about my employment." A 6-point Likert scale was used to in this research. The reliability of “Hope, Resiliency, Optimism, and Efficacy” is .83, .81, .88 and .80 respectively.

Results

Table 1: Relationship between OJ and JS

	OJ	JS
OJ	1	.501**
JS	.501**	1

“**”. Correlation is significant at the 0.01 level (2-tailed).”

Table 1 shows the results of correlation to examine the relationship between OJ and JS. The results suggest that there is a positive nexus between OJ and JS, with a correlation coefficient of .501** (p = 0.000). Therefore, H1: OJ is positively associated with JS in MRMNCP, is accepted.

Table 2: Relationship between OJ and PC

	OJ	PC
OJ	1	.130*
PC	.130*	1

“*”. Correlation is significant at the 0.05 level (2-tailed).”

Table 2 indicates the results of correlation to examine the relationship between OJ and PC. The results reveals that there is a positive nexus between OJ and PC, with a correlation coefficient of .130** (p = 0.000). Therefore, H2: OJ is positively associated with PC in MRMNCP, is accepted.

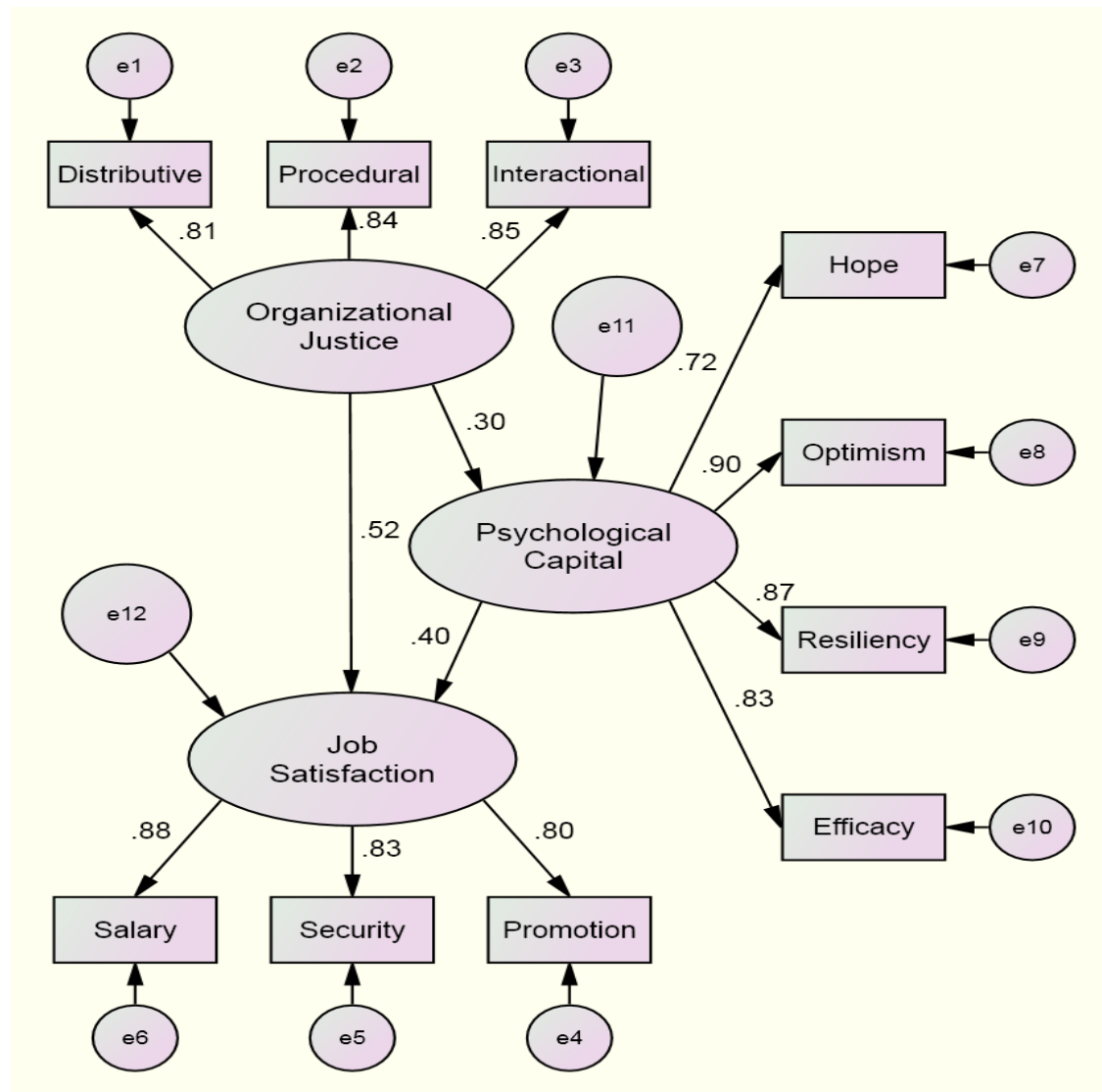
Table 3: Relationship between PC and JS

	PC	JS
PC	1	.325**
JS	.325**	1

“**. Correlation is significant at the 0.01 level (2-tailed).”

Table 3 indicates the results of correlation to examine the relationship between PC and JS. The result suggests that there is a positive nexus between PC and JS, with a correlation coefficient of .325** ($p = 0.000$). Therefore, H3: PC is positively associated with JS in MRMNPCP, is accepted.

Research Model: Impact of OJ on JS through PC



The study used structural equation modelling to examine the validity of the three-factor model including OJ, JS, and PC. The model demonstrated a strong fit to the data, as shown by the statistical indices: Chi Square (χ^2) = 55.848, degrees of freedom (DF) = 32, p-value (P) = .000, Goodness of Fit Index = 0.95, CFI = 0.98, RMSEA = .051, and RMR = .050. The study revealed a significant influence of OJ on JS, with a regression coefficient of .52. Additionally, a significant effect of OJ on PC was observed, with a regression value of .30. The PC has a significant impact on JS, as shown by a regression coefficient of .40. The regression coefficients for all elements of OJ, JS, and PC are

within an acceptable range. The introduction of PC as a mediator resulted in a decrease in the influence of OJ on JS, with the coefficient decreasing from 0.64 to 0.52. Therefore, the hypotheses indicated below are accepted in this study:

H1: OJ is positively associated with JS in MRMNPCP.

H2: OJ is positively associated with PC in MRMNPCP.

H3: PC is positively associated with JS in MRMNPCP.

H4: PC mediates the nexus between OJ and JS in MRMNPCP.

Table 4: Values of P, DF, Chi Square, GFI, CFI and RMSEA

	CMIN	DF	RMSEA	RMR	CMIN/DF	CFI	GFI	P
	55.848	32	.051	.050	1.745	.987	.959	.000

Table 4 displays the values of CMIN/Chi Square, probability, CFI, RMR, GFI, and RMSEA. Chi Square = 55.848; DF = 32; P = .000; GFI = 0.95; CFI = 0.98; RMSEA = .051; and RMR = .050 are all acceptable. We accept the OJ, JS, and PC three-factor research model as a result.

Conclusion

The primary objective of this study was to examine the relationship between organisational justice (OJ), job satisfaction (JS), and psychological capital (PC). Additionally, the study aimed to test the mediating role of PC in the relationship between OJ and JS within the context of workers employed by multi-national pharmaceuticals companies. A total of 533 medical representatives employed in multi-national pharmaceuticals companies working in the regions of Khyber Pakhtunkhwa participated in this study. The findings from the correlation analysis indicate a statistically significant nexus between OJ and both JS and PC. Similarly, there was a significant positive relationship between PC and JS. The results of the confirmatory factor analysis provided support for the existence of a partly mediating impact of PC in the nexus between OJ and JS among workers of multi-national pharmaceuticals companies operating in KP.

Acknowledgement

1- The authors are thankful to the Deanship of Scientific Research at the University of Bisha for supporting this work through the Fast-Track Research Support Program.

2- S. Alghamdi is thankful to the Deanship of Scientific Research at the University of Bisha, for supporting this work through the Fast-Track Research Support Program.

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