

INDIAN INSTITUTE OF MANAGEMENT CALCUTTA

WORKING PAPER SERIES

WPS No. 632/ January 2009

Look, Who is Talking? Impact of Communication Relationship Satisfaction on Justice Perceptions

by

Meenakshi Aggarwal Gupta

KJ Somaiya Institute of Management Studies & Research, Mumbai

&

Rajiv Kumar

Assistant Professor, Indian Institute of Management Calcutta, Diamond Harbour Road, Joka P.O., Kolkata 700104 India

Look, Who is Talking? Impact of Communication Relationship Satisfaction on Justice Perceptions

Meenakshi Aggarwal Gupta¹

KJ Somaiya Institute of Management Studies & Research, Mumbai

Rajiv Kumar

Indian Institute of Management, Calcutta

¹Author for correspondence

Meenakshi Aggarwal Gupta

Organizational Behavior Area

KJ Somaiya Institute of Management Studies and Research

Vidyanagar, Vidyavihar, Mumbai.400077

Tel.: +91 22 6728 3015

Fax: +91 22 2515 7219

email: meenakshi@simsr.somaiya.edu

Look, Who is Talking? Impact of Communication Relationship Satisfaction on Justice Perceptions

INTRODUCTION

Communication is a critical organizational process. Several scholars have found that communication influences employees' attitudes and behaviors (Arndt & Bigelow, 2000, Bobocel, McCline, & Folger, 1997; Goldhaber, Yates, Porter, & Lesniak, 1978). Researchers of justice at workplace have also highlighted the direct and indirect roles of communication in shaping justice perceptions (Ambrose & Cropanzano, 2003; Folger & Bies, 1989, Skarlicki and Folger, 1997). In a longitudinal study, Gopinath and Becker (2000) found that communication was significantly related to perceptions of procedural justice. However, their research was situated in an atypical context of divestiture and layoff, thereby rendering the external validity suspect. Moideenkutty, Blau, Kumar and Nalakath (2001) found that satisfaction with supervisory communication had positive attitudinal outcomes including such correlates of justice as perceived organizational support and affective commitment. In a subsequent study (Moideenkutty, Blau, Kumar, & Nalakath, 2006), they found that satisfaction with supervisory communication strongly correlated with procedural and distributive justice. Yamaguchi (2005) found that different facets of interpersonal communication explained 62% of variance in procedural justice. Based on this limited evidence, it is plausible to postulate that satisfaction with different aspects of communication in an organization will shape justice perceptions.

While all these studies have made an attempt to understand the impact of communication on organizational justice perceptions, we think that these efforts are incomplete. These studies have either looked at one or two dimensions of justice or treated communication from a singular perspective. We do not know that satisfaction with which aspect of communication leads to

what facet of justice perception and their relative importance in shaping justice perceptions. We have theorized and tested such disaggregated relationships in this paper. In the subsequent sections, we firstly describe the two central variables of this research, i.e., organizational justice and communication relationship satisfaction at workplace. Building upon previous research, we then hypothesize the relationship between these two variables. The methods section narrates the procedures adopted to test these hypotheses. We finally describe the results and conclude with academic and managerial implications of our research.

Communication Relationship Satisfaction (CRS)

A prominent stream of research on communication in formal organizations comprises of communication audits developed and validated in 1970s by Division IV of International Communication Association. Subsequent research has supported the utility of these audits for improvement in organizationally desirable outcomes (Brooks, Callicoat, & Siegerdt, 1979; Hargie, Tourish, & Wilson, 2002). One component of this audit examines the satisfaction of employees with communication inside organizations. Employees often need information about their roles and tasks and seek feedback on their performance. Moreover, employees may occasionally need to know about various policies and strategic directions of the organization. A healthy environment of communication is also characterized by open discussions and debate on issues related to work and workplace. Communication relationship satisfaction (CRS) is an occganizilson7(0.0005 Tethe ap.00cation relationship sa)TJ10.0eTD-0Putti, Ar.9(c-0Phuallic90, Tohe util.00cat

Guzley (1992) found five factors responsible for the communication climate of an organization: superior-subordinate communication, superior-subordinate candor, quality of information, opportunities of upward communication and reliability of information. While the first two factors pertain to an employee's communication with supervisor, the other three would also depend on communication relationships with (a) coworkers, and (b) the top management. Besides these three facets of communication relationships, employees may perceive organization as a separate entity and have expectations from the organization *per se*. Employees personify organizations (Levinson, 1965) and form opinions about their relationship with the organization (e.g., perceived organization support; Eisenberger, Huntington, Hutchison, & Sowa, 1986). Hence employees may also form separate perceptions about communication from the organization and experience satisfaction or dissatisfaction with it. Thus it emerges that employees assess their satisfaction with communications inside organizations on four different facets: (a) with supervisors (b) with peers (c) with top management and (d) with the organization as such (cf. Putti et. al., 1990).

Organizational Justice

Justice at workplace is an important variable that influences many critical attitudes and behaviors of employees. Meta-analyses have found that justice perceptions influence job performance, organizational citizenship behaviors, counterproductive work behaviors, withdrawal, job satisfaction, and trust (Cohen-Charash & Spector, 2001; Colquitt, Conlon, Wesson, Porter, & Ng, 2001). Hence it becomes important to know the factors shaping organizational justice so that managers can influence the justice perceptions accordingly.

Perceived justice is a multi-dimensional construct encompassing three dimensions, namely distributive, interactional, and procedural justice. *Distributive justice* refers to the perceived fairness of the tangible outcomes of a dispute, negotiation, or decision involving two or more parties (Greenberg, 1990). The concept of distributive justice has its origins in social exchange theory (Adams, 1965; Blau, 1964), which emphasizes the role of equity in shaping subsequent exchanges. The equity principle defines a fair exchange as the one in which each party to an exchange receives an outcome in proportion to one's contributions to the exchange. The second theoretical base for distributive justice is the relative deprivation theory (Crosby, 1984; Martin, 1981) where on comparison with referent others, individuals may find that they have received less rewards and therefore perceive injustice. Relative deprivation theory deals with upward comparison made by people lower in the hierarchy.

Procedural justice refers to the perceived fairness of the policies, procedures, and criteria used by decision makers in arriving at the outcome of a dispute or negotiation (Lind & Tyler, 1988). Fair procedures should be consistent, unbiased, representative of all parties' interests, and based on accurate information and ethical standards. Fair procedures also allow focal parties to provide input into the decision (Goodwin & Ross, 1992). Interactional justice refers to the manner in which people are treated during the conflict resolution process (e.g., with courtesy and respect or rudely; Bies & Shapiro, 1988). Previous studies conducted across a variety of situations (e.g., service encounters, job performance evaluations, recruitment) have identified a number of elements associated with interactional justice, such as

attribute such decisions to the top management and form consonant attitudes especially during downsizing (Spreitzer & Mishra, 2002). Supervisors are expected to serve as the link between top management and employees, hence employees may view a part of what the supervisor communicates as stemming from top management. Therefore we expect communication relationship satisfaction with top management to have the strongest impact on the distributive justice perceptions. Employees may seek—and possibly get—clarifications regarding the distribution of rewards and punishments from their supervisors as supervisors are more readily available for such conversations. Communication satisfaction with supervisors will also impact employees' judgment of the adequacy of offered explanations, besides being a source of such explanations. Coming to organizational communication, we believe that it will have the least impact on distributive justice because of two reasons. Firstly, organizational communication is impersonal in nature, targeted at a wide audience. Next, organizational communication is often a one-way process, offering little scope for seeking fresh answers or explanations. Hence we hypothesize that:

Hypothesis 1b: Communication relationship satisfaction with top management (CRS-T) will have the strongest impact on distributive justice followed by communication relationship satisfaction with supervisor (CRS-S), and communication relationship satisfaction with organization (CRS-O).

Greenberg (1986, 1990) suggested that communication can shape procedural justice perceptions. Gopinath and Becker (2000) found that during divestitures and layoffs, communication from top management significantly shaped procedural justice perceptions. The

zero-order correlations between communication and procedural justice in their study varied from 0.38 to 0.47 (all correlations significant at 1% level). The communication from top management included such items as summaries of questions and answers sent through e-mail, discussion in open forums and meetings, personal meetings and bulletin board messages.

Organizational policies allowing employees to voice their concerns or soliciting employees' inputs in decision-making provide employees with the feeling that they have been heard even if their inputs could not be implemented (McFarlin & Sweeney, 1996). Several researchers (Dipboye & Pontbraind, 1981; Greenberg, 1987; Korsgaard, & Roberson, 1995; Landy, Barnes-Farrell & Cleveland, 1980) have found that the opportunity to have a voice in decision making or in performance appraisal process affects the perceptions of procedural fairness. Similarly Greenberg (1986) found that the opportunity to challenge/rebut evaluations, among other factors, determined procedural justice. These aspects of communication (e.g., voicing concerns, having a say in decision making) are reflected in the satisfaction employees would have with organizational communication.

As mentioned previously, Moideenkutty et al. (2006) found that communication satisfaction with supervisor was significantly correlated with procedural justice (r = 0.64, p < 0.01). Bies, Shapiro and Cummings (1988) found that when supervisors gave credible explanations, subordinates' perceptions of procedural justice got enhanced despite having negative initial outcomes. Yamaguchi (2005) found that rational (r = 0.32, p < 0.01) and soft (r = 0.31, p < 0.01) interpersonal communication by supervisors significantly influenced procedural justice. Rational interpersonal communication consisted of tactics such as reasoning, conditional

promise, and disclosure, while soft interpersonal communication comprised of tactics such as sympathy, praise and friendly manner. In their meta-analytic study, Shaw et al. (2003) found that providing explanation influenced procedural justice (corrected meta-analytic correlation = 0.32) and the adequacy of provided explanations had an even stronger impact on procedural justice (corrected meta-analytic correlation = 0.54). We believe that supervisors will be the most obvious source of explanations for employees, and may provide such explanations even when not explicitly asked. The above discussion leads us to believe that the satisfaction employees get from their communication with top management, organization and supervisor is likely to positively influence their procedural justice perceptions.

Hypothesis 2a: Communication relationship satisfaction with top management, organization, and supervisor positively influences procedural justice.

The statements from top management as organizational representatives provide the strongest cues regarding the willingness of organization to follow consistent procedures and make unbiased decisions based on accurate information. As procedural justice pertains to organizational matters as a whole, we believe that organizational communication is the next most important antecedent. Lastly, communication with supervisor is the least important among these three antecedents as supervisors do not have much space to play a significant role in shaping policies, procedures, and hence procedural justice perception. As the work of Shaw et al. (2003) suggests, their role is limited to offering post-facto explanations. Hence we hypothesize that:

Hypothesis 2b: Communication relationship satisfaction with top management (CRS-T) will have the strongest impact on procedural justice followed by communication relationship satisfaction with organization (CRS-O), and communication relationship

communication and implementation. As a result, employees will interact more frequently with

respondents were females and the rest (67%) were males. The average age of respondents was 32.5 years.

Measures

CRS was measured by Organi

through nine items. A sample item on the interactional justice scale is "the general manager offers adequate justification for decisions made about my job." All items used a seven-point Likert-type response format.

RESULTS & DISCUSSION

Table 1 presents the descriptive statistics, reliabilities and zero-order correlations of the study variables. All scales had satisfactory reliabilities (above 0.70) and hence we could use them as variables in further analysis (Hair, Black, Babin, Anderson, & Tatham, 2006). As expected, CRS with top management, supervisor and organization significantly correlated with distributive justice (r = 0.53, 0.40 and 0.42 respectively; all correlations significant at 1%). Similarly CRS-T, CRS-O and CRS-S significantly correlated with procedural justice (r = 0.54, 0.53, and 0.53 respectively, all correlations significant at 1%). Lastly, CRS-S, CRS-T and CRS-P also exhibited significant correlations with interactional justice (r = 0.62, 0.53 and 0.42 respectively, all correlations significant at 1%).

Table 1: Mean, Standard Deviations, Reliability and Correlations among Variables

Variable	Mean	SD	CRS-P	CRS-S	CRS-T	CRS-O	DJ	PJ	IJ
CRS-P	4.10	0.87	0.86						
CRS-S	3.99	0.95	0.70**	0.95					
CRS-T	3.70	1.05	0.51**	0.57**	0.90				
CRS-O	3.79	0.88	0.56**	0.67**	0.66**	0.84			
DJ	4.92	1.22	0.28**	0.40**	0.53**	0.42**	0.85		
PJ	4.87	1.26	0.33**	0.53**	0.54**	0.53**	0.64**	0.92	
IJ	5.03	1.29	0.42**	0.62**	0.53**	0.55**	0.62**	0.84**	0.96

^{**} p < 0.01

Since we had collected data on both the antecedents and consequence from the same source using survey method, we tested for the possibility of common method-common source variance affecting our results. Following Harman's one factor test mentioned by Podsakoff and Organ (1986), we factor analyzed all the 39 items employed to measure the antecedent and consequence variables. The unrotated solution yielded six factors with eigenvalue more than one, and the first factor explained 47.56% of the variance. Hence we could not conclude that the common-source-common-method variance problem would affect our hypothesis testing.

We used hierarchical regression to test hypotheses and analyze the order of importance of antecedent variables (Keith, 2006). We entered the antecedents of each justice dimension in a sequence governed by their hypothesized order of importance. We have presented the results of hierarchical regression for each of the dependent variables separately.

Table 2: Hierarchical Regression Analysis for Distributive Justice

Model	Variables Entered	\mathbb{R}^2	ΔR^2	df1	df2	F Change	Sig. F Change
1	CRS-T	0.278	0.278	1	290	111.53	0.000
2	CRS-S	0.291	0.013	1	289	5.42	0.021
3	CRS-O	0.293	0.002	1	288	0.62	0.431

Table 2 shows the results of hierarchical regression to predict distributive justice. As per our hypothesis, we entered CRS-T in the first step followed by CRS-S and CRS-O in the second and third steps respectively. In hierarchical regression, we consider the change in \mathbb{R}^2 to determine if an antecedent variable is important (Keith, 2006). As one can see from Table 2, entering the most important hypothesized predictor of distributive justice, i.e. CRS-T, led to a statistically significant increase in the explained variance ($\Delta R^2 = 0.278$, F[1,290] = 111.53, p < 0.001).

Entering the second most important predictor, i.e. CRS-S also led to a statistically significant increase in the explained variance ($\Delta R^2 = 0.013$,

fully support hypotheses 2a and 2b. Communication relationship satisfaction with top management, organization, and supervisor emerged as the predictors of procedural justice in that order. Employees expect to have their voice heard before decisions of consequence are made, and to have access to certain procedures of appeal when decisions are deemed unfair. They accord the highest importance to what the top management says while evaluating if their expectations are met or not. Then they look for satisfying communication from organization in the form of policies and procedures and lastly they consider their communication with supervisor to assess to what extent fair procedures were adopted to arrive at important decisions. It is interesting to note that employees include communication from all three sources—organization, top management and supervisor—to form perceptions of procedural justice. Hence organizations need to have an integrated communication strategy not just for external stakeholders but also for internal customers, i.e., their employees.

Table 4: Hierarchical Regression An

led to a statistically significant increase in the explained variance ($\Delta R^2 = 0.043$, F[1,289] = 21.937, p < 0.001). However, the entry of the last predictor (CRS-P) did not result in a significant increase in the explained variance ($\Delta R^2 = 0.004$, F[1,288] = 2.214, p = 0.138). Hence these results partially support hypotheses 3a and 3b. Communication relationship satisfaction

importance to the role of supervisor in employees'	attitudes and behaviors (cf. Eisenberger,

facets of communication would be a better candidate to offer us maximum predictive power visà-vis justice and other attitudes and behaviors of employees.

REFERENCES

Adams, J. S. (1965). Inequity in social exchange. In L. Berkowitz (ed.), *Advances in Experimental Social Psychology*, 2, 267 – 299. New York: Academic Press

Ambrose, M. L. & Cropanzano, R. (2003). A longitudinal analysis of organizational fairness: An examination of reactions to tenure and promotion decisions. *Journal of Applied Psychology*, 88, 266-275.

Arndt, M. & Bigelow, B. (2000). Presenting Structural Innovation in an Institutional Environment: Hospitals' Use of Impression Management. *Administrative Science Quarterly*, 45(3), 494-523

Bies, R. J. & Moag, J. S. (1986). Interactional justice: Communication criteria of fairness. Research on Negotiation in Organizations, 1, 43-55.

Bies, R. J., & Shapiro, D. L. (1988). Voice and justification: Their influence on procedural fairness judgments. *Academy of Management Journal*, *31*(3), 676-685.

Bies, R. J., Shapiro, D. L., & Cummings, L. L. (1988). Causal accounts and managing organizational conflict: Is it enough to say it's not my fault? *Communication Research*, *15*, 381-399.

Blau, P. M. 1964. Exchange and power in social life. New York: John Wiley.

Bobocel, D. R., McCline, R. L., & Folger, R. (1997). Letting them down gently: Conceptual advances in explaining controversial organizational policies. *Journal of Organizational Behavior*. *4*, 73-88

Brooks, K., Callicoat, J. & Siegerdt, G. (1979). The ICA communication audit and perceived communication effectiveness changes in 16 organizations, *Human Communication Research*, *5*, 130-137.

Cohen-Charash, Y., & Spector, P. E. (2001). The role of justice in organizations: A metaanalysis. *Organizational Behavior and Human Decision Processes*, 86, 278-321.

Colquitt, J. A., Conlon, D. E., Wesson, M. J., Porter, C., Ng, K. Y. (2001). Justice at the Millennium: A meta-analytic review of 25 years of organizational justice research. *Journal of Applied Psychology*, 86(3), 425-445.

Crosby, F. (1984). Relative deprivation in organizational settings. In Barry M. Staw and L. L. Cummings (eds.), *Research in Organizational Behavior*, 6, 51-93. Greenwich, CT: JAI Press.

Dipboye, R. L. & De Pontbraind, R. (1981). Correlates of employee reactions to performance appraisals and appraisal systems. *Journal of Applied Psychology*, 66, 248 – 251

Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology*, 71(3), 500-507.

Eisenberger, R., Stinglhamber, F., Vandenberghe, C., Sucharski, I., & Rhoades, L. (2002). Perceived supervisor support: Contributions to perceived organizational support and employee retention. *Journal of Applied Psychology*, 87, 565-573.

Folger, R., & Bies, R. J. (1989). Managerial responsibilities and procedural justice. *Employee Responsibilities and Rights Journal*, 2(2), 79-90.

Goldhaber, G., Yates, M. Porter, D., & Lesniak, R. (1978). Organizational communication: State of the art. *Human Communication Research*, *5*, 76-96.

Goodwin, C. & Ross, I. (1992). Consumer responses to service failures: Influence of procedural and interactional fairness perceptions. *Journal of Business Research*, 25, 149-163.

Gopinath, C. & Becker, T. E. (2000). Communication, procedural justice and employee attitudes: Relationships under conditions of divestiture. *Journal of Management*, 26(1), 63-83.

Greenberg, J. (1986). Determinants of perceived fairness of performance evaluations. *Journal of Applied Psychology*, 71(2), 340-342.

Greenberg, J. (1987). Using diaries to promote procedural justice in performance appraisals. *Social Justice Research*, *1*(2), 219-234.

Greenberg, J. (1990). Organizational justice: Yesterday, today, and tomorrow. *Journal of Management*, 16(2), 399-432.

Guzley, R. M. (1992). Organization climate and communication climate: Predictors of commitment to the organization. *Management Communication Quarterly*, *5*(4), 379 – 402.

Hair, J. F., Black, W. C. Babin, B. J. Anderson, R. E., Tatham, R. L., & (2006). *Multivariate Data Analysis*, Sixth Edition, Prentice-Hall.

Hargie, O., Tourish, D., and Wilson, N. (2002) Increased Information: Communication Metamyth or Vehicle for Reducing Uncertainty? Results from a Longitudinal Audit Study. *Journal of Business Communication*, 39, 414-436

Keith, T. Z. (2006). Multiple Regression and Beyond. Boston: Pearson Education.

Korsgaard, M. A. & Roberson, L. (1995). Procedural justice in performance evaluation: The role of instrumental and non-instrumental voice in performance appraisal discussions. *Journal of Management*, 21(4), 657-669

Lamertz, K. (2002). The social construction of fairness: Social influence and sense making in organizations.

Moideenkutty, U., Blau, G., Kumar, R., & Nalakath, A. (2006). Comparing correlates of organizational citizenship versus in-role behavior of sales representatives in India. *International Journal of Commerce & Management*, 16(1), 15-28

Moorman, R.H. (1991). Relationship between organizational justice and organizational citizenship behaviors: Do fairness perceptions influence employee citizenship? *Journal of Applied Psychology*, 76 (6),M o o r

n

Shaw, J. C., Wild, E., & Colquitt, J. A. (2003). To justify or excuse? A meta-analytic review of the effects of explanations. *Journal of Applied Psychology*, 88, 444-458.

Skarlicki, D. P., & Folger, R. (1997). Retaliation in the workplace: The roles of distributive, procedural, and interactional justice. *Journal of Applied Psychology*, 82 (3), 434-443

Spreitzer, G., & Mishra, A. (2002). To stay or to go: voluntary survivor turnover following an organizational downsizing. *Journal of Organizational Behavior*, 23(6), 707 – 729.

Tyler, R. T. & Bies, R. J. (1989). Beyond formal procedures: The interpersonal context of procedural justice. In J. Carroll (Ed.), *Advances in Applied Social Psychology: Business Settings*, 77-98. Hillsdale, NJ: Lawrence Erlbaum Associates.

Ulrich, W. L. (1984). HRM and culture: History, ritual and myth. *Human Resource Management*, 23, 117-128.

Yamaguchi, I. (2005). Interpersonal communication ta