

RESEARCH ARTICLE

The Influence of Organizational Justice on Job Satisfaction in a Hotel Setting

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Abstract: Perceived organizational justice in the workplace is a primary factor affecting employee job satisfaction and tenure. This paper examined the relationship between organizational justice and job satisfaction of managers, supervisors, and staff in a hotel setting situated in one of the major cities outside Metro Manila, Philippines, namely Metropolitan Cebu. Specifically, it looked into the influence of the three dimensions of organizational justice (distributive, procedural, and interactional) on the hotel employees' level of job satisfaction with regards to fairness of manager/supervisor to staff relationships, pay, and schedule (among others). A Likert scale survey instrument was administered to select respondents from 13 departments of nine hotels in Metropolitan Cebu, Philippines: Front Office, Food & Beverage, Housekeeping, Sales & Marketing, Human Resources, Maintenance, Kitchen, Finance, Butchery, Engineering, Administration, Security, and the Executive Office. Structural Equation Modeling (SEM) was applied for data analysis. The results revealed that distributive and interactional justice positively affects employees' job satisfaction, while procedural justice does not have a significant impact.

Keywords: Organizational justice, job satisfaction, hotel setting, Likert scale survey, confirmatory factor analysis, Cebu, Philippines

JEL Classifications: L2, L20

Cebu is the second largest metropolitan city in the Philippines, next to Metro Manila. The 2010 census by the Philippine Statistical Authority lists Cebu and its provinces as having over four million inhabitants (Philippine Statistics Authority, 2010). According to the economist Perry Fajardo, the Central Visayas region's growth is largely driven by Cebu, with 2015 being a banner year for certain sectors such as tourism, retail, and business process outsourcing (Galolo, 2015). Cebu Business Month 2015 Tourism Committee

Chairperson, Ceneleyn Manguilimotan, has likewise affirmed that tourism is indeed the primary driver of Cebu's economy (Cudis-Ucag, 2015). Moreover, an article by Masigan (2015) acknowledged Cebu's rise to a newly industrialized economy, growing faster than any other region in the country, with the services sector (57%) leading the growth, followed by industry (33%), and agriculture (10%). Masigan (2015) further pointed out the potentials of Cebu: majority of the population are in their 20s, skilled, educated, and speak English

fluently; and its industrial sector (manufacturing, construction, mining, and utilities) are growing at twice the pace of its services sector, posting 13.36% growth from 2010 to 2014. This clearly shows that Cebu has the land, natural resources, and talent to maintain its services and industrial expansion for the next 30 years, which is vital to its continued growth as a key player in the ASEAN region.

Lorenciana (2015) reported on 2015 statistics from the Department of Tourism (DOT) that showed tourist arrivals in Central Visayas hit 3.5 million as of October 2015. The tourism count in Region VII rose 4.12% in the first 10 months of the year to 3.5 million from 3.4 million in the same period in 2014. Foreign tourist arrivals increased 11.20% to 1.5 million from 1.3 million, while local visitors hit 2.01 million. South Korea remains the region's main source of foreign tourists market (44%), followed by Japan, USA, China, Australia, United Kingdom, and Germany. Cebu accounted for 64% of total domestic arrivals, and 84% of total foreign arrivals, lodging a total of 2.5 million tourists, domestic and foreign, in a 10-month period in 2015. The National Economic and Development Authority (NEDA) Regional Director, Efron Carreon, mentioned the following events that boosted Cebu's tourist arrivals for 2015: Cebu's hosting of the Asia Pacific Economic Cooperation (APEC) Third Senior Officials Meeting (SOM 3) from August to October, and the Christmas holidays.

Since 2009, Cebu is considered to be one of the top tourist destinations in the Philippines. For 2015, the Department of Tourism-Central Visayas (DOT-7) showed confidence that Cebu could hit the 4.4 million arrival target for the year, as the region showed an upward trend for the past few years (Dagooc, 2015). The Cebu-based Hotel, Resort and Restaurant Association (HRRAC) estimated that Cebu has a current hotel room inventory count of about 5,000 rooms (Cacho, 2015). This is an important concern, since Cebu has recently not just become a prime tourist destination of choice for travelers, but also as a venue for MICE (Meetings, Incentives, Conferences, and Exhibitors) conventions. According to DOT-7 Regional Director Rowena Montecillo, Cebu continues to be the major contributor of tourist arrival growth for 2015, considering the number of local and international MICE conventions held in 2015, such as the Asia-Pacific Economic Cooperation (APEC) and

the launching of "Visit Philippines." Mactan Island in Cebu is still the prime leisure destination, while Cebu City is now MICE-centric.

According to Cacho (2015), the following developments also boosted tourism arrivals to Cebu in 2015, such as: increased direct flights to other Asian countries, the promotion of countryside tourism in the southern part of Cebu, and the launching of its new brand "Cebu: Where Your Heart Sings," a project initiated by the Cebu Chamber of Commerce and Industry and Mega Cebu. In 2015, Conde Nast Traveler's 28th Readers Choice Awards ranked Cebu as the 19th place among the best islands in the world. For 2016, key players are expecting more exciting tourism action with the International Eucharistic Congress in January 2016, expecting 15,000 delegates, and the upcoming Philippine elections. DOT 7's target for tourism arrivals in 2016 is aimed at 5.82 million.

Thus, the capability of Cebu to service the needs of tourists, by improving its service quality, is critical to its ability to compete with other Asian nations, sustain and increase its market share. Aside from the availability of rooms and facilities, hospitality is crucial in the hotel industry, mainly because the market is about serving people. The proliferation of hotels in Cebu leads to competition, wherein hotels need to differentiate themselves not just through image and branding but also through the service they deliver to their guests. Due to this, the quality of service front-line employees provide to hotel customers is key in keeping visitors happy and coming back. Front-line employees are of great importance because they are the ones who are in direct contact with the hotel's guests and are the first line of defense against service failure (Tan, 2014). Kreitner and Kinicki (2013) supported that an environment of justice can greatly influence the type of customer service rendered by employees. This level of customer service tends to influence a customer's perception of "fair service" and their corresponding loyalty and satisfaction (Bowen, Gilliland, & Folger, 1999).

Therefore, hotels in Cebu were chosen for this particular study to investigate the role organizational justice plays in the level of job satisfaction of hotel employees, and whether this satisfaction in turn leads to excellent, quality, error-free customer service.

Framework

Various studies have proposed that job satisfaction is a consequence of organizational justice. For example, the study of Iqbal (2013) proposed that employees who are treated with organizational justice at work tend to exhibit positive work behaviors such as loyalty, continuous self-improvement, and having the organization's best interests at heart. Likewise, Usmani and Jamal (2013) reported that organizational justice is important in an organization, as the lack of this leads to employees being dissatisfied with their jobs by exerting less effort, low morale, increased absenteeism, and finally leaving the organization. Thomas and Nagalingappa (2012) verified these findings in their own study on white collar workers, where they discovered that the presence of perceived organizational justice in a company is positively correlated to high pay satisfaction, job satisfaction, and commitment. On the other hand, the lack of perceived organizational justice leads to high turnover.

Thus, job satisfaction as described by Locke (1976) in his range of affect theory on job satisfaction, is how the existence of organizational justice can influence such satisfaction positively or negatively. Locke's (1976) theory maintained that satisfaction is determined by a variance between what one wants in a job versus what one currently has in a job. Employees tend to give value to different facets of the job. For example, one may value good relationships with co-workers over work hours. This determines how satisfied or dissatisfied an employee is when expectations are met or unmet with regards to a particular item that he/she values.

Iqbal (2013) added that job satisfaction plays a critical role in employee productivity, which of course, leads to the overall progress of an organization. Employees tend to be satisfied when they feel they are fairly rewarded for a job they have done, in accordance to their contributions to the organization. Moreover, the reward given should be in line with the reward policies of the organization. In relation to this, Dugguh and Ayaga (2014) also indicated in their research on how recent empirical studies show a direct correlation between job satisfaction and employee performance in organizations. According to them, organizations that have work environments that attract, motivate, and retain hard-working employees are poised to succeed in an increasingly competitive

national and global environment that demands quality and cost-efficiency.

Meanwhile, Fatt, Khin, and Heng (2010) described how employees with high job satisfaction is important for an organization, as these employees tend to believe in the organization's direction and showed concern towards the quality of their work. These employees also showed more commitment to the organization, with higher retention rates and higher productivity. The results of their study suggested that committed employees tend to perform beyond what is simply required of them in order to meet customers' needs and were highly motivated to give best quality work. Such employee attitudes are crucial for customer commitment and loyalty, increased revenue, and organizational growth. Moreover, committed employees remained employed longer, were not tempted by competitive job offers, did not actively search for other employment, and would recommend the company to others as a good place to work. It also serves a company well to keep its employees, instead of constantly hiring new staff, as this lessens the costs in training new hires.

Colquitt, Conlon, Wesson, Porter, and Ng (2001) introduced that colloquially, the term "justice" is used to imply "oughtness" or "righteousness". In their meta-analytic review of organizational justice research, justice is considered to be socially constructed. Meaning, an act is considered "just" if most individuals perceive it to be so grounded on the basis of empirical research (Cropanzano & Greenberg, 1997).

In reference to Krietner and Kinicki (2013), they explained about a body of research that emerged in the late 1970s termed organizational justice. As a concept closely linked to Adam's equity theory, organizational justice displays the length to which people perceive they are treated fairly at work. There are three components of organizational justice being: distributive, procedural, and interactional. Distributive justice refers to the perceived fairness of the allocation or distribution of company resources and rewards; while procedural justice refers to the perceived fairness of the process and procedures used to make these allocation; whereas interactional justice refers to the quality of the interpersonal treatment people receive in the implementation of the process or procedures. In a nutshell, "it focuses on whether or not people feel they are treated fairly when decisions are implemented" (Krietner & Kinicki 2013). The perceived presence

of inequity can also create workplace sabotage and employee theft (Bowen, Cropanzano, & Gilliland, 2007). This can be personally painful for employees, as distributive injustice is linked to stress symptoms.

Bowen et al. (2007) pointed out three allocation principles that can create distributive justice if suitably administered: “equality (to each the same), equity (to each in accordance with contributions), and need (to each in accordance with the most urgency)” (p. 37). In terms of procedural justice, if the process is perceived as just, employees depict increased loyalty and willingness to behave in the organization’s best interests. The chances to betray the institution and its leaders are also less likely to happen. As cited in Miles (2012), Thibaut and Walker (1975, 1978) proposed that individuals were more tolerant of undesirable outcomes so long as the process used to allot those outcomes was fair. Lastly, for interactional justice, Bowen et al. (2007) disclosed two aspects to this type of justice: informational justice relates to whether one is truthful and provides sufficient explanation when things go awry; and interpersonal justice pertains to the respect and dignity with which one treats another. Since interactional justice emphasizes one-on-one dealings, employees often search for this from their supervisors.

Thus, Greenberg (2012) emphasized on the practical, common sense reasons for treating employees fairly. There are several effects when organizational justice exists in the workplace. For one, employees who have been treated unfairly respond negatively by putting in less effort, stealing from the company, doing poor quality work, resigning from their jobs, and suing their employers. But when employees perceive they are treated fairly, this leads to appealing behaviors such as helping fellow co-workers, or following organizational policies. Bowen et al. (2007) argued that having justice builds trust and commitment, improves job performance, fosters employee organizational citizenship behaviors, and builds customer satisfaction and loyalty. Robbins and Judge (2012) provided support to these findings that managers are indeed motivated to foster employees’ perceptions of justice as they wish to ensure compliance, maintain a positive identity, and establish fairness at work.

The paper of Greenberg (2012) studied 4,539 employees from 783 departments in 97 different hotels. He discovered that departments with employees who

felt unfairly treated suffered increasingly higher rates of turnover and lower levels of customer satisfaction than those with employees who felt fairly treated. This study ties in with Locke’s (1976) range of affect theory on job satisfaction as mentioned earlier, and how the existence of organizational justice can influence such satisfaction positively or negatively.

Important additions to reinforce this come from Robbins and Judge (2012), where they have culled from various studies that happy workers tend to be more productive workers. Happy employees in turn, emit organizational citizenship behaviors such as talking positively about the organization, helping others, and doing more than expected. Satisfied, happy employees also lead to increased customer satisfaction and loyalty (Bowen et al., 1999). They also have lower rates of absenteeism, turnover, and workplace deviance.

Therefore, it is hypothesized that:

Hypothesis 1: Distributive justice positively affects job satisfaction.

Hypothesis 2: Interactional justice positively affects job satisfaction.

Hypothesis 3: Procedural justice positively affects job satisfaction.

Objective of the Study

Recently, publications with an Asian context have greatly increased, as can be seen in the studies of Iqbal (2013), Usmani and Jamal (2013), Thomas and Nagalingappa (2012), Fatt et al. (2010), and Dugguh and Ayaga (2014). The general sentiments of these articles are consistent with that of the Western context, such as studies by Fulford (2005), Chen-McCain, Tsai, and Bellino, (2010), wherein they reported on organizational justice having an indirect positive impact on job satisfaction and commitment by major casino-hotel workers in the United States. Rai’s (2013) research on health and rehabilitation workers in the United States revealed that distributive and procedural justice influence employees’ job satisfaction, organizational commitment, and turnover intentions. Another interesting cross cultural study by Pillai, Williams, and Justin Tan (2001) explored the role of procedural and distributive justice in influencing supervisory trust, job satisfaction, and

organizational commitment in work settings in the US, India, Germany and China (Hong Kong). Organizational justice was discovered to be an important predictor of trust among all the respondents, indicating the importance of such a concept across the different cultures tested.

It would be interesting to see if given the Philippine context, and its increasing importance in the global hospitality industry, will the findings be consistent with the above sentiments? For example, as captured in a case study by Gainer (2015), the national culture of service delivery in the Philippines is a slow, long, and tedious process due to a lot of red tape. Citizens have to resort to bribes in order to expedite basic delivery of services such as obtaining a driver's license or passport, earning the country the moniker "Sick Man of Asia." In the researchers' own experience in purchasing items at the malls, or during check-in time in the local hotels, there is a long line and process before they can be accommodated. Overall, the staff delivering the service in Cebu has no sense of urgency, as compared to their Western counterparts where everyone works at a faster pace. Moreover, based on the researchers' own hotel industry work experience and observations in Cebu, Philippines, favoritism exists, high and rampant in the local hospitality industry. Research studies by Andres (2002) and Jocano (1988) indicated Filipinos as being collectivist in orientation, put more value in interpersonal relationships, which is reflective of interactional justice. Moreover, Asuncion (2008) also found that providing group rewards over individual rewards to employees are given more value by Filipino employees. This recent finding is reflective of distributive justice.

After a thorough review of literature, several Filipino studies (Andres, 2002; Asuncion, 2008; Jocano, 1988) have somehow indicated that the three factors of organizational justice may have a different influence towards job satisfaction in the Filipino context compared to a Western context. This research attempts to add to the literature on Filipino workers and how organizational justice affects their job satisfaction with regards to fairness of manager/supervisor to staff relationships, pay, and schedule (among others). Due to the different cultural context mentioned, this paper seeks to determine the influence of the three components of organizational justice on job satisfaction of Filipino workers.

Methodology

Three hundred Likert scale survey questionnaires were sent out to various hotels in Metropolitan Cebu. The researchers coordinated with the Human Resources departments of the hotels, and the HR staff disseminated the survey to their staff, who was given three to four weeks to answer. The participants were assured of confidentiality when they answered and submitted the questionnaires, and that the responses would not affect their job tenure or position in any manner. Of the 300 questionnaires, 254 were returned. The survey participants came from various departments of nine participating hotels in Cebu. Non-probability sampling technique, such as convenience sampling was used in selecting the participants, who were from the following departments: Front Office, Food & Beverage, Housekeeping, Sales & Marketing, Human Resources, Maintenance, Kitchen, Finance, Butchery, POMECH (Engineering), Operations, Administration, Security, and the Executive Office.

The respondents were required to answer 15 questions derived from a similar study by Usmani and Jamal (2013) based on the three components of organizational justice (the independent variables) and the researchers added three questions to measure job satisfaction (the dependent variable).

SPSS (Statistical Package for Social Sciences) AMOS 21 (Analysis of Moment Structures) was used to analyze the data. We applied the structural equation modeling (SEM), in particular Confirmatory Factor Analysis, as a method of inquiry because the observed items of the latent constructs of the three dimensions of organization justice were presented and validated by Cropanzo, Rupp, Mohler, and Schminke (2001), using SEM, from which Usmani and Jamal (2013) adapted their questions from. Other papers on organizational justice have also used CFA and SEM in their analysis such those of Nicklin, McNall, Cerasoli, Strahan, and Cavanaugh (2014), Moorman (1991), Niehoff and Moorman (1993), Colquitt (2001), and Pillai et al. (2001), wherein they tested theoretical models via structural equation analysis and verified the importance of organizational justice in influencing or having a positive effect on employees' organizational commitment, perception of fairness, and trust, among others. In the present study, we used SEM with the three factors (e.g., interactional, procedural, and distributive) as predictors of job satisfaction.

These particular statistical methods were used for this study for us to prove the factor structure of a set of observed variables. Confirmatory factor analyses supported a 3-factor structure to the measure, with distributive, procedural, and interactional justice as distinct dimensions. This analysis matched the data results significantly better. Meanwhile, structural equation modeling also demonstrated predictive validity for the justice dimensions on important outcomes, such as organizational commitment and perceived fairness at work.

The latent constructs were operationalized by applying the items that Usmani and Jamal (2013) used in their study. The following sentences were to define the interactional justice: (1) When decisions are made about my job, my manager/supervisor deals with me in a truthful manner; (2) When decisions are made about my job, my manager/supervisor is sensitive to my personal needs; (3) When decisions are made about my job, my manager/supervisor treats me with respect and dignity; (4) When decisions are made about my job, my manager/supervisor shows concern for my right as employee; and (5) When decisions are made about my job, my manager/supervisor treats me with kindness and consideration. For data analysis, independent variables “x1” to “x5” were assigned to each item, respectively.

The following set of sentences were to define the procedural justice: (1) My manager/supervisor clarifies decisions and provides additional information when requested by employees; (2) To make job decisions, my manager/supervisor collects accurate and complete information; (3) My manager/supervisor makes sure that all employee concerns are heard before job decisions are made; (4) All jobs decisions are applied consistently to all affected employees; and (5) Employees are allowed to question or appeal job decisions made by their managers/supervisors. For data analysis, variables “x6” to “x10” were assigned to each item, respectively.

The next set of sentences were to define the last dimension, distributive justice: (1) I consider my work load to be quite fair; (2) Overall the rewards I receive are quite fair; (3) My work schedule is fair; (4) I think that my pay is fair; and (5) I feel that my job responsibilities are quite fair. For data analysis, variables “x11” to “x15” were assigned to each item, respectively.

Finally, the last set of sentences were to measure job satisfaction: (1) I am happy with my work; (2) If there are other job opportunities available, I will still stay and work in this hotel; and (3) If given the chance, I want to work elsewhere. For data analysis, variables “y1” to “y3” were assigned to each item, respectively. The participants were asked to rate the questions using a Likert scale from 1 (strongly disagree) to 5 (strongly agree).

Results

Table 1 shows the descriptive statistics of the respondents. Out of the 254 participants surveyed, 74 percent (188 respondents) came from the staff, 20 percent (52 respondents) from supervisors, and six percent (14 respondents) from managers. Fifty-two percent (133 respondents) were female, almost two-thirds (156 respondents) were single, and around half (126 respondents) belong to the 25 to 34 years old range. In terms of education, 72 percent (182 respondents) are college graduates, 16 percent (40 respondents) have some college education, eight percent (20 respondents) are high school graduates, four percent (10 respondents) finished a master’s degree, one respondent finished a law degree, and another respondent an associate degree. Fifty-seven percent (144 respondents) have one to less than five years of work experience, 38 percent (96 respondents) have less than one year experience, and four percent (11 respondents) have five to less than 10 years of experience, while one percent (3 respondents) has more than 10 years of hotel experience. Fifty-seven percent (145 respondents) receive a monthly salary of less than P10,000; 38% (97 respondents) receive a monthly salary of P10,000 to P29,999, while 5% (11 respondents) receive a monthly salary of more than P30,000.

The top three departments that the respondents work in are in Housekeeping (30%, 75 respondents), Food & Beverage (27%, 68 respondents), and Front Office (20%, 50 respondents). Other departments the respondents work in are the following: Sales (23 respondents), Human Resources, Security (with 7 respondents each), Finance (4 respondents), Maintenance, Butchery (with 3 respondents each), Kitchen, Engineering (with 2 respondents each), and Marketing (1 respondent). The respondents also came from the Head of Operations

Table 1. Descriptive Statistics of Respondents, $n = 254$

Gender	# of respondents	Age	# of respondents	Educational Attainment	# of respondents
Male	121	less than 25 years	85	Graduate Degree	11
Female	133	25 - 34 years old	126	College Degree	182
Marital Status		35 - 44 years old	34	Some College Education	40
Single	156	more than 45 years	9	Associate Degree Grad	1
Married	98			High School Grad	20
Monthly Salary		# of years working			
less than P10,000	145	less than 1 year	96		
P10,001 to P29,999	97	1 to 5 years	144		
more than P30,000	11	5 to 10 years	11		
		more than 10 years	3		

Table 2. Summary of Descriptive Statistics of Three Factors of Organization Justice and Job Satisfaction

Organizational Variable	Score	
	M	SD
Interactional Justice	2	0.31
Procedural Justice	3.92	0.66
Distributive Justice	3.9	0.68
Job Satisfaction	3.28	0.6

and the Executive Office (with 1 respondent each), and two respondents from the Administration.

Table 2 shows the mean and standard deviation of the three factors of organizational justice and job satisfaction. On average, respondents showed less agreement with their experience on interactional justice ($M = 2.0$, $SD = .31$). On the other hand, respondents on average showed strong agreement with their experience on both procedural ($M = 3.92$, $SD = .66$) and distributive ($M = 3.9$, $SD = .68$) justice. Lastly, respondents exhibited somehow moderate satisfaction with their jobs ($M = 3.28$, $SD = .6$).

Confirmatory Factor Analysis (CFA) was used to determine the relationships among the constructs since the observed variables are assigned to a single factor (construct) based on the organizational justice and job satisfaction theories. For this research, items x1 – x5 measure interactional justice, items x6 – x10 measure procedural justice, while items x11 – x15 measure distributive justice. Items y1 – y3 measure job satisfaction.

AMOS 21 was used to perform data analysis on the items. Table 3 shows the results of the confirmatory factor analysis. The magnitude of the loadings for the independent variables ranged from 0.58 to 0.86, and each item loaded significantly (t -values > 2.00 , $p < 0.001$) on its respective underlying concept. Hair, Black, Babin, and Anderson (2010) proposed that loadings should be at least 0.50. The modified model has a relatively good fit, $\chi^2/DF = 240.973/125$ (CMIN=1.928), RMSEA = 0.066, SRMR = 0.029 and CFI = 0.953. According to Hair et al. (2010), CMIN/DF should be less than 3.0, while RMSEA and SRMR should be less than 0.08, with $CFI \geq 0.95$.

The size of the factor loading and all significant loadings reinforce the concurrent effectiveness of the scale (Hair et al., 2010). The results revealed that all factors essentially calculated the same constructs.

Table 3. CFA Results of the Three Dimensions of the Organizational Justice

Measurement	Standard Coefficient	t-value	Cronbach Alpha	Average Extracted Variance***
x1 ← IJ	.753	13.68*		
x2 ← IJ	.582	6.79*		
x3 ← IJ	.845	27.57*	0.883	0.613
x4 ← IJ	.863	28.26*		
x5 ← IJ	.837	20.20*		
x6 ← PJ	.762	17.82*		
x7 ← PJ	.794	24.67*		
x8 ← PJ	.833	29.48*	0.878	0.585
x9 ← PJ	.716	16.61*		
x10 ← PJ	.712	15.43*		
x11 ← DJ	.760	13.73*		
x12 ← DJ	.737	15.17*		
x13 ← DJ	.707	14.64*	0.858	0.53
x14 ← DJ	.685	13.24*		
x15 ← DJ	.747	17.62*		

Notes: JS = job satisfaction, IJ = interact justice, PJ = procedural justice; DJ = distributive justice

* t-values significant at $p < .001$

** t-values significant at $p < .10$

***average extracted variance was computed by taking the average of the squared multiple correlations of all items belonging to a particular latent variable.

To test for scale reliability, Cronbach's alphas were derived from SPSS AMOS 21 (Table 3) and the results suggest a good internal consistency of the three scales (SPSS guide). To test for discriminant validity, all the items were assigned to one factor and the fit indices were as follows: CMIN/DF = 4.765, CFI = 0.819, and RMSEA 0.122. The fit of one-factor model is significantly different from the three factor model proposed in the study, and the indices show that the one-factor model does not have a good fit.

Figure 1 and Table 4 display the standardized estimates (results) of the hypothesis testing. Not all the path coefficients were statistically significant and in the expected direction. The results suggest that distributive and interactional dimension of the organizational justice positively affect job satisfaction (coefficient of 0.958 and 0.222, respectively), while procedural justice negatively affect job satisfaction. Results also show that only distributive justice significantly affect job satisfaction ($p < 0.001$), while interactional

justice is significant but at the 10% level. Therefore, the results provide strong support for hypothesis 1 (distributive justice positively affects job satisfaction), weak support for hypothesis 2 (interactional justice positively affects job satisfaction), and no support for hypothesis 3 (procedural justice positively affects job satisfaction).

Discussion and Implication

This study investigates the influence of organizational justice on job satisfaction. The results suggest that the perceived fairness of the distribution of company resources and rewards significantly and positively affect job satisfaction of employees, while perceived fairness on interactional treatment also positively affect job satisfaction but to a lesser degree of significance ($p < .10$). In addition, the magnitude of influence of the distributive justice is high (coefficient

Table 4. *Coefficient Estimates*

Measurement	Standard Coefficient	t-value
Job Satisfaction ← Interactional Justice	.222	1.82**
Job Satisfaction ← Procedural Justice	-.415	-1.35
Job Satisfaction ← Distributive Justice	.958	3.08*
y1 ← Job Satisfaction	.840	11.55*
y2 ← Job Satisfaction	.436	6.72*
y3 ← Job Satisfaction	-.050	-0.54

Notes: * t-values significant at $p < 0.001$
 ** t-values significant at $p < 0.10$

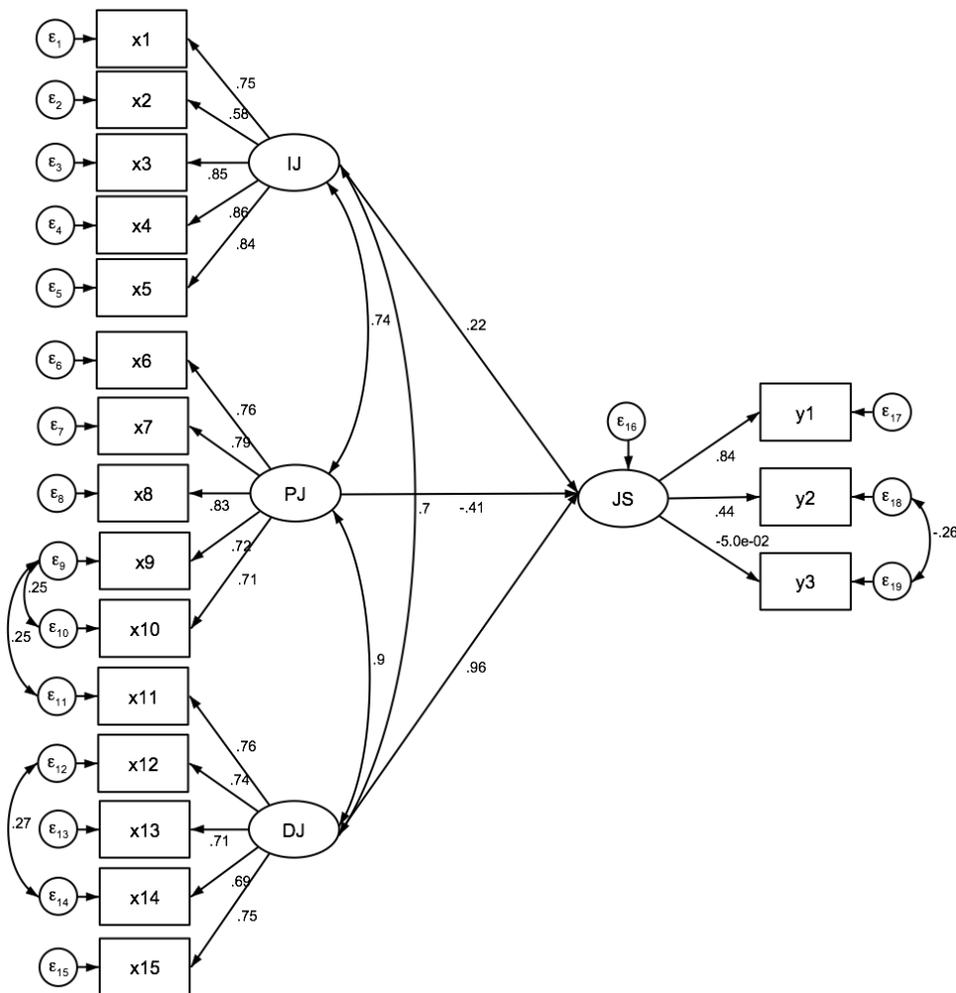


Figure 1. *Estimates of the dimensions of organizational justice and job satisfaction.*

of 0.96), this means that when distributive justice goes up by 1 standard deviation, job satisfaction goes up by 0.96 standard deviations.

The research results support the theory hypothesis stated earlier. These findings are relevant to address how to improve the quality of service being given by hotel staff to guests. By knowing the current perception of staff regarding how they are treated at work, the hotel management would know where to improve in providing fair treatment to the staff, so they in turn, could work more effectively and productively because they (staff) have job satisfaction.

Past studies, such as that of Usmani and Jamal (2013), described a similar hypothesis and results which indicate how the dimensions of organizational justice positively impact job satisfaction. Specifically, their research revealed that out of the three dimensions of organizational justice analyzed, distributive and interactional justice in particular have a positive effect on job satisfaction. They investigated the relationship between organizational justice and job satisfaction in Pakistan, particularly the employees in the banking sector in the metropolitan city of Karachi. Their findings showed that a significant relationship exists between distributive justice, interactional justice, temporal justice (the fair distribution of time), and job satisfaction. Likewise, the empirical study by Thomas and Nagalingappa (2012) on professionals from various fields yield familiar results, that distributive and interactional justice have a positive impact on pay satisfaction, job satisfaction, commitment, and turnover intention. Meanwhile, López-Cabarcos, Machado-Lopes-Sampaio, and Vázquez-Rodríguez (2014) mentioned how their study surveyed employees at four- and five-star hotels in the north of Portugal and found that employees who feel they are treated fairly have developed higher levels of job satisfaction, and, in turn, higher levels of organizational commitment. One of their results showed that distributive justice and interactional justice do in fact influence job satisfaction.

Contrary to various studies stated above, this particular research affirms that procedural justice may not influence job satisfaction as proposed, as in this case of hotel employees from the nine hotels in Metropolitan Cebu. The results suggest that perceived fairness of the process of allocation *does not* significantly affect job satisfaction and the findings were not as hypothesized. The negative coefficient even suggest that as fairness

in the process goes up by 1 standard deviation, job satisfaction goes down by 0.41, which is inconsistent with all other studies. A possible explanation for this inconsistency could be the influence of culture. One of the six dimensions of the model of national culture the team of Professor Geert Hofstede (geert-hofstede.com) developed is the power distance index. According to the Dutch sociologist, the “power distance is the degree to which less powerful members of institutions and organizations accept that power is distributed unequally” (Sweetman, 2012, par. 3). This implies that lower ranked employees do not expect equality in treatment with the higher level supervisors, and that lower ranked employees may easily accept the decisions of their leaders, without question. Hence, the fairness in the process of how resources were distributed may not necessary influence job satisfaction of the lower ranked employees. Based on the Hofstede website (geert-hofstede.com), the Philippines has a relatively high power distance index (PDI) of 94, which implies that the nation “accepts a hierarchical order” in which subordinates accept the fact that there may be inequality in a process. Also, as mentioned earlier, we have experienced favoritism, high and rampant in the local hospitality industry. This might possibly be a factor on why these research findings show no support for hypothesis 3, that procedural justice positively affects job satisfaction, because the process and procedure of the allocation are not important for the Cebuano hospitality staff due to favoritism. The workers seem to accept this (favoritism) as a given.

The results of this study unveil several managerial implications. First, procedural justice in this case does not influence job satisfaction. Research by Bakhshi, Kumar, and Rani (2009) also showed that procedural justice was not found to be related to job satisfaction. However, they discovered that it was significantly related to organization commitment. This is an important concern, since as mentioned earlier by Bowen et al. (2007), having justice builds trust and commitment. The studies by Iqbal (2013), Usmani and Jamal (2013), and Thomas and Nagalingappa (2012) expressed the same sentiments that organizational justice leads to higher levels of commitment to the organization on the part of the employee. If this is addressed properly, this could lead to higher employee retention.

Secondly, how will management sustain and maintain the current perception of fairness with regards

to distributive and interactional justice? In this case, the hotel staff are most affected by the rewards they receive, and somewhat affected by how they are treated in the organization. The hotel management must continuously ensure that the rewards received by the employees are fairly allocated, and that they are being treated appropriately.

Lastly, what measures can management take to guarantee that employees perceive organizational justice exists in the workplace so as to add to their job satisfaction, which could lead to better job performance, and a more effective organization overall in terms of productivity and output. According to research by Bakhshi et al. (2009), those who perceive there is justice in their organizations are more likely to be satisfied with their jobs, are less likely to leave, and be more committed to their work.

Thus, this current study aims to provide management with insights into the relationship between perceived organizational justice, work attitudes, and how to manage employees using organizational justice in order to elicit positive attitudes and behaviors from them. This present study should also assist management with a better understanding on how to retain quality employees, increase employees' commitment and satisfaction with their job, reduce employee turnover, and improve their performance. This is critical, since as mentioned by Greenberg (2012), Robbins and Judge (2012), Iqbal (2013) and Bowen et al. (1999) earlier, employees who felt unfairly treated suffered increasingly higher rates of turnover and lower levels of customer satisfaction than those comprised of employees who felt fairly treated; happy, satisfied workers tend to be more productive workers; and that satisfied, happy employees also lead to increased customer satisfaction and loyalty.

As for Cohen-Charash and Spector (2001), they described in their research how they examined the overlapping coordinates of distributive, procedural, and interactional justice using 190 studies samples, totaling 64,757 participants. Job performance and counterproductive work behaviors, considered to be effects of perceived justice, were mainly related to procedural justice, whereas organizational citizenship behavior was related to distributive and procedural justice. In addition, although organizational commitment and trust were mainly related to procedural justice, they were also substantially related to the other types of justice.

This study also has its limitations. We were constrained by assessing organizational justice and its effect on job satisfaction on the staff only. We would have wanted to do a dyadic approach and see how job satisfaction affects customer satisfaction, such as giving the hotel guests questionnaires too, but the hotel management requested for the privacy of the guests. Future researchers may replicate the study on other industries, or a follow up study can be done with a focus on the customer satisfaction dimension.

Conclusions

The results show strong support for hypothesis 1 (distributive justice positively affects job satisfaction), weak support for hypothesis 2 (interactional justice positively affects job satisfaction), and no support for hypothesis 3 (procedural justice positively affects job satisfaction). These results imply that for the hotel employees, in terms of distributive justice (the perceived allocation of rewards, pay, rights, resources, among others), they are most affected by the allocation that they receive (whether fair or not) and how it correlates to their job satisfaction. How they are treated (interpersonal justice) is somewhat significant with regards to being satisfied on the job. Procedural justice (how the allocation was done) does not significantly affect the hotel staff in their job satisfaction. Thus, based on the results of this particular study, the perception of distributive and interactional justice in the hotel setting must be enforced, in order to increase job satisfaction, which would most likely lead to customer satisfaction and loyalty. Even if distributive, interactional, and procedural justice are followed, policies and procedures must be implemented without bias, favoritism, and with consistency despite if it is being given to a staff, manager, or supervisor.

Recommendations

Greenberg (2012) offered the following worthwhile proposals in encouraging organizational justice in the workplace: providing workers adequate compensation; allowing employees a "voice" to speak out and be heard and listened to; showing transparency in implementing and carrying out fair procedures; telling decisions in a manner that shows dignity and respect for the person;

and inculcating in employees what it means to be fair through training, case studies and exercises to increase their sensitivity to justice at work. Rai (2013) further suggested, based from organizational justice research findings that if organizations want to improve job satisfaction and organizational commitment while lessening employee turnover, more focus needs to be given to developing programs, policies, and leadership styles that encourage fairness at work.

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