

The Effect of Organizational Justice on Organizational Cynicism and Turnover Intention: A Research on the Banking Sector

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Abstract

The aim of this study is to identify the effect of organizational justice on the relationship between organizational cynicism and turnover intention. In this regard, a field study has been conducted banking employees in the province of Konya. The data used in the study was obtained via questionnaire method. Data were analysed by SPSS (22.0) and descriptive statistics, analyses of regression were performed to achieve results. The findings of the study revealed that there is a negative and statistically significant relationship between organizational justice and organizational cynicism. Besides this, there is a negative and statistically significant relationship between organizational justice and turnover intention.

Keywords: Organizational justice, organizational cynicism, turnover intention.

1. INTRODUCTION

The notion of fairness, or justice, has become an increasingly important concept in the social psychology. Efforts to explain the impact of justice on effective organizational functioning have come under the rubric of organizational justice research (Greenberg, 1987, 1990). Research on organizational justice has demonstrated that concerns about fairness can affect the attitudes and behaviors of employees (Colquitt & Greenberg, 2003). Organizational justice refers to the extent to which employees perceive workplace procedures, interactions and outcomes to be fair in nature. Turnover intention has been found to have an inverse relationship to organizational justice. The relationship between turnover intention and

organizational justice have been supported in several studies (Aryee et al., 2002; DeConnick and Stilwell, 2004; Loi et al., 2006). Despite these findings, little examination has been made of the impact of organizational justice on organizational cynicism and turnover intention. The purpose of the present study examined the relationship between organizational justice, organizational cynicism and turnover intention. The subsequent section of this article reviews existing research on before organizational cynicism and turnover intention linking both to organizational justice. Specific hypotheses are also presented.

2. THEORETICAL FRAMEWORK

2.1. Organizational Justice

Organizational justice is essentially based on the equity theory developed by Adams. Equity theory focuses on individuals' view of fairness about decisions of distribution within the organization, and on individuals' reaction to the unfair circumstances within the organization (Mowday and Colwell, 2003). Moreover organizational justice is the perceiving of justice appearing in the mind of the employee regarding the practices in the workplace (Greenberg, 1990). According to Colquitt (2001) and Greenberg and Colquitt (2005), organizational justice is expressed in three dimensions which are distributive justice, procedures justice and interaction justice. Distributive justice is a perceived justice of an employee that faces work related results like awards, duties and responsibilities. These results occur at the end of his work as a comparison of his contributions to work and the results of other employees (Greenberg, 1990). Distributive justice perception relates to if earnings within the organization is suitable, right and moral (Folger and Cropanzano, 1998). It is about results of fair distribution faced by employees (Andersson et al, 2007). Distributive justice refers to the degree of fairness as noticed by individuals about the distribution, to the overall organization, of the organizational results such as income, premium, promotion and social rights (Folger and Konovsky, 1989; Dailey and Delaney, 1992; Cohen and Spector, 2001). The emphasis is on procedural justice, which contrasts with the emphasis on distributive justice in previous works (Nowakowski and Conlon, 2005). Procedural justice refers to views on the fairness employed in decision-making by the organization (Scandura, 1999). Procedural justice is termed a signal of emotional, cognitive and behavioral reactions, such as organizational participation, to the organization (Cohen and Spector, 2001). Interaction justice as a concept points to the nature of relations between individuals. It is defined as a third type justice, different from procedural justice and distribution justice, showing that attitudes must be founded on moral and ethical values. It has been expressed that attitudes of this nature will bring mutual sensitivity along (Folger and Cropanzano, 1998).

2.2. Organizational Cynicism

The word of cynicism has been derived from the words of "Zynismus" formerly and "Kynismus" later on. Nietzsche also used cynicism as "Cynismus" in the 19th century. In the English literature this word is used as "Cynicism" (Shea, 2009: 2). Cynicism is an attitude of being pessimistic about secret and undisclosed purposes of people and explaining the events in a disappointed way; a tendency of caring about the others and managing the business just as a tool for protecting and improving their benefits (Moutner, 1997: 119; Tokgöz and Yılmaz, 2008:

285). Anderson and Bateman (1997) named a person as “cynical” who believes in that people solely look after their own interests and value their own interests above everything and accepts everyone as self-seeker accordingly and named the thought describing this situation as “cynicism” (Anderson and Bateman, 1997: 449-469; Altınöz et al, 2011: 289). Besides definitions explaining cynicism as a personal property and feeling of individual, in many researches cynicism is defined as a negative attitude towards changing environmental factors (Anderson and Bateman, 1997: 450). Individuals can show these negative attitudes towards their organization as well as changes in their environment. In this respect, the concept of organizational cynicism is developed. Organizational cynicism is negative attitude of the individual to the organization (Dean et al, 1998: 345). This negative attitude comes up with the emergence of the faith of lack of integrity towards the organization in which person works (Abraham, 2000: 270).

Although many definitions were produced about cynicism, one of the most commonly used definitions is that of Dean et al. (1998). According to Dean et al. (1998), the concept of organizational cynicism is negative attitudes that employee develops about his/her organization that employ him/her and these attitudes are handled in three dimensions (Dean et al, 1998: 345). According to the cognitive dimension of organization cynicism, individuals showing cynical attitudes have some certain beliefs. Accordingly, organizations lack a solid understanding of organizational principles and official rules are ignored by employees. In these organizations, there are no such criteria as honesty, sincerity and justice. Relations are carried out depending on the individual interest and there is no confidence in the other employees in the organization (Balıkçioğlu, 2013: 23). The affective dimension is the second dimension of organizational cynicism. This dimension of the organizational cynicism involves strong emotional reactions such as disrespect, anger, annoyance and embarrassment (Yüksel, 2015: 16). For example, cynical employees can feel anger and indignation towards their organization and they can hold in disrespect their organizations (Ahmadı, 2014: 25). According to the behavioral dimension, individuals having cynical attitudes make pessimistic predictions about the future events within the organization. They can act in a negative way and most of the time they can behave in a way that humiliate the other people (Kalağan, 2009: 48). In this dimension, these cynical people use humour and sarcastic humour to express their cynical attitudes. Thus, with their cynical attitudes, these people can mock with the organizational purposes, can rewrite their job descriptions and can make insulting comments.

2.3. Turnover Intention

The concept of turnover intention is expressed as “the conscious and deliberate decision and intention about leaving the organization” (Bartlett, 1999: 70). Turnover intention is defined as a conscious and deliberate willingness to leave the organization. According to Jaros (1997), turnover intention reflects the continuous and also general cognitive arousal toward leaving the organization This arousal states whether or not the employee thinks of leaving, searching for the opportunity of another employment, and the way of turnover intention (Ceylan ve Bayram, 2006: 106). Turnover intention, in case that the employees are unsatisfied from the work conditions, is defined as the subversive and active actions they showed (Çarıkcı and Çelikkol, 2009: 160). Considering that the cost of managerial mistakes conducted to keep well –trained

and effective employees in hand, Mobley (1977) pioneered to the research trying to understand why humans leave their jobs (Çakar and Ceylan, 2005: 57). Mobley (1977) stated that dissatisfaction caused the thought of leaving. Turnover intention stands out as one of the withdrawal behaviors of employees and is defined as “being alienated of the individual from the organization and his/her coming to the search for a new job”(Martin, 1979: 316; Mobley, 1982: 112; Moore, 2000: 145; Marsh and Mannari, 1977: 58).

3. METHODOLOGY

In forming the dataset of this study, survey method is conducted on the banking sector in Konya. The data of the study was collected via face-to-face interviews with the respondents by means of a standard questionnaire, prepared considering Likert scale. The item in the scales were scored as 1=“I definitely agree with” and 5 = “I definitely disagree with”. In the study, in the determination of employees who will be included in the convenience sampling method, used in the similar studies (Cui et al., 2003; Zhou, 2004) was preferred. Since convenience sampling enable to quickly access to large amount of data, it is a favorable method. In the study, organizational justice is assessed with the scale developed by Niehoff and Moorman (1993) and in order to determine the levels of organizational cynicism of the employees is assessed with the scale developed by Dean et al. (1998). Turnover intention is assessed with the scale developed by Singh et al. (1996).

In calculation of sample size, the method of Yazicioğlu and Erdoğan (2004: 50) was utilized. The authors calculated the number of survey that is necessary to be done as 217 for confidence value of $\alpha = 0.05$ and sample error of 0,05, in case that the rate of observing and non- observing is accepted as equal and there is a sample size of 500 people. In this context, the rate of questionnaire that is necessary to be returned is about 44%. In the banking sector in which the study is carried out, 425 employees and as a result of application that is made, 256 questionnaires that are suitable for assessment were obtained. In this context, the return rate obtained is about 60,2% and it can be said that it has the power to represent the main mass. The hypotheses developed in the scope of study are put in order as follows. Data collection started at the end of January, 2016 and lasted 2 months. As of December, 2015 (BRSA, 2016), the number of employees working at private commercial banks was approximately 217,504 employees. Given the difficulties of reaching all employees throughout Turkey, data were only collected from the branches located in Konya. Data obtained from questionnaires was analyzed through the SPSS statistical packet software (v.22). The items reliabilities were tested through Cronbach’s Alpha analysis and proposed relations and hypotheses were tested through regression analyses. This study, which aims to determine relationships between organizational justice, organizational cynicism and turnover intention on the employees of a banking sector in the province of Konya. In direction of this aim the hypotheses developed in the scope of study are put order as follow:

H1: There is a negative and statistically significant relationship between organizational justice and organizational cynicism.

H2: There is a negative and statistically significant relationship between organizational justice and turnover intention.

72% of those participating in the study is male, and 28% is female. 82% of the participants were university graduates. Most ranged in age from 25-35 years (48.5%), followed by 35-45 years (23%), and 18-25 years (21.8%). As for employment tenure, most participants had 1-5 years of work experience (41.2%); followed by 6-10 (29.1%), and 11–15 (13.9%).

Table 1. Reliability Analysis Results of Scales

Scale		Item Number		Cronbach's α
Organizational Cynicism		13		.833
Organizational Justice	Interaction Justice	8	18	.935
	Distributive Justice	6		
	Procedures Justice	4		
Turnover Intention		4		.836

Cronbach's Alpha was used in order to determine the reliability levels of the scales. It can be seen that the Cronbach's Alpha level of the questionnaires were confident at high degree ($0,60 > \alpha > 0,80$). According to Table 1, both scales had Alpha values higher than 0.70 which is the accepted reliability value in the literature.

Table 2. Correlation Analysis Results

Scale	Mean	Std. Dev	1	2	3	4	5	6
1 Organizational Cynicism	2.54	.64	1	-.357*	-.077	-.155	-.255*	.472*
2 Interaction Justice	3.42	.84	-.357*	1	.610*	.631*	.907*	-.373*
3 Distributive Justice	2.97	.78	-.077	.610*	1	.673*	.856*	-.234
4 Procedures Justice	2.93	.82	-.155	.631*	.673*	1	.831*	-.168
5 Organizational Justice	3.16	.71	-.255	.907*	.856*	.831*	1	-.324*
6 Turnover Intention	2.28	.89	.472*	-.373*	-.234	-.168	-.324*	1

Note: **p<.001, *p<.05.

When Table 2 is examined, it can be said that the answers of participants associated with each dimension predominantly range in the high level. In other words, the level of organizational cynicism is low level. While the scores of the dimension of organizational justice which is interaction justice, distributive justice, procedures justice are at high level in the context of scale. And also, the level of turnover intention is low level. According to the results of the correlation analysis, a negative and significant relationship has been determined between organizational cynicism and interaction justice ($r = -0.357, p < 0.05$), and there is a significant relationship has been determined between organizational cynicism and turnover intention ($r = 0.472, p < 0.05$). Moreover, negative and significant relationship has been determined between interaction justice and turnover intention ($r = -0.373, p < 0.05$). Besides this there is positive and significant relationship between organizational cynicism and turnover intention ($r = 0.472, p < 0.05$).

Table 3. Regression Analysis Results of Organizational Justice, Organizational Cynicism and Turnover Intention

Depent Variable	Independent Variable	β	B	Std. Error	t	R ²	ΔR^2	F
Organizational Cynicism	Interaction Justice	-.378*	-.498	.048	-7.928	0.159	0.152	24.903*
	Distributive Justice	.177*	.217	.054	3.297			
	Procedures Justice	.01	.013	.053	0.197			
Turnover Intention	Interaction Justice	-.419*	-.441	.066	-6.64	.150	.143	23.260*
	Distributive Justice	-.08	-.091	.075	-1.213			
	Procedures Justice	.15	.163	.074	2.223			

Note: *p<.05.

When the results of regression analysis were examine that organizational justice has an effect on organizational cynicism and the levels of organizational justice accounted for the variance on organizational cynicism in the rate of 15,9%. In addition it was concluded that the model put forward was statistically significant ($p < 0,05$) and that organizational justice negatively affected the organizational cynicism ($R^2 = 0.159$). So H1 is fully supported. Furthermore, from Table 3, it can be seen that there is negative and statistically significant relationship between organizational justice and turnover intention ($R^2 = 0.150$). In addition, it

was concluded that the model put forward was statistically significant ($p < 0,05$). In this case it is observed that H2 is provided. It Therefore, it can be concluded that organizational justice has effect on the relationship between organizational cynicism and turnover intention. According to these results, all the hypothesis are accepted.

CONCLUSION

In this study, the effect of the organizational justice, organizational cynicism and turnover intention on banking services sector in Konya was examined. The results of research suggested that organizational justice were negatively associated organizational cynicism and turnover intention. The study has several limitations that should be underlined. The present study was conducted in a single country setting in Turkey, the generalization power of the results of study remains weak. In terms of the studies carried out in the future, the study can be restudied with a larger sample. The present research can be conducted in other countries of the world and the result can be compared. It is necessary to take into consideration that the study was evaluated through the data belonging to a certain time slice. Since this study was carried out only in the province Konya, when the questions, whose answers are searched for and the hypotheses are taken into consideration, it can be said that realizing a longitudinal study as method of data collecting is a more appropriate approach.

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