

# The Mediation Role of Organizational Commitment and Job Satisfaction in the Effect of Perception of Organizational Justice on Intention to Leave: Evidence from Ethiopia Textile Industry

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**Abstract:** *This research examined the mediating role of organizational commitment dimensions and job satisfaction in the effect of organizational justice dimensions on intention to leave among Ethiopian textile industry employees. All employees of Ethiopian textile industry were chosen as statistical population of the study. Data were collected using the survey questionnaire and 293 employees of six textile factories in Ethiopia were responding to the questionnaire. Descriptive statistics, Pearson correlation, multiple regression, and process macro of mediation analysis were used to test the hypotheses of this study. The process macro result of this study revealed that continuance commitment, normative commitment, and job satisfaction mediate the effect of the three dimensions of organizational justice (distributive justice, procedural justice, and interactional justice) on intention to leave and affective commitment also mediates the influence of procedural justice on intention to leave. Whereas, affective commitment did not mediate the impact of distributive justice and interactional justice on intention to leave.*

**Keywords:** job satisfaction, intention to leave, organizational justice, organizational commitment

## 1. Introduction

In order to widespread the role of textile industry in the economy and to meet the need of the country through this sector, the role of justice in organizations is more important. Perception of organizational fairness (procedural justice, distributive justice and interactional justice) influence employees job related behaviour such as job satisfaction, commitment (normative, affective and continuance), and intention to leave. (Ghaziani, Safania, & Tayebi, 2012), show that “the organizational justice dimensions affects the overall job satisfaction. Also, distributive justice has an effect on satisfaction with work and affective commitment. In addition, interactional justice has an effect on affective commitment and normative commitment.” Also, researchers had investigated organizational justice as a predictor of job satisfaction, organizational commitment and intention to leave (Akanb & Ayobamil, 2013), (Fatt, Khin, & Heng, 2010), (Ghaziani, Safania, & Tayebi, 2012), and (Chuah, 2010). None of them see the mediating role of both job satisfaction and employees' commitment in the relationship between organizational justice and intention to leave.

Furthermore, earlier research on organizational justice has been conducted predominantly in developing countries, but not in the context of developing countries influence the behaviour of employees within an organizational setting. (Cropanzano, 2013), argues that aspects of work environments are likely to influence employees' perceptions of fairness. Identifying the factors contributing to Intention to leave in Textile Industry/sectors, especially developing countries could provide additional insight into the area of organizational justice. The purpose of this study is to

investigate the role of job satisfaction and organizational commitment as potential mediators in the relationship between organizational justice and intention to leave in Textile Industry in Ethiopia.

## 2. Literature Review

Organizational justice is one of the central discussion areas of industrial/organizational psychology because of its serious effect on work related attitudes and behaviors. Organizational justice is the perceptions of employees about the fairness in an organization. (Greenberg, 2005), define organizational justice as perception of fairness in an organization. The concept, organizational justice according to (Gibson, et.al, 2012); is the degree to which employees feeling of treated fairly in the workplace. Despite the disagreement between different authors and researcher about the forms of organizational justice most of them suggest three major components of justice, such as procedural justice, distributive justice, and interactional justice. Organizational commitment is the study of whether or not employees stay as a member of the organization, increase attachment with the organization, and exhibit extra effort. According to (Schermerhon, Hunt, Osborn, & Uhl-bin, 2010) organizational commitment is the extent to which employees feel towards organizational loyalty and they argued that employees with a high organizational commitment to identify strongly with organizations. Most of research output had been agreed on the three different dimensions or forms of organizational commitment (Ghosh & R, 2014; Delta Publishing, 2006; and Luthans, 2011) such as normative commitment, affective commitment, and continuance commitment.

The meaning of job satisfaction is defined by different authors with a core concept inside include positive feelings of employees towards his/her job/work. Job satisfaction describes a positive attitude towards his/her work or job resulting from an evolution of its characteristics (Robbins & Judge, 2013) such as the supervisor's style, policies, and procedures, work group affiliation, working conditions, and fringe benefits (Gibson et al, 2012). Intention to leave is according to researcher and authors such as (Robbins, & Judge, 2013), (John R. Schermerhorn, Hunt, Osborn, & Uhl-Bien, 2010), and (Luthans, 2011) is the most immediate psychological withdraw of employees from the job when they are not satisfied with their work. So the intention to turnover is the first responses of employee behavior before physical withdraw or leave the organization and it is easy to understand turnover in an organization but difficult to identify employees who are psychological leave the job.

As earlier mentioned, the organizational justice perception is positively correlated with work attitude and behavior such as organizational commitment and employee satisfaction (Ghaziani, Safania, & Tayebi, 2012). Organizational commitment and job satisfaction are also negatively associated with intention to leave (Bachmann, 2003 and Mahdi & Mohamad Zaid Mohd Zin, 2012). In other words, organizational justice is also negatively associated with intention to leave (Hassan A., 2002). This evidence suggests that organizational commitment and job satisfaction mediate the relationship between organizational justice perception and intention to leave.

H1: The three organizational commitment dimensions mediated the effect of the three dimensions of organizational justice on intention to leave

H2: Job Satisfaction mediated the effect of the three dimensions of organizational justice on intention to leave.

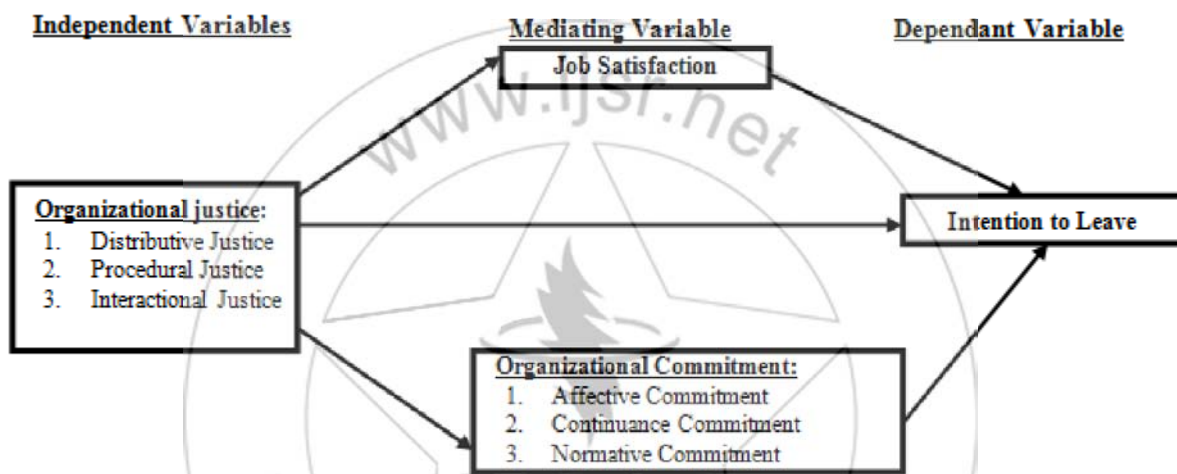


Figure 1: Conceptual model

### 3. Methodology

Data were collected from employees of six textile factories in Ethiopia. In total, 384 sample employees were selected from the population systematically and out of which 293 questionnaires were completed and returned, yielding a response rate of 76.3%. Questionnaires contained quantitative measures of job satisfaction, three dimensions of organizational commitment, Intention to leave, and three dimensions of perception of organizational justice were used in this study. The Cronbach's alpha coefficient value of distributive justice, procedural justice, interactional justice, affective commitment, continuance commitment, normative commitment, job satisfaction, and intention to leave were 0.70, 0.88, 0.85, 0.79, 0.72, 0.74, 0.90, and 0.75 respectively and found to be adequate for analysis purpose. Five points Likert scales was used to measure the responses and the respondents indicate the extent of their agreement and disagreement with each item on a scale from 1 = a strongly disagree to 5 = am strongly agree. The researcher was used the Statistical Package for Social Sciences (SPSS) version 20.0 to analyze collected data and to test hypotheses. Descriptive statistics were used to investigate standard deviation and the mean score of this study. Process macro regression analyses mechanism which was written by (Hayes, 2013) were utilized in this study. PROCESS to display the Hayes' model – 4 which is corresponds to the

hypothesized total effect in addition to the path coefficients and the direct and specific indirect effects.

### 4. Result

#### Descriptive Statistics

In this part mean, standard deviations, and correlation between variables of the study were testifying. According to table 2 below, the highest mean score observed was 4.24 for intention to leave and the smallest mean score observed was 2.20 for perception of procedural justice. The standard deviation observed was ranging from 0.91, to 0.65 for all variables in this study.

Table 1: Mean and Standard Deviations of the participant of the study

	Mean	Std. Deviation	N
Intention to leave	4.2398	0.77712	293
Distributive Justice	2.2621	0.71699	293
Procedural Justice	2.2019	0.91375	293
Interactional Justice	2.3785	0.70353	293
Affective Commitment	2.2099	0.68293	293
Continuance Commitment	2.3891	0.66777	293
Normative Commitment	2.244	0.65278	293
Job Satisfaction	2.721	0.75679	293

## 5. Process Macro Regression Analysis

Process macro was used to investigate the hypotheses that affective commitment, continuance commitment, normative commitment, and job satisfaction mediates the effect of distributive justice, procedural justice, and interactional justice on employee's intention to leave.

### The Indirect Effect of Distributive Justice on Intention to Leave

The indirect effect through continuance commitment is -0.0350, with a 95% bootstrap confidence interval of -0.0876 to -0.0084. The indirect effect is likely to be somewhere between -0.0876 and -0.0084, with the obtained indirect effect of -0.0350 was significant ( $p < 0.05$ ). The indirect effect through normative commitment is -0.0481, with a 95% bootstrap confidence interval of -0.1272 to -0.0082. The indirect effect is likely to be somewhere between -0.1272 and -0.0082, with the obtained indirect effect of -0.0481 was significance ( $p < 0.05$ ). The indirect effect through job satisfaction is or -0.0312, with a 95% bootstrap confidence interval of -0.0807 to -0.0039. The indirect effect is probably to be somewhere between -0.0807 and -0.0039, with the obtained indirect effect of -0.0312 was significant ( $p < 0.05$ ). These results indicated that the intention to leave was associated with approximately 0.035 points less, 0.0481 points less, and 0.0312 points less distributive justice scores as mediated by continuance commitment, normative commitment, and job satisfaction respectively. However, the indirect effect through affective commitment was not significant because include zero in the interval, it is likely to be somewhere between -0.0997 and 0.0022.

### The Indirect Effect of Procedural Justice on Intention to Leave

The indirect effect through affective commitment is -0.0481, with a 95% bootstrap confidence interval of -0.1066 to -0.0040. The indirect effect is likely to be somewhere between -0.1066 and -0.0040, with the obtained indirect effect of -0.0481 was significant ( $p < 0.05$ ). The indirect effect through continuance commitment is -0.0350, with a 95% bootstrap confidence interval of -0.0876 to -0.0084. The indirect effect is likely to be somewhere between -0.0876 and -0.0084, with the obtained indirect effect of -0.0433 was significant ( $p < 0.05$ ). The indirect effect through normative commitment is -0.0585, with a 95% bootstrap confidence interval of -0.1218 to -0.0187. The indirect effect is likely to be somewhere between -0.1218 and -0.0187, with the obtained indirect effect of -0.0585 was significant ( $p < 0.05$ ). The indirect effect through job satisfaction is the product of 0.3148 and -0.1783, or -0.0561, with a 95% bootstrap confidence interval of -0.1151 to -0.0145. The indirect effect is probably to be somewhere between -0.1151 and -0.0145, with the obtained indirect effect of -0.0561 was significant ( $p < 0.05$ ). These results indicated that the intention to leave was associated with approximately 0.048 points less, 0.043 points less, 0.0585 points less, and 0.0561 points less procedural justice scores as mediated by affective commitment, continuance commitment, normative commitment, and job satisfaction respectively.

### The Indirect Effect of Interactional Justice on Intention to Leave

The indirect effect through continuance commitment is -0.0777, with a 95% bootstrap confidence interval of -0.1667 to -0.0068. The indirect effect is likely to be somewhere -0.1667 and -0.0068, with the obtained indirect effect of -0.0777 was significant ( $p < 0.05$ ). The indirect effect through normative commitment is -0.1066, with a 95% bootstrap confidence interval of -0.2084 to -0.0176. The indirect effect is likely to be somewhere between -0.2084 and -0.0176, with the obtained indirect effect of -0.1066 was significant ( $p < 0.05$ ). The indirect effect through job satisfaction is -0.0796, with a 95% bootstrap confidence interval of -0.1687 to -0.0157. The indirect effect is probably to be somewhere between -0.1687 and -0.0157, with the obtained indirect effect of -0.0796 was significant ( $p < 0.05$ ). These results indicated that the intention to leave was associated with approximately 0.0777 points less, 0.0585 points less, and 0.08 points less procedural justice scores as mediated by continuance commitment, normative commitment, and job satisfaction respectively. However, did not obtain the indirect effect through affective commitment because the effect was not significant ( $p < 0.075$ ) and it is likely to be somewhere between -0.1636 and 0.0091.

## 6. Discussion and Conclusion

In this study, the mediating role of affective commitment, continuance commitment, normative commitment, and job satisfaction in the effect of distributive justice, procedural justice, and interactional justice on intention to leave was investigated. Thus, the study result supported the hypotheses with the claim that the perception of distributive justice, procedural justice, and interactional justice influences employee's intention to leave indirectly through continuance commitment, normative commitment, and job satisfaction of these pathways. The result also supports the hypothesis of procedural justice impact on intention to leave through affective commitment in the Ethiopia textile industry.

This study indicates empirical evidence of the influence of continuance commitment, normative commitment, and job satisfaction in the relationship between perception of organizational justice and intention to leave. Therefore, it provides guidelines for Ethiopian textile industry managers that help them to better understand how to reduce intention to leave through increasing job satisfaction and organizational commitment of their employees that also leads to improve the impact of perception of organizational justice on intention to leave. Moreover, it is clear that the current study result has contributed for textile industry managers in Ethiopia to understand how to improve employees' perception of organizational justice, organizational commitment and job satisfaction in order to make employees more stay in the organization.

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