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The Mediating Role of Organizational Justice Components in the Relationship between Leadership Styles and Job Satisfaction

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Abstract - The main purpose of this study is to examine the relationship between leadership styles, organizational justice and job satisfaction. Studying this relationship is limited. Therefore, this study focuses on the relationship between leadership styles, organizational justice and job satisfaction in industrial firms in Amman - Jordan. A total of 150 questionnaires have been sent out to the managerial staff in the selected industrial companies. Participants in the study consisted of middle and senior management staff of Sahab Industrial City in Amman- Jordan. The results showed that the transformational leadership and job satisfaction are negatively associated and also there is a positive relationship between transactional leadership and job satisfaction. The distributive justice has a positive correlation with job satisfaction, procedural justice has a negative correlation with job satisfaction, and interactional justice is the only has a significant and positive relationship with job satisfaction.

Keywords : *leadership styles, organizational justice, job satisfaction.*

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I. INTRODUCTION

To date, there has been an explosion in establishing pertaining to leadership styles, organizational justice and job satisfaction among several business groups. Employees play an important in determining and leading the factors that find out the organization success in a competitive environment. Fry et al. (2005) documented that the basic of the performance excellence has been highlighted the important as well as the need to go ahead of reporting financial metrics to comprise non-financial predictors of financial performance such as the satisfaction of the customer, organizational outputs such as quality and delivery, process or internal operating measures, and employee commitment and growth. Job satisfaction considers a very important aspect which can commonly be measured by organizations.

The condition of organization can easily effect the economic. However, the performance of the organization can be hamper by the organization if it loses the knowledge and experience for the organization. Hence, it does not consider the loss of resources and money only (Ramlall, 2004; Acton et al. 2003). The dissatisfaction with the work consigned is an

important factor to determinant of the employee's failure rates to remain them intact with the present job.

The structure of any work can be considered one of the most important determinants of leadership styles, organizational justice and job satisfaction of employees with their works (Mulinge and Muller, 1998). The employee can be effected by job satisfaction in term of their provided that of the quality as well as the services (Crossman and Abou-Zaki, 2003). Moreover, a high degree of workplace spirituality and spiritual leadership, as a driver of organizational justice and productivity, is necessary to optimizing the performance of organizational (Fry and Matherly, 2006).

Evidence concerning the relationship between leadership styles, organizational justice and job satisfaction is based on a wide range of indicators that differ across studies and are in some cases are contradictory. There are many studies have investigated the link between job satisfaction and organizational justice, and also several studies investigate the relationship between leadership styles and employees satisfaction, however, that studies have concentrated on large organizations, telecommunication sector, and service sector. This could give a light on recognizing that the relationship between leadership styles, organizational justice and job satisfaction in industrial sector is limited. Therefore, this study focuses on the relationship between leadership styles, organizational justice and job satisfaction in industrial companies in Amman - Jordan.

II. LITERATURE REVIEW

a) Job Satisfaction

Job satisfactions is defined as the situation of how the feeling of the people (employee) move on towards work, in more details, the definition of job satisfaction can be as the people's feelings and approach about diversity of intrinsic and extrinsic fundamentals towards their jobs and the organizations they perform their jobs in. The fundamentals are aspects related to shell out, promotion, benefits, work nature, supervision, and connection with colleagues (Mosadeghard, 2003). There are a sheer number of theories which attempt to give details as well as investigate why the human resources are somehow satisfied or dissatisfied on their occupation in the

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organization, and such theories are in a few words clarify below. The main idea of discrepancy theory is that the desires is different according to people. In other words, people have dissimilar desires from each other. Lawler (1994) disagreed with others by stated that there should be such a comparison that should be made between what an individual be given and the level of the outcome.

Past documented literature reviews about leadership which has shown that it is observed as a personal capability. However, based on the opinion of Messick and Kramer (2004), that the level to which individuals' discloses leadership depends on the abilities as well as the characteristics of the personal. However, the characteristics of the environment and location in which he finds himself. According to London (2001), one of the criteria that support the managers in performing leadership roles is objectives, by given the basis for uniting the efforts of the employees within the organization. It was supplementary stressed that the objectives that will be achieved will for sure help to give identity to an organization as well as status and recognition.

b) Leadership Styles and Job Satisfaction

Different theories have adopted different styles of leadership. However, the style that belongs to individual can be applied according to a combination of their values, preferences and beliefs, as well as the culture of the organizational. This present study used leadership styles which namely are transactional leadership and transformational leadership.

c) Transformational Leadership and Job Satisfaction

According to Northouse (2001), transformational leadership is defined as the procedure that changes and transforms individuals. Furthermore, the transformational leadership is defined as the ability to get people to get better, to modify and to be led. It involves assessing associates motives, satisfying their needs and valuing them (Frances and Cohen, 1999). Hence, a transformational leader will possibly develop the performance of the company and make also more successful of the company's objectives. Sidani (2007) documented that there are four aspects to transformational leadership which are idealized influence, intellectual stimulation, inspirational motivation, and individual consideration. Each of these factors can help managers to use this approach in the workplace.

Transformational leadership and transactional leadership help in forecasting subordinates' satisfaction with their leaders (Bennett, 2009). Therefore, a positive relationship between transformational leadership and job satisfaction is expected and also has been supported (e.g., Bennett, 2009).

H1a : Transformational leadership behavior is positively related to the job satisfaction.

d) Transactional Leadership and Job Satisfaction

Schneider (2002) mentioned that there charismatic leaders are different with non-charismatic leaders. Although, transformational leaders motivate outstanding performance, transactional or non-charismatic leaders wish for to achieve solid, consistent performance that meets agreed upon goals. Bass (1985) documented that transactional leaders provide rewards and penalty to encourage performance, making the leader association essentially an economic transaction.

The high level of satisfaction and organizational recognition as compared to transformational leadership style is given by transactional leadership style (Wu, 2009; Epitropaki and Martin, 2005) regardless of the reason transactional leaders have an important effect on the followers (Boseman, 2008). Therefore, a positive relationship between transactional leadership and job satisfaction is expected and also has been hold up empirically (Riaz et al. 2010).

H1b : Transactional leadership behavior is positively related to the job satisfaction.

e) Mediating Role of Organizational Justice Support

Over the past forty years, organizational justice has been the topic that researchers dedicated their work to (Choen-Charash & Spector, 2001; Colquitt et al., 2001; Cropanzano and Greenberg, 1997). The three types of organizational justice maybe similar to each other (Adams, 1965; Deutsch, 1975), but studies reveal that they are distinct in their relation with employee's job attitudes.

Shore and Shore (1995) provided the conceptual justification for the relationship between the fairness of treatment provided by an organization. Distributive justice is the most commonly acknowledged type of justice (Zainalipour et al., 2010). It primarily deals with the perceived fairness of the outcome (Cohen-Charash & Spector, 2001). Theories formulated regarding distributive justice incorporate the justice judgment model (Leventhal, 1980), the distributive justice theory (Homans, 1961), the allocation preference theory (Leventhal et al., 1980) and the equity theory (Adams, 1963). Distributive justice presence is evident in the comparison between the acquisition proportions obtained based on each group's balance of inputs and outputs (Paterson et al., 2002). Moreover, the employees' perceptions concerning payment, promotion and similar outcomes are determined in this type of justice (Kursad & Murat, 2009), while the procedural justice is referred to as the fairness of methods, techniques and processes utilized to gauge the outcomes (Folger and Cropanzano, 1998; Zainalipour, et al., 2010). These procedures are characterized by activities such as promotions, performance assessment, rewards and opportunities sharing. According to Cathleen et al. (2010), if the

procedural justice is present in any organization, the staff will have a say in decision making and the organization will support this participation. Consequently, their commitment and risk-taking will be maximized and their motivation for entrepreneurship in the promotion and permanency of the organization will show an increase (Rutherford & Holt, 2007). In addition, the third organizational justice dimension was proposed by Bies and Moag in 1986 and is commonly known as interactional justice. They defined this type of justice as the fairness of the interpersonal treatment of the employees by the authority figure (Zainalipour et al., 2010). Interactional justice is invaluable in the workplace owing to the impacts of fair or unfair treatment (Frey, 1997). It can also be defined as the method in which the administration treats its employees with justice and it is related to the human element of the organizational practices (Cathleen, et al., 2010).

Sheer numbers of studies have found that organizational justice components are positively related to job success as well as perceived organizational support (Cropanzano, Hayes, Grandey, & Toth, 1997; Cropanzano, Prehar, & Chen, 2002; Masterson, Lewis, Goldman, & Taylor, 2000; Moorman, Blakely, & Niehoff, 1998; Tekleab et al., 2005; Wayne, Shore, Bommer, & Tetrick, 2002). Therefore, a positive association between distributive justice, procedural justice, interactional justice and job satisfaction is expected.

H2a : There is a positive relationship between transformational leadership and distributive procedural & interactional justice.

H2b : There is a positive relationship between transactional leadership and distributive procedural & interactional justice.

H3a : There is a positive relationship between distributive justice and job satisfaction.

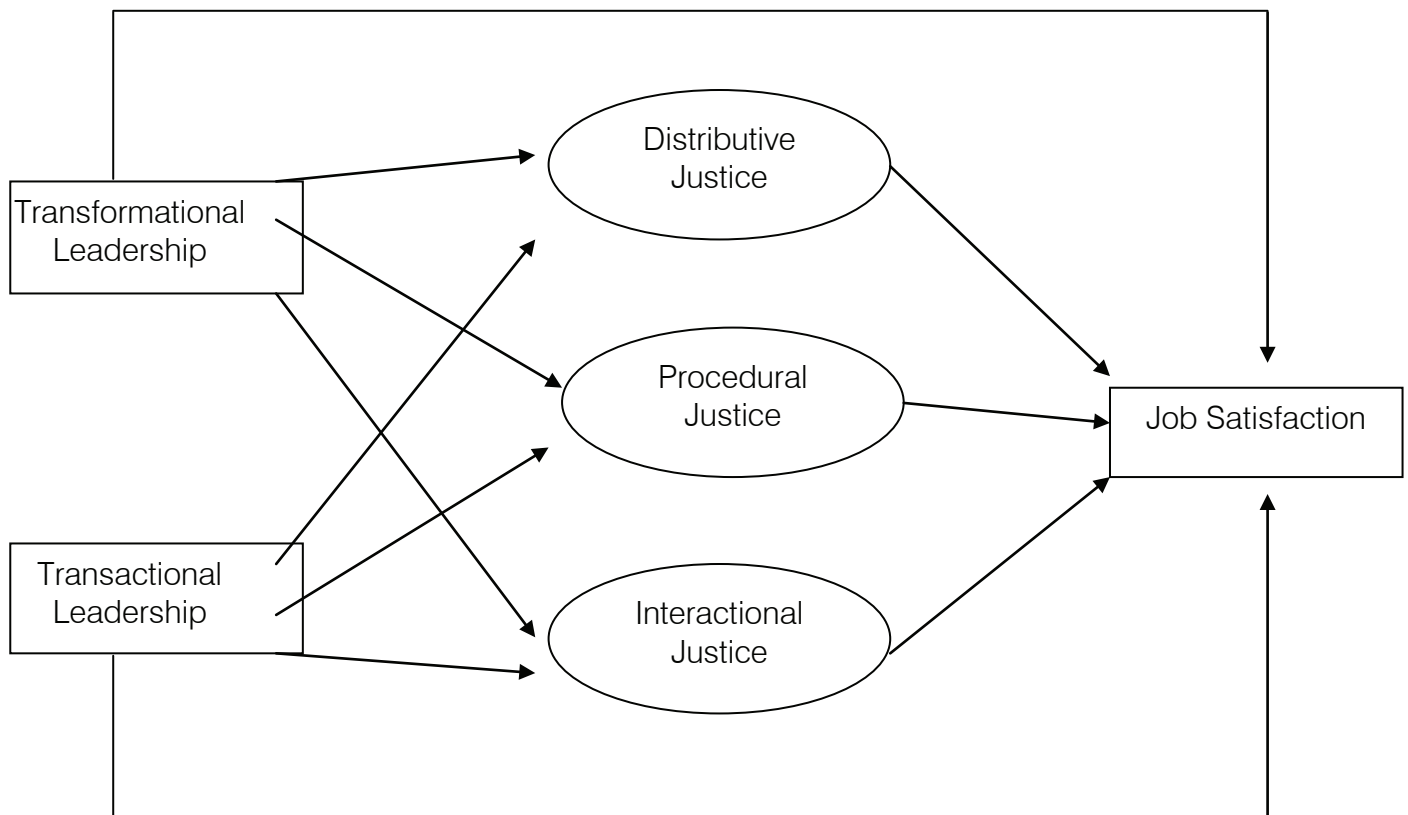
H3b : There is a positive relationship between procedural justice and job satisfaction.

H3c : There is a positive relationship between interactional justice and job satisfaction.

III. THEORETICAL FRAMEWORK

The review of the literature on the status of the relationship between leadership styles, organizational justice and job satisfaction has been analyzed in order to see the impact of leadership styles on job satisfaction with the organizational justice as mediating factors. The analyses are carried out by applying several factors which provide a sufficient understanding of the context within which the issue studied and analyzed. The discussion provides an important framework for this study in term of the variables that are going to be used. Figure 1 illustrates the framework of this study.

Figure 1 : Framework of this Study



IV. RESEARCH METHOD

a) Sample and Procedure

Participants in the study consisted of middle and senior management staff of Sahab Industrial City in Amman- Jordan. A total of 150 questionnaires were sent out to the managerial staff in the selected industrial companies. The selection of the respondent was based on the simple random sampling method. Respondents were given 2 weeks to answer the questionnaires. In all, a total of 134 useable questionnaires were used in the statistical analysis.

b) Measurement of the Variables

The independent variable of this study is leadership styles. The leadership styles questionnaire was employed based on a developed instrument by Montore (2007), the questionnaire is contains 12 items. The mediating variable of this study is organizational justice. The organizational justice questionnaire was employed based on a developed instrument by Neihoff and Moorman (1993), the questionnaire is contains 20 items. The dependent variable of this study is job

satisfaction. The job satisfaction questionnaire was employed based on a developed instrument by Dawis et al. (1967), the questionnaire is contains 20 items. All questionnaire are based on the 5 point Likert scale ranging from 1 for strongly disagree to 5 for strongly agree was used to measure leadership styles, organizational justice, and job satisfaction.

V. THE RESULTS AND HYPOTHESES TESTING

a) Respondent Profile

The personal information of the respondents is shown in table 1. There are 83 (61.9%) male respondents and 51 (38.1%) female respondents. In term of the age of the respondents, it can be observed that most of the respondents are between 31 - 40 years old and few respondents are more than 50 years old. Furthermore, most of the respondents have good experience in the organization, it can be seen that most of the managers have experience between 6 – 10 years. Finally, the results showed that 79 of the respondents are married and 55 respondents are single.

Table 1

Summary of profile respondents

		<i>Frequency</i>	<i>Percent</i>	<i>Cumulative Percent</i>
<i>Age</i>	21-30	22	16.4	16.4
	31-40	63	47	63.4
	41-50	41	30.6	94
	Above 50	8	6	100
<i>Experience</i>	1-5	40	29.9	29.9
	6-10	51	38.1	67.9
	11-15	30	22.4	90.3
	Above 15	13	9.7	100
<i>Gender</i>	Male	83	61.9	61.9
	Female	51	38.1	100
<i>Status</i>	Married	79	59	59
	Single	55	41	100
	Total	134	100	

b) Correlation Matrix for Testing the Hypotheses

Table 2 illustrates the Pearson's correlation coefficients of the study variables. It can be observed that there is a negative and significant relationship between transformational leadership and procedural justice that has a significant value (- 0.197) at level 0.05. Moreover, the results showed that transformational leadership has a positive relationship with distributive and interactional justice that has positive value (0.077) and (0.132) respectively. The transactional leadership is appeared to have a significant and positive relationship with distributive justice and procedural justice, but negative relationship with interactional justice that have the correlation value of (0.389), (0.259) and (-0.059).

Organizational justice components appeared to have interesting results with job satisfaction; the distributive justice has a positive correlation with job satisfaction (0.078). The procedural justice has a negative correlation with job satisfaction (-0.008), and the last component, the interactional justice is the only has a significant and positive relationship with job satisfaction (0.171).

Additionally, the results showed that there is a negative relationship between transformational leadership and job satisfaction (-0.147). Moreover, it is obvious that there is a positive relationship between transactional leadership and job satisfaction (0.036)

Table 2
Correlation between all variables

		Transformational	Transactional	DJ	PJ	IJ	JS
Transformational	Pearson Correlation	1.000					
	Sig. (2-tailed)						
	N	134.000					
Transactional	Pearson Correlation	-.037	1.000				
	Sig. (2-tailed)	.673					
	N	134	134.000				
DJ	Pearson Correlation	.077	.389**	1.000			
	Sig. (2-tailed)	.378	.000				
	N	134	134	134.000			
PJ	Pearson Correlation	-.197*	.259**	.178*	1.000		
	Sig. (2-tailed)	.022	.002	.040			
	N	134	134	134	134.000		
IJ	Pearson Correlation	.132	-.059	-.031	-.048	1.000	
	Sig. (2-tailed)	.129	.500	.726	.583		
	N	134	134	134	134	134.000	
JS	Pearson Correlation	-.147	.036	.078	-.008	.171*	1.000
	Sig. (2-tailed)	.089	.675	.371	.930	.049	
	N	134	134	134	134	134	134.000

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

VI. CONCLUSION

The main purpose of this study is to examine the relationship between leadership styles, organizational justice and job satisfaction. The findings of the study were in the hypothesized direction as leadership styles and organizational justice are related to job satisfaction. The main contribution of this paper is that there are many studies have investigated the link between leadership styles and job satisfaction and few studies in organizational justice, however, that studies have concentrate on large organizations, and that could give a light on recognizing that the relationship between leadership styles, organizational justice and job satisfaction in industrial sector is limited. Therefore, this study focuses on the relationship between leadership styles, organizational justice and job satisfaction in industrial companies in Amman - Jordan. Interested parties can develop model of the relationship between leadership styles, organizational justice and job satisfaction on publicly traded firms rather than focusing on industrial sector.

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