THE RELATIONSHIP BETWEEN ORGANIZATIONAL JUSTICE AND ORGANIZATIONAL TRUST AMONG THE EMPLOYEES OF TWO SELECTED APPAREL COMPANIES IN VAVUNIYA DISTRICT



LAKSHIKA PRIYADARSHANI PREMADASA



DEPARTMENT OF MANAGEMENT FACULTY OF COMMERCE AND MANAGEMENT EASTERN UNIVERSITY, SRI LANKA

2018

ABSTRACT

Organizational justice and organizational trust are becoming important concepts to organizations in recent years. The purpose of this study is to empirically investigate about the relationship between organizational justice and organizational trust among the employees of two selected apparel companies in Vavuniya district. In this study independent variable is organizational justice and dependent variable is organizational trust. According to the literature review organizational justice has three dimensions such as distributive justice, procedural justice and interactional justice. Organizational trust has two dimensions namely, trust in supervisor and trust in organization.

The researcher has considered two apparel companies in Vavuniya district, namely Hirdaramani fashions (Pvt) Ltd and Omega Line (Pvt) Ltd. The structured questionnaire was used to collect primary data from employees of selected apparel companies. It consists of 250 respondents out of 1866 population. The sample was selected through simple random sampling method. The collected data was analyzed by using descriptive statistics, correlation and regression analysis.

The major findings of the study concluded that, there is high level of organizational justice and organizational trust exists in these leading apparel companies. The result also implied that, there is significant positive relationship among organizational justice and organizational trust and organizational justice explain 15% of variation in organizational trust.

The implications of the results will provide practical recommendations to the apparel industry such as, organizations can improve the tendency of engaging in contextual performance if they will more regularly assess employee perceived organizational justice and also ensure trust among their employees. An occasional assessment is probably not adequate to ascertain the dynamic impact of organizational justice dimensions on organizational trust. The recommendations of the current study support the application of organizational justice practices within the organizations and sustain the current status quo and further improvements related to organizational justice and organizational trust according to the apparel industry perspective.

Keywords: Distributive Justice, Procedural Justice, Interactional Justice, Organizational Trust, Apparel Companies

TABLE OF CONTENTS

CONTENTS	PAGE NO:
Acknowledgement	I
Abstract	II
Table Of Contents	III
List of Tables	VIII
List of Figures	X
List of Abbreviations	XI
CHAPTER –1 INTRODUCTION	1-8
1.1 Background of the Study	1
1.2 Problem Statement	3
1.3 Research Questions	5
1.4 Research Objectives	5
1.5 Significance of the Study	6
1.6 Scope of the Study	6
1.7 Organization of Chapters	6
1.8 Chapter Summary	7
CHAPTER -2 LITERATURE REVIEW	8-20
2.1 Introduction	8
2.2 Definitions of Justice	8
2.3 Definitions of Organizational Justice	8
2.3.1 Dimensions of Organizational Justice	9
2.3.1.1 Distributive Justice	10
2.3.1.2 Procedural Justice	10
2.3.1.3 Interactional Justice	11
2.4 Definition of Trust	
2.5 Organizational Trust	12
2.5.1 Dimensions of Organizational Trust	
2.5.1.2 Trust in Supervisor	13
2.5.1.1 Trust in Organization	13

2.6 Empirical Findings in Connection to the Research Question and Objectives	
2.7 Hypothesis of the Study	16
2.7.1 The Relationship between Organizational Justice and Organizational	
Trust	16
2.7.2 The Relationship between Dimensions of Organizational Justice and	
Organizational Trust	
2.7.3 Impact of Organizational Justice on Organizational Trust	18
2.8 Deriving the Conceptual Model Based on Literature Review	18
2.9 Research Gap	
2.10 Chapter Summary	20
CHAPTER- 3 CONCEPTUALIZATION & OPERATIONALIZATION2	1-28
CHAPTER- 3 CONCEPTUALIZATION & OF ERATIONALIZATION	. 20
3.1 Introduction	21
3.2 Conceptualization	
3.3 Conceptual Framework of the Study	
3.4 Definitions of Key Variables	22
3.4. 1 Organizational Justice	
3 4 1 1 Distributive Justice	23
3.4.1.2 Procedural Justice	23
3.4.1.3 Interactional Justice	23
3.4.2 Organizational Trust	23
3.4.2.1Trust in Organization	24
3.4.2.2 Trust in Supervisor	24
3.5 Operationalization	24
3.6 Theories to Underpin Conceptual Model of the Study	26
3.6.1 Adam's Equity Theory	26
3.6.2 Social Exchange Theory	27
3.7 Chapter Summary	28
CHAPTER – 4 METHODOLOGY	30-37
4.1 Introduction	30
4.2 Research Philosophy	30
4.3 Research Approach	3

	4.4 Research Strategy	31
	4.5 Time Horizon	32
	4.6 Sampling Method and Sample Size	32
	4.7 Method of Data Collection	33
	4.7.1 Reliability of the Instrument	34
	4.8 Methods of Data Analysis	34
	4.8.1 Reliability and Validity Analysis	34
	4.8.2 Univariate Analysis	35
	4.8.3 Bivariate Analysis	36
	4.8.3.1 Correlation Analysis	36
	4.8.3.2 Simple Liner Regression Analysis	37
	4.9 Multivariate Analysis	38
	4.10 Testing Hypothesis through Correlation Analysis	39
	4.11 Chapter Summary	39
(CHAPTER - 5 DATA PRESENTATION AND ANALYSIS	40-58
	5.1 Introduction	40
	5.1 Introduction	40
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation	40 40 41
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information	40 40 41
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation. 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants	404141
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents	40 40 41 41 41
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents	40 40 41 41 42
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation. 5.3.1 Data Presentation of Personal Information. 5.3.1.1 Sampling Distribution of the Companies Participants. 5.3.1.2 Sampling Distribution of Gender of Respondents. 5.3.1.3 Sampling Distribution of Age of Respondents. 5.3.1.4 Sampling Distribution of Education Level of Respondents.	40 40 41 41 42 42 43
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents 5.3.1.4 Sampling Distribution of Education Level of Respondents 5.3.1.5 Sampling Distribution of Job Position of Respondents	40 40 41 41 42 42 43
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation. 5.3.1 Data Presentation of Personal Information. 5.3.1.1 Sampling Distribution of the Companies Participants. 5.3.1.2 Sampling Distribution of Gender of Respondents. 5.3.1.3 Sampling Distribution of Age of Respondents. 5.3.1.4 Sampling Distribution of Education Level of Respondents.	40 40 41 41 42 42 43
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents 5.3.1.4 Sampling Distribution of Education Level of Respondents 5.3.1.5 Sampling Distribution of Job Position of Respondents	40 41 41 41 42 42 43 43
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents 5.3.1.4 Sampling Distribution of Education Level of Respondents 5.3.1.5 Sampling Distribution of Job Position of Respondents 5.3.1.6 Sampling Distribution of Working Experience of Respondents 5.3.2 Data Presentation of Research Information 5.3.2.1 Mean and Standard Deviation of Organizational Justice and Its	40 40 41 41 42 42 43 44 44
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents 5.3.1.4 Sampling Distribution of Education Level of Respondents 5.3.1.5 Sampling Distribution of Job Position of Respondents 5.3.1.6 Sampling Distribution of Working Experience of Respondents 5.3.2 Data Presentation of Research Information 5.3.2.1 Mean and Standard Deviation of Organizational Justice and Its Dimensions	40 40 41 41 42 42 43 44 44
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents 5.3.1.4 Sampling Distribution of Education Level of Respondents 5.3.1.5 Sampling Distribution of Job Position of Respondents 5.3.1.6 Sampling Distribution of Working Experience of Respondents 5.3.2 Data Presentation of Research Information 5.3.2.1 Mean and Standard Deviation of Organizational Justice and Its	40 40 41 41 42 42 43 44 44
	5.1 Introduction 5.2 Reliability of the Instrument 5.3 Data Presentation 5.3.1 Data Presentation of Personal Information 5.3.1.1 Sampling Distribution of the Companies Participants 5.3.1.2 Sampling Distribution of Gender of Respondents 5.3.1.3 Sampling Distribution of Age of Respondents 5.3.1.4 Sampling Distribution of Education Level of Respondents 5.3.1.5 Sampling Distribution of Job Position of Respondents 5.3.1.6 Sampling Distribution of Working Experience of Respondents 5.3.2 Data Presentation of Research Information 5.3.2.1 Mean and Standard Deviation of Organizational Justice and Its Dimensions	40 40 41 41 42 42 43 44 44 44

5.3.2.2 Mean and Standard Deviation of Organizational Trust and Its	
Dimensions	48
5.3.2.2.1 Trust in Supervisor	49
5.3.2.2.2 Trust in Organization	50
5.3.3 Relationships between Organizational Justice and Organizational	
Trust	51
5.3.4 Simple Linear Regression Analysis for Organizational Justice and	
Organizational Trust	53
5.3.5 Multiple Linear Regression Analysis for Organizational Justice	
Dimensions and Organizational Trust	55
5.4 Overall View of Univariate Analysis	57
5.5 Overall View of Correlation Analysis	57
5.6 Overall View of Regression Analysis	58
5.7 Chapter Summary	58
CHARTED A DISCUSSION OF FINIDINGS	5 0 (0
CHAPTER - 6 DISCUSSION OF FINDINGS	. 39-09
6.1 Introduction	59
6.2 Discussion of Personal Information	59
6.2.1 Companies Participants	
6.2.2 Gender of the Respondents	59
6.2.3 Age Level of the Respondents	60
6.2.4 Education Level of the Respondents	60
6.2.5 Current Position of the Respondents	60
6.2.6 Working experience of the Respondents	60
6.3 Discussion of Research Information	61
6.3.1 Discussion – Objective one	61
6.3.1.1 Level of Organizational Justice	61
6.3.1.1.1 Level of Distributive Justice	61
6.3.1.1.2 Level of Procedural Justice	62
6.3.1.1.3 Level of Interactional Justice	63
6.3.1.2 Level of Organizational Trust	63
6.3.1.2.1 Level of Trust in Supervisor	64
6.3.1.2.2 Level of Trust in Organization	- 1

6.3.2 Discussion - Objective Two	65
6.3.3 Discussion - Objective Three	66
6.3.4 Discussion - Objective Four	66
6.3.5 Discussion - Objective Five	67
6.3.6 Discussion - Objective Six	67
6.4 Chapter Summary	69
CHAPTER -7 CONCLUSIONS AND RECOMMENDATIONS 7	0-75
7.1 Introduction	70
7.2 Conclusion of Research Objectives	70
7.2.1 Objective One	70
7.2.2 Objective Two	70
7.2.3 Objective Three	71
7.2.4 Objective Four	71
7.2.5 Objective Five	71
7.2.6 Objective Six	71
7.3 Contribution of the Study	71
7.4 Recommendations of the Study	72
7.5 Limitations of the Study	74
7.6 Future Research Direction.	74
REFERENCES	6-83