

**THE RELATIONSHIP BETWEEN ORGANIZATIONAL JUSTICE
AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR:
A COMPARATIVE STUDY BETWEEN STATE AND PRIVATE
SECTOR BANKS IN BADULLA TOWN AREA**



**GAMAGEDARA HENNAYAKE MUDIYANSELAGE CHATHURA
JAYANTHA**



FCM1202



Project Report
Library - EUSL

**Department of Management
Faculty of Commerce and Management
Eastern University, Sri Lanka**

2016

Abstract

The Relationship between Organizational Justice and Organizational Citizenship Behavior: A Comparative Study between State and Private Sector Banks in Badulla Town Area

Empirical knowledge gaps were identified regarding the relationship between organizational justice (OJ) and organizational citizenship behavior (OCB) in the banking sector in terms of comparison between state and private sector banks particularly in Badulla town area. In order to fill these empirical knowledge gaps, this study was conducted with five research objectives such as to determine the level of OJ and OCB of state and private sector banks, to explore the relationship between OJ and OCB of state and private sector banks. And also explore the relationship between each dimensions of OJ (distributive justice, procedural justice, and interactional justice) with OCB of state and private sector banks. Equity theory and social exchange theory provide theoretical underpinning for the conceptual model of this study. In order to achieve those objectives, primary data were collected from 94 employees of five state banks and 86 employees of nine private banks by using structured questionnaires. The data were analyzed using descriptive statistics such as mean and standard deviation, independent samples t-test and Pearson's product moment correlation. According to objective one, the level of OJ was high in both sectors, but slightly higher in private sector than state sector. And also the level of OCB was high in both sectors, but slightly higher in state banks. Regarding the second objective, the relationships between OJ and OCB were moderately positive and strongly positive in state and private sector respectively. In connection with third objective, weakly positive and moderately positive relationships were noticed in state and private sector banks respectively related to distributive justice with OCB. According to fourth objective, the relationships between procedural justice and OCB were moderately positive and strongly positive in state and private sector banks respectively. Regarding the final objective, weakly positive and strongly positive relationships were noted in state and private sector banks respectively related to interactional justice with OCB. The findings of this study will provide a guide to sustain the current status quo and further improvements related to organizational justice and organizational citizenship behavior according to banking sector perspective.

Keywords: Distributive Justice, Procedural Justice, Interactional Justice, Organizational Justice, Organizational Citizenship Behavior, Banking Employees

TABLE OF CONTENTS

Contents	Page No.
Acknowledgement	i
Abstract	ii
Table of Contents	iii
List of Tables	x
List of Figures	xiii
Abbreviations	xiv
CHAPTER - 1 INTRODUCTION.....	1-7
1.1 Background of the Study	1
1.2 Problem Statement.....	3
1.3 Research Questions.....	4
1.4 Research Objectives.....	5
1.5 Significance of the Study.....	5
1.6 Scope of the Study.....	6
1.7 The Organization of the Chapter.....	6
1.8 Chapter Summary	7
CHAPTER - 2 LITERATURE REVIEW	8-21
2.1 Introduction.....	8
2.2 Organizational Justice.....	8
2.2.1 Definitions of Justice	8
2.2.2 Definitions of Organizational Justice.....	8
2.2.3 Dimensions of Organizational Justice	9
2.2.3.1 Distributive Justice.....	10

2.2.3.2 Procedural Justice	10
2.2.3.3 Interactional Justice	10
2.2.4 Models of Organizational Justice	11
2.3 Organizational Citizenship Behavior	12
2.3.1 Definitions of Organizational Citizenship Behavior	12
2.3.2 Dimensions of Organizational Citizenship Behavior	13
2.3.2.1 Altruism	14
2.3.2.2 Conscientiousness	14
2.3.2.3 Sportsmanship	14
2.3.2.4 Courtesy	15
2.3.2.5 Civic Virtue	15
2.3.3 Models of Organizational Citizenship Behavior	15
2.4 The Relationship between Organizational Justice and Organizational Citizenship Behavior	16
2.5 Chapter Summary	21

CHAPTER - 3 CONCEPTUALIZATION AND OPERATIONALIZATION 22-32

3.1 Introduction	22
3.2 Conceptualization	22
3.3 Definitions of Key Variables	23
3.3.1 Organizational Justice	23
3.3.1.1 Distributive Justice	23
3.3.1.2 Procedural Justice	23
3.3.1.3 Interactional Justice	23
3.3.2 Organizational Citizenship Behavior	23
3.3.2.1 Altruism	24

3.3.2.2	Conscientiousness	24
3.3.2.3	Sportsmanship	24
3.3.2.4	Courtesy	24
3.3.2.5	Civic Virtue	25
3.4	Development of Hypothesis	25
3.4.1	Organizational Justice and Organizational Citizenship Behavior	25
3.4.2	Dimensions of Organizational Justice and Organizational Citizenship Behavior	26
3.5	Theories Underpinning the Conceptual Model of the study	27
3.5.1	Adams' Equity Theory	27
3.5.2	Social Exchange Theory	28
3.6	Operationalization	29
3.6.1	Definitions of Indicators for Organizational Justice	29
3.6.1.1	Distributive Justice	29
3.6.1.2	Procedural Justice	29
3.6.1.3	Interactional Justice	29
3.6.2	Definitions of Indicators for Organizational Citizenship Behavior	31
3.6.2.1	Altruism	31
3.6.2.2	Conscientiousness	31
3.6.2.3	Sportsmanship	31
3.6.2.4	Courtesy	31
3.6.2.5	Civic Virtue	31
3.7	Chapter Summary	32

CHAPTER - 4 METHODOLOGY	33-41
4.1 Introduction.....	33
4.2 Study Design.....	33
4.2.1 Purpose of the Study.....	33
4.2.2 Type of Investigation.....	34
4.2.3 Variables of the Study.....	34
4.2.4 Extend of Researcher Interference with the Study.....	34
4.2.5 Study Setting.....	34
4.2.6 Time Horizon.....	34
4.2.7 Unit of Analysis.....	34
4.3 Sample Size, Method and Framework.....	34
4.4 Data Collection Method.....	36
4.5 Reliability Test.....	38
4.6 Methods of Data Analysis and Data Evaluation.....	38
4.6.1 Univariate Analysis.....	38
4.6.1.1 Mean.....	38
4.6.1.2 Standard Deviation.....	39
4.6.1.3 Independent Samples t-Test.....	39
4.6.2 Bivariate Analysis.....	40
4.6.2.1 The Correlation Analysis.....	40
4.7 Chapter Summary.....	41
CHAPTER - 5 DATA PRESENTATION AND ANALYSIS	42-67
5.1 Introduction.....	42
5.2 Testing the Research Model.....	42
5.2.1 KMO and Bartlett's Test.....	42

5.2.2 Reliability Test	43
5.3 Data Presentation and Analysis	44
5.3.1 Type of the Bank	44
5.3.2 Name of the Bank	44
5.3.3 Job Position	45
5.3.4 Gender	46
5.3.5 Age Range	46
5.3.6 Educational Level	47
5.3.7 Experience in the Present Job	48
5.4 Data Analysis for Research Information	48
5.4.1 Univariate Analysis	48
5.4.1.1 Organizational Justice	49
5.4.1.2 Organizational Citizenship Behavior	54
5.4.2 Correlation Analysis	63
5.4.2.1 Relationship between Organizational Justice and Organizational Citizenship Behavior	63
5.4.2.2 Relationship between Distributive Justice and Organizational Citizenship Behavior	64
5.4.2.3 Relationship between Procedural Justice and Organizational Citizenship Behavior	65
5.4.2.4 Relationship between Interactional Justice and Organizational Citizenship Behavior	66
5.5 Chapter Summary	67

CHAPTER – 6 DISCUSSION	68-77
6.1 Introduction.....	68
6.2 Discussion.....	68
6.2.1 Findings from Level of Organizational Justice.....	68
6.2.1.1 Distributive Justice.....	68
6.2.1.2 Procedural Justice.....	69
6.2.1.3 Interactional Justice.....	69
6.2.2 Findings from Level of Organizational Citizenship Behavior.....	70
6.2.2.1 Altruism.....	71
6.2.2.2 Conscientiousness.....	71
6.2.2.3 Sportsmanship.....	72
6.2.2.4 Courtesy.....	72
6.2.2.5 Civic Virtue.....	72
6.2.3 Findings from Correlation Analysis and Hypothesis Testing.....	73
6.2.3.1 Relationship between Organizational Justice and Organizational Citizenship Behavior.....	73
6.2.3.2 Relationship between Distributive Justice and Organizational Citizenship Behavior.....	74
6.2.3.3 Relationship between Procedural Justice and Organizational Citizenship Behavior.....	74
6.2.3.4 Relationship between Interactional Justice and Organizational Citizenship Behavior.....	75
6.3 Discussion of Findings with Theory.....	76
6.3.1 Discussion of Findings with Adam's Equity Theory.....	76
6.3.2 Discussion of Findings with Social Exchange Theory.....	77

6.4 Chapter Summary	77
CHAPTER – 7 CONCLUSION	78-83
7.1 Introduction	78
7.2 Conclusion	78
7.3 Contribution of the Study in Filling Empirical Research Gaps	80
7.4 Recommendations for Bank Managers	81
7.5 Limitations of the Study	82
7.6 Suggestions for Future Research	83
REFERENCES	84-96
APPENDIX	97-103
- English Questionnaire	97-100
- Sinhala Questionnaire	101-103