

ORGANIZATIONAL JUSTICE AND COUNTERPRODUCTIVE WORK BEHAVIOR: MODERATING EFFECT OF POWER DISTANCE.

Layth Mohamed Saeed Ahmed Weldali
School of Business Innovation and Technopreneurship
Universiti Malaysia Perlis

ZulkarnainLubis
School of Business Innovation and Technopreneurship
Universiti Malaysia Perlis

Abstract: Counterproductive work behavior is a major problem for organizations all over the world. It leads to negative outcomes and costs a lot for the companies. This study tries to explore the factors leading to counterproductive work behavior. From the existing literature review, different forms of organizational justice have been chosen to examine as the potential antecedents of counterproductive work behavior. While power distance was used as the moderator in the relationship between organizational justices and counterproductive work behavior. The statistical findings showed that procedural, distributive and interactional justices are significant factors that might hinder counterproductive work behavior. Findings also revealed that power distance had moderating effects in the relations between organizational justices and counterproductive work behavior. The current study will contribute to the understanding of the justice–CWB relationship by exploring the role of an unexplored individual difference variable as a moderator. The output of this study provided significant insights regarding the causes of CWBs in organizations. If organizations know about the reasons of CWBs, they can work proactively to avoid such types of occurrences.

Key words: Counterproductive work behavior, organizational justice and power distance.

1.0 Introduction

A counterproductive work behavior (CWB) is defined as a voluntary behavior that “violates significant organizational norms and in doing so threatens the well-being of an organization, its members, or both” (Robinson & Bennett, 2010). When an individual engages in a CWB, the effects are not limited to the individual and the organization; the behavior might also affect co-workers, customers. The presence of counterproductive work behavior can undermine the organization’s efforts to build and maintain customer loyalty, as evidenced by the ability of such behaviors to cost organizations millions of dollars a year (Johnson & Indvik, 2001). Counterproductive work behaviors can be a violation of social trust. Counterproductive work behaviors (CWBs) are an expensive phenomenon for an organization, costing over four billion dollars in addition to human-related costs such as low morale and turnover (Greenberg, 2012). Even inoffensive, low-intensity CWBs can have an effect on targets, including decreased job satisfaction, job withdrawal, and increased psychological distress (Cortina & Magley, 2009). Both situational and individual differences can prelude counterproductive work behaviors, depending on the cognitive processing of the offender (Martinko, Gundlach, & Douglas, 2011).

The reactions to the CWB may include perceptions of interpersonal injustice, negative affect, and a desire to reciprocate with another CWB. Past research indicated various factors that may predict counterproductive workplace behavior. These include individual differences such as employees’ personal traits and abilities (Berry et al., 2007; Dalal, 2005; Dilchert et al., 2007; Salgado, 2003), job experiences (Hollinger, 2010; Kulas, McInerney, DeMuth, & Jadwinski, 2007), and work stressors such as

difficult work conditions, harsh supervision, role ambiguity, role and interpersonal conflicts (Bruk-Lee & Spector, 2006; Chen & Spector, 1992; Diefendorff & Mehta, 2007; Mitchell & Ambrose, 2007; Spector & Fox, 2005). By way of illustration, dissatisfied employees are more likely to engage in theft behaviors (Kulas et al., 2007); abusive supervision is prone to influence employees' propensity to engage in negative employee behavior intended not only to harm the abuser but also to cause damage to the organization (Mitchell & Ambrose, 2007); and workplace stressors are likely related to sabotage, interpersonal aggression, hostility, and complaints (Chen & Spector, 1992). Studies have also unearthed the interaction between personal factors and organizational stressors (Fox, Spector, & Miles, 2001; Penny & Spector, 2011) and CWB. However, the present study focuses on the organizational justice as the antecedents of CWB. Brimcombe (2012) focused variables on the procedural justice, distributive justice and interactional justice; Cohran (2014) applied two variables (justice and affect); and a study by Shafie (2009) adopted ethical work climate and moral awareness as part of his variables. But these variables revealed weak correlation. For this reason the present study has included power distance as a moderator in the relationship between organizational justice and counterproductive work behavior. So the main objective of this study is to examine the effect of organizational justice on CWBs and to investigate the moderating effect of power distance in the relationship between organizational justice and CWBs.

2.0 Literature Review

The current literature review will examine the relationship between each justice dimension and CWBs. As mentioned, organizational justice is expected to predict employee participation in CWBs. While this is a valid assumption, results linking organizational justice as a whole to CWBs have not yielded consistent results (Spector & Fox, 2005). Furthermore, there is research that suggests that each justice dimension has a significant and separate relationship with workplace outcomes (Colquitt, Conlon, Wesson, Porter & Ng., 2001; Colquitt et al., 2013). The current review aims to specify the ways in which each dimension of organizational justice (distributive, procedural and interactional) may predict levels of CWBs.

2.1 Distributive Justice and Counterproductive Work Behavior

The first type of organizational justice is distributive justice. It examines perceived fairness of outcomes. There are three ways to conceptualize distributive justice based on the different allocation rules of equity, equality, and need (Deutsch, 2012). Equity examines an input and output ratio, where an individual examines referent others' inputs to outputs to determine if theirs is satisfactory (Adams, 2009). Equality means that resources should be distributed equally and need based means outcomes should be allocated in regards to the needs of each individual. Distributive justice has evolved from equity theory (Adams, 2009), and argues "one's evaluation of the ratio of another's' outcome-to-inputs results in the perception of either fairness or unfairness" (Bryne & Miller, 2009). Decisions of fairness of an outcome will depend on the subjectivity and analyses of organizational norms and how one compares what they get to someone else (Adams, 2009). For example, a cultural norm within any organization is not to discuss salaries or pay raises with other people. When this norm is violated, tensions often rise between people and perceptions of injustice may ensue resulting in unwanted behaviors.

Tangible rewards in organizations that affect perceptions of distributive justice are varied and potentially indefinite. Research has identified several of these as having an impact on perceptions of distributive justice (Greenberg, 1990; Greenberg & Colquitt, 2005). These include: pay (Folger & Konovsky, 1989), benefits (Deutsch, 1975), punishment (Cook & Hegtvedt, 1983), job complexity (Cowherd &

Levine, 1992), supervision (Ambrose & Schminke, 2003), rewards intrinsic to the job (Lambert, Hogan & Griffin, 2007), seniority benefits, fringe benefits, and job status and status symbol (Adams, 1965). Adams (1965) presented equity theory to explain how we judge and respond to the fairness of unequal distribution of resources. From an equity theory perspective, the resources listed above are all considered 'outputs' received by organizational stakeholders in return for their work (Adams, 1965). Equity theory states that individuals judge these outputs relative to the inputs that one has given to the organization. Namely, these inputs can include time dedicated to work, amount of effort put into achieving goals within the organization or amount of knowledge one contributes to the organization (Adams, 1965). Equity theory postulates individuals compare their own ratio of inputs and outputs with the perceived ratio of similar inputs and outputs of a referent other (Adams, 1965). If these two ratios are in balance, then equity or fairness is perceived. Perceived injustice with outcomes such as pay, promotion decisions or recognition is linked to higher levels of turnover, CWBs and lower levels of satisfaction (Cohen-Charash & Spector, 2001; Colquitt et al., 2001; Konovsky & Cropanzano, 1991). In a study by Ann Kwak, (2006), it was found that distributive justice was the strongest predictors of both organizational and interpersonal CWB and it was negatively correlated. Thus it is hypothesized that;

H1: Distributive justice and counterproductive work behavior are negatively correlated.

2.2 Procedural Justice and Counterproductive Work Behavior

The second type of organizational justice, procedural justice, was introduced by Thibault and Walker (2008). They expanded the focus from looking solely at the outcome to also including the way in which the outcome was determined. Procedural justice focuses on the fairness of policies and procedures (Thibault & Walker, 2008). Previous literature created by Leventhal and colleagues (Leventhal, Karuza, & Fry, 1980) has suggested six rules for evaluating the fairness within an organizations procedures: 1) consistency across people and time; 2) bias suppression of decision makers; 3) accuracy of information utilized by decision makers; 4) is there correct ability or can people appeal the process; 5) representativeness of the affect people (e.g., values, beliefs, and views); and 6) is the procedure in line with ethical standards. It is also important to note that in addition to these rules it is important to know whether or not people have a voice in the decision making process (Folger, 2009; Korsgaard & Roberson, 2010; Thibault & Walker, 2008). The term procedural justice describes perceptions of fairness with regards to the decision-making criteria used to allocate resources in organizations (Greenberg & Folger, 1983). It represents the degree to which individuals perceive the processes and procedures used in the allocation of resources to be fair. Greenberg and Colquitt (2005) provide an overview of the criteria used by employees to evaluate the fairness of procedures: consistency, bias suppression, accuracy, correctability, representativeness and ethicality. Procedural justice focuses on the fairness of policies and procedures (Thibault & Walker, 2008). Studies on procedural justice show a positive relationship between perceptions of fairness and organizational commitment (Cohen-Charash & Spector, 2001; Folger & Konovsky, 1989; McFarlin & Sweeney, 1992). In a study by Ann Kwak, (2006), it was found that procedural justice was one of the strongest predictors of both organizational and interpersonal CWB and it was negatively correlated. So it can be hypothesized that;

H2: Procedural justice and counterproductive work behavior are negatively correlated.

2.3 Interactional Justice and Counterproductive Work Behavior

Interactional, the last type of justice was introduced by Bies and Moag (2010) and examines one's interpersonal treatment. Greenberg (2010b) further delineated interactional justice into interpersonal justice, which deals with how people are treated when determining outcomes or

procedures, and informational justice, which focuses on explanations given for why procedures were used or why outcomes were distributed in a certain way. It describes the fairness of treatment one receives during the realization of procedures (Bies&Moag, 2010). Various researchers have suggested interactional justice should be divided into two components: informational and interactional (Bies&Moag, 2010; Colquitt, 2009; Greenberg, 2010). Informational justice has been characterized as when subordinates are given adequate information and explanation concerning decisions. Interactional justice has been described as how honest and respectful the message is relayed to employees when initiating procedures (Bies&Moag, 2010; Colquitt, 2009). Despite the argument for dividing interactional justice into two components this dissertation will look at interactional justice as one concept to minimize confusion on whether their perceptions are due to the information given to them or the way the information was explained. Researchers suggest that people's notion of justice is heavily affected by the quality of the day-to-day treatment they received from people in the organization, especially authority figures (Greenberg & Colquitt, 2005). Bies and Moag (2010) describes the criteria employees use to reach conclusions about interactional justice: truthfulness, justification, respect, and propriety. The first criterion of just interactions, truthfulness, requires authority figures to interact with subordinates in an open, honest and candid manner. For instance, to foster perception of interactional justice among employee supervisors should attempt to give feedback that is perceived to be accurate and fair representation of employee performance. Secondly, the criterion of justification is met when authority figures provide adequate explanation of the outcomes and decision-making criteria. Third, just interactions comply with the respect criterion, which states that authorities should treat individuals with dignity, avoid rudeness and demonstrate respect to employees. The final criterion, propriety, stipulates that people in organizations should refrain from making prejudicial statements or asking improper questions (Bies&Moag, 2010). As the seriousness of the behavior, and the resulting severity of the outcome increase, individuals should judge the ratios of inputs to outcomes in stricter terms. Ann Kwak, (2006), found insignificant relationship between interactional justice and counterproductive work behavior though a weak negative correlation exists between these two variables. Thus it can be hypothesized that;

H3: Interactional justice and counterproductive work behavior are negatively correlated.

2.4 Power Distance

Power distance (PD) reflects the degree to which people in society accept the unequal distribution of power and consider it normal or even desirable (Hofstede, 2001). For instance, people with high PD value hierarchical structures in society and consider them natural and necessary for societal functioning. At the other end of the continuum, people with low PD value the equal distribution of power within society and demand justification for instances where power is unequally distributed. Due to the hierarchical structure in most (if not all) organizations, organizational researchers and practitioners can benefit from a more thorough understanding of the impact of this cultural dimension to the workplace (Hofstede, 2001). Cross-cultural management scholars—who compare organizational practices, policies or preferences across countries or nations — have identified PD as the most important cultural dimension in the field (Taras, Roney & Steel, 2009). These researchers have recognized that national differences in PD have an impact on the way employees in different countries perceive and evaluate organizational processes. Researchers have found enough within-country variability to warrant the exploration of PD at the individual level (Brockner et al., 2001; Kirkman, Chen, Farh, Chen & Lowe, 2009). Brockner and colleagues (2001) explored interactions between employee's PD beliefs and perceived voice (their perceived ability to express opinions and influence decisions) in a sample of 253

employees from large pharmaceutical company in South China. They found this interaction accounted for additional variance in organizational commitment, job satisfaction, turnover intentions and job performance (above control variables and direct effects) within the same culture.

Past research has recognized the study of justice as an antecedent to CWBs (Cohen-Charash& Spector, 2001), and multiple theories predict a strong negative relationship between justice and CWBs (Adams, 1965; Spector & Fox, 2005). However, studies examining the relationship between justice and CWBs have yielded inconsistent results (Spector & Fox, 2005), with some studies reporting very large correlations and others non-significant results. Given the discrepancies in these findings, it is important to examine possible moderators in the justice – CWBs relationship (Spector & Fox, 2005). Culture may influence the relationship between justice and CWBs. However, current research on organizational justice as an antecedent to CWBs has failed to consider the role cultural dimensions play in this relationship. Power distance (PD) is a dimension of culture that reflects the degree of acceptance and comfort with hierarchical structures (Hofstede, 2001). PD has an impact on people’s reactions to fairness in the workplace, and as such may influence employee engagement in CWB. The current study will explore the moderating role of PD in the relationship between organizational justice and CWBs. Hence the following hypotheses have been developed;

H4: Power distance moderates the relationship between organizational justice and counterproductive work behaviour.

H4a: Power distance moderates the relationship between distributive justice and counterproductive work behaviour.

H4b:Power distance moderates the relationship between interactional justice and counterproductive work behaviour.

H4c: Power distance moderates the relationship between procedural justice and counterproductive work behaviour.

3.0 Methodology

This study is exploratory in nature and it tries to examine the relationship between organizational justice and counterproductive work behaviour. Also, the study investigates the moderating effect of power distance in the relationship between organizational justice and counterproductive work behaviour. For the purpose of the study, data were collected from 203 respondents using proportionate random sampling. A structured questionnaire survey was administered to collect the data. The respondents were the public servants of United Arab Emirate government. The collected data were analysed with the help of smart PLS software 2.0M3 as the study used partial least square structural equation modelling as a technique of data analysis. There were there independent variables, one moderating variable and one dependent variable in this study. In PLS analysis, at first the measurement model was analysed to confirm the reliability and validity of data and then structural model was analysed to test the hypotheses of this study.

4.0 Findings

As the present study used PLS SEM as a technique of analysing the data, at first the measurement model output is analysed. Table 4.1 shows the output of measurement model.

Table 4.1: measurement model output

| Variables | Items | Loadings | Cronbach alpha | Composite Reliability | Average Variance Extracted(AVE) |
|---------------------------------|--------------|----------|----------------|-----------------------|---------------------------------|
| Distributive Justice | DJ2 | 0.504 | 0.778 | 0.834 | 0.641 |
| | DJ3 | 0.869 | | | |
| | DJ4 | 0.955 | | | |
| Procedural Justice | PJ2 | 0.945 | 0.910 | 0.934 | 0.744 |
| | PJ3 | 0.936 | | | |
| | PJ4 | 0.603 | | | |
| | PJ5 | 0.823 | | | |
| | PJ6 | 0.953 | | | |
| Interactional Justice | IJ1 | 0.759 | 0.930 | 0.950 | 0.827 |
| | IJ2 | 0.541 | | | |
| | IJ3 | 0.902 | | | |
| | IJ4 | 0.795 | | | |
| | IJ5 | 0.490 | | | |
| | IJ6 | 0.503 | | | |
| Power distance | POD2 | 0.825 | 0.758 | 0.788 | 0.585 |
| | POD3 | 0.889 | | | |
| | POD4 | 0.733 | | | |
| | POD5 | 0.787 | | | |
| Counterproductive Work Behavior | CWB1 | 0.903 | 0.935 | 0.978 | 0.807 |
| | CWB2 | 0.943 | | | |
| | CWB3 | 0.903 | | | |
| | CWB4 | 0.943 | | | |
| | CWB5 | 0.943 | | | |
| | CWB7 | 0.903 | | | |
| | CWB8 | 0.492 | | | |
| | CWB10 | 0.943 | | | |
| | CWB11 | 0.943 | | | |
| | CWB14 | 0.935 | | | |
| | CWB15 | 0.925 | | | |

4.1 Reliability Test

In this study reliability test is done and evaluated using Cronbach alpha values. The table 4.1 depicted the Cronbach alpha values for the constructs are; 0.910 for procedural justice (PJ); 0.778 for distributive justice (DJ); 0.930 for interactional justice (IJ); 0.758 for Power distance (PD); and 0.935 for Counterproductive Work Behavior (CWB). So all the Cronbach alpha values are above 0.7 which is considered the acceptable reliability values (Nunally, 1969). In addition to the Cronbach alpha values, Composite Reliability (CR) was also tested and the acceptable value of CR is 0.7 (Hair et al, 2010). In this study all the constructs had composite reliability more than 0.70. So the data of this study showed good internal consistency.

4.2 Convergent Validity Test

Convergent validity is tested to see whether the items represent the constructs or not. In this study convergent validity was tested by evaluating the values of items loadings and average variance extracted (AVE). Usually the acceptable values of item loading is 0.50 (Hair et al., 2006) but 0.40 is also acceptable for the validity of data. In this study there were 32 items and 7 items were deleted due to their low factor loadings. Table 4.1 shows that all the items loading are above 0.50 which gives convergent validity at indicators levels. On the other hand all the AVE values for the constructs are above the minimum threshold level which is 0.5. So it can be concluded on the basis of the findings that the values of AVE and item loadings are good enough for the convergent validity of the data.

4.3 Discriminant Validity

Discriminant validity was also tested using smart PLS M2.0 software. Table 4.2 shows the discriminant validity output of the study. According to Compeau et al., (1999), the average variance shared between each construct and its indicators should be greater than the variance shared between the construct and other construct. When the AVE is higher than the estimated correlations among each pair of constructs, discriminant validity is established. The measurement model also demonstrates good discriminant validity since the square root of the AVE for each construct was higher than its correlation with other factors.

Table 4.2: Discriminant validity output

| | DJ | IJ | PJ | POD | CWB |
|-----|--------------|--------------|--------------|--------------|--------------|
| DJ | 0.797 | | | | |
| IJ | 0.356 | 0.708 | | | |
| PJ | 0.355 | 0.456 | 0.754 | | |
| POD | 0.298 | 0.412 | 0.425 | 0.765 | |
| CWB | -0.235 | -0.257 | -0.231 | -0.031 | 0.808 |

Table 4.2 showed that the values of square root of AVE for each construct are higher in that particular diagonal and it indicates good discriminant validity. So the above description reveals that the values of Cronbach alpha are above the minimum level, composite reliability values for all the constructs are above the acceptable range, item loading, AVE and square root of AVE are also within the acceptable range. Finally it can be said that the data of this study have good reliability and validity.

4.4 Predictive Relevance (Q²)

The predictive sample relevance technique (Q²) can effectively be used as a criterion for predictive relevance (Stone 1974; Geisser 1975; Fornell and Cha 1994; Chin 2010). Based on blindfolding procedure, Q² evaluates the predictive validity of a large complex model using PLS. While estimating parameters for a model under blindfolding procedure, this technique omits data for a given block of indicators and then predicts the omitted part based on the calculated parameters. Thus, Q² shows how well the data collected empirically can be reconstructed with the help of model and the PLS parameters (Fornell & Cha 1994). According to Chin (1998), the Q² value more than 0 (zero) indicates that the model has enough predictive relevance. The Q² value of this study is 0.202 which is an indication of a good predictive relevance capability of the model.

4.5 Coefficient of Determination (R^2)

The coefficient of determination (R^2) value indicates how much variation in endogenous variable is caused by the exogenous variables. The present study got a R^2 value of 0.306 which indicates that the dependent variable is influenced by the independent variables by 30.60%. So the three independent variables considered in this study are responsible for more than 30% variation in counterproductive work behavior.

4.6 Goodness of Fit (GoF)

GoF (Goodness of Fit) index is crucial to assess the global validity of a PLS based complex model (Tenenhaus et al. 2005). It is the geometric mean of the average communality and average R^2 for all endogenous constructs. The GoF index is bounded between 0 and 1. Wetzels et al. (2009) suggest using 0.50 as the cutoff value for communality (Fornel and Larcker 1981) and different effect sizes of R^2 (Cohen 1988) to determine GoF small (0.10), GoF medium (0.25) and GoF large (0.36). These may serve as baselines for validating the PLS based complex models globally. This study obtains a GoF value of 0.469, which exceeds the cut-off value of 0.36 for large GoF (Cohen 1988). So it indicates that the GOF of this model is quite good.

4.5 PLS structural model

In the structural model of PLS analysis, hypotheses testing can be done. Here the path coefficient, t statistics, average estimate and error are considered. Table 4.4 showed the structural model output for hypothesis testing.

Table 4.4: Structural model output

| Hypotheses | Variables | Path Coefficient | Standard Error | T-Value | P-Value | Level of Significance |
|------------|-----------|------------------|----------------|---------|---------|-----------------------|
| H1 | DJ -> CWB | -0.165 | 0.058 | 2.817 | 0.002 | *** |
| H2 | PJ -> CWB | -0.671 | 0.191 | 3.513 | 0.000 | *** |
| H3 | IJ -> CWB | -0.598 | 0.130 | 5.591 | 0.000 | *** |

Hypothesis 1 denotes that Distributive justice and counterproductive work behavior are negatively correlated. This hypothesis is supported as the path coefficient got a negative value of 0.165 and this value is significant at 5% level as the corresponding t statistics is 2.817 (p , 0.002). Moreover the path coefficient is significant as it is more than 0.10. Thus distributive justice is negatively correlated with counterproductive work behavior. This finding is consistent with the findings of Cohen-Charash & Spector, 2001; Colquitt et al., 2001; Konovsky & Cropanzano, 1991; Ann Kwak, 2006; who found that distributive justice was the strongest predictors of both organizational and interpersonal CWB and it was negatively correlated. On the basis of the findings, hypothesis 1 is supported. Hypothesis 2 which posited that Procedural justice and counterproductive work behavior are negatively correlated. This hypothesis is also supported as the path coefficient got a negative value of -0.671 and the corresponding t statistics is 3.513 (p , 0.000) which is statistically significant at 1% level. So the procedural justice is negatively and significantly correlated with counterproductive work behavior. This finding is consistent with the findings of Cohen-Charash & Spector, 2001; Folger & Konovsky, 1989; McFarlin & Sweeney, 1992, who posited that procedural justice can diminish counterproductive work behavior among the employees.

Hypothesis 3 assumed that Interactional justice and counterproductive work behavior are negatively correlated. This hypothesis is also supported as the path coefficient value was negative (-0.598) with a t statistics of 5.591 (p, 0.000). So interactional justice and counterproductive work behavior are negatively correlated. This finding is consistent with the findings of Bies&Moag, 2010; Colquitt, 2009; Greenberg, 2010 and Ann, 2006, who also found negative association between interactional justice and counterproductive work behavior.

4.6 Moderating effects of Power Distance

Power distance, a cultural factor was used as a moderator in the relationship between organizational justice (distributive, procedural and interactional) and counterproductive work behaviour. The findings revealed that power distance moderates the relationship between organizational justices and counterproductive work behaviour. Table 4.5 shows the summary of the results and details have been explained below.

Table 4.5: Output of moderating effect test (POD)

| Relationship | Path Coefficient | T statistics | P value | Comments |
|---------------|------------------|--------------|---------|-------------|
| DJ*POD -> CWB | -1.163 | 2.305 | 0.022 | Significant |
| IJ*POD -> CWB | -1.194 | 2.292 | 0.010 | Significant |
| PJ*POD -> CWB | -1.286 | 2.459 | 0.806 | Significant |

At first the moderating effect of power distance was tested in the relationship between distributive justice and counterproductive work behaviour; and it was found that the interaction path coefficient was 1.163 with a t statistics of 2.305 (p. <0.05) while the direct path coefficient of power distance to counterproductive work behaviour was -0.963 with a t value of 2.704. So hypothesis 4a is supported. Again the moderating effect of power distance was tested in the relationship between interactional justice and counterproductive work behaviour. It was found that the interaction path coefficient was 1.194 with a t statistics of 2.292 (p. <0.05) while the direct path coefficient of power distance to counterproductive work behaviour was -1.120 with a t value of 2.820. As the interaction path coefficient is significant at 5% level, it indicates that power distance moderates the relationship between interactional justice and counterproductive work behaviour. So hypothesis 4b is supported. Finally, moderating effect of power distance was examined in the relationship between procedural justice and counterproductive work behaviour. It was found that the interaction path coefficient (PJ*POD) was 1.286 with a t value of 2.459 while the direct path coefficient of POD was -1.090 with a t value of 2.824. Since the interaction path (p<0.05) is significant at 5% level, it can be said that power distance moderates the relationship between procedural justice and counterproductive work behaviour. Hence hypothesis 4c is supported.

5.0 Discussion and Conclusion

Organizational justice issues sometimes become crucial to avoid counterproductive work behavior. In the present study, it was examined whether procedural, distributive and interactional justice influences the counterproductive work behavior. The findings revealed that all these three types of organizational justice can substantially reduce the counter productive work behavior. In this study, procedural justice was found to be negatively correlated with counterproductive work behavior. It might be due to the fact that procedural justice refers to the fairness of procedures used to make decisions and determine outcomes (Thiabut& Walker, 1975). When employees get fair treatment from the organizations, they

become happy and they are less likely to be involved in activities that lead to the counterproductive work behavior. Employees are more likely to perceive an organization's policy as fair if the employees have the opportunity to voice their opinions regarding that policy. To avoid the counterproductive work behavior, organizations should ensure procedural justice by applying fair procedure consistently across the people and across time, procedures should be free from biasness, establishing accuracy rule which advances that accurate information be collected and used in making decisions. Procedural justice should also include the correct ability rule which provides opportunities to correct flawed or inaccurate decisions; and representativeness rule which ensures that the opinions of all groups affected by the procedure are taken into account. Previous studies also showed a positive relationship between perceptions of fairness and organizational commitment that ultimately reduces counterproductive work behavior. Therefore, organizations should practice procedural justice issues to avoid counterproductive work behavior among their employees. Distributive justice which deals with the perceived fairness of outcomes in organizations, concentrating on the exchange relationship between employee and employer. Perceived injustice with outcomes such as pay, promotion decisions or recognition is linked to higher levels of counterproductive work behavior (Cohen-Charash & Spector, 2001; Colquitt et al., 2001; Konovsky & Cropanzano, 1991). The findings of this study reveal that distributive justice negatively influences counterproductive work behavior. When employees are getting benefits as per their qualifications and the output given by them to the organizations, they are happy and always try to avoid the activities that motivate counterproductive work behavior. The distributive justice demands allocation rules of equity, equality, and need (Deutsch, 2012). Equity issue of distributive justice examines an input and output ratio, where an individual examines referent others' inputs to outputs to determine if they are satisfactory. On the other hand, equality issue of distributive justice demands that resources should be distributed equally and need based means outcomes should be allocated in regards to the needs of each individual. So, equity, equality and need issues of distributive justice are to be ensured in the organization so that counterproductive work behavior can be avoided. In this study, distributive justice was found to a significant factor that could negatively influence counterproductive work behavior. Therefore, organizations have to ensure distributive justice to reduce counterproductive work behavior. The most recent development of the organizational justice construct has been the introduction of interactional justice (Bies & Moag, 1986). Interactional justice draws attention to the social side of justice and the importance of the interpersonal treatment of employees when procedures are enacted. It describes the fairness of treatment one receives during the realization of procedures. If individuals get respect from peers in the organizations, they get motivated to work and it lessens the chances of getting involved in counterproductive work behavior. The present study also found that interactional justice is negatively correlated with counterproductive work behavior which indicates that organizations have to practice interactional justice to avoid counterproductive work behavior among the employees. Finally the findings of this study suggest that interactional justice is the most important organizational justice to safeguard against the counterproductive work behavior followed by procedural justice and distributive justice.

National differences in power distance have an impact on the way employees in different countries perceive and evaluate organizational processes. Organizations would benefit from a deeper understanding of the impact of individually held power distance beliefs, particularly as they relate to employee justice perceptions. A person high in PD would expect, and be comfortable with, a supervisor giving directives without consultation while a person low in PD might resent this approach. It is possible that differences in PD may impact how people interpret and respond to situations in an organization. The cultural value of PD has an impact on the relationships employees have with superiors and the importance placed on fairness concerns. In this study the moderating effect of power distance was

tested in the relationship between organizational justice (procedural justice, distributive justice and interactional justice) and counterproductive work behaviour. It was found that power distance moderates the relationship between distributive justice, procedural justice and interactional justice with counterproductive work behaviour. As power distance moderates the relationship between distributive, procedural justice and interactional justice with counterproductive work behaviour, it indicates that the PD–justice interaction will result in higher rate of CWBs among low PD employees when compared to their high PD counterparts. As there was moderating effect of power distance on the relationship between organizational justice and counterproductive work behavior, the dissimilar values about society and perceptions of those in power among low and high power distance employees may lead employees to react differently to justice evaluations. This proposition gets much support from past research since power distance has been shown to interact with justice within organizations (Tyler et al., 2000; Begley, Lee, Fang & Li, 2002; Lam, Schaubroeck & Aryee 2001, Lee, Pillutla & Law, 2000); with low power distance respondents regularly reacting more strongly to variations in organizational justice.

6.0 References

- Adams, J. S. (1965). Inequity in social exchange. *Advances in Experimental Social Psychology*, 2(267-299).
- Adams, J. S. (2009). Inequity in social exchange. In L. Berkowitz (Ed.), *Advances in experimental social psychology*, (Vol. 2, pp. 267-299). San Diego, CA: Academic Press.
- Ambrose, M. L., & Schminke, M. (2003). Organization structure as a moderator of the relationship between procedural justice, interactional justice, perceived organizational support, and supervisory trust. *Journal of Applied Psychology*, 88(2), 295.
- Ann Kwak (2006), "The relationships of organizational injustice with employee burnout and counterproductive work behaviors: equity sensitivity as a moderator". A dissertation submitted in partial fulfillment of the requirements of the degree of Doctor of Philosophy, Department of Psychology, Central Michigan University, Mount Pleasant, Michigan, February, 2006.
- Berry CM, Sackett PR, Tobares V. (2007, April). A meta-analysis of conditional reasoning tests of aggression. Poster session presented at the 22nd Annual Conference of the Society for Industrial and Organizational Psychology, New York City, NY.
- Bies, R. J., & Moag, J. F. (2010). Interactional justice: Communication criteria of fairness. In R. J. Lewicki, B. H. Sheppard, & M. H. Bazerman (Eds.), *Research on negotiations in organizations* (Vol. 1, pp. 43-55). Greenwich, CT: JAI Press.
- Bruk-Lee, V., & Spector, P. E. (2006). The social stressors counterproductivity work behaviors link: Are conflicts with supervisors and coworkers the same? *Journal of Occupational Health Psychology*, 11, 145-156.
- Chen, P. Y., & Spector, P. E. (1992). Relationships of work stressors with aggression, withdrawal, theft and substance use: An exploratory study. *Journal of Occupational and Organizational Psychology*, 65, 177-184.
- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. In: G. A. Marcoulides (Ed.), *Modern Methods for Business Research* (pp. 295–358). Mahwah, NJ: Lawrence Erlbaum Associates.
- Cohen-Charash, Y., & Spector, P. E. (2001). The Role of Justice in Organizations: A Meta-Analysis. *Organizational Behavior and Human Decision Processes*, 86(2), 278-321.

- Cohen, J. (1988). *Statistical power analysis for the behavioral sciences* (2nd ed.). New York: Academic Press.
- Colquitt, J. A., Conlon, D. E., Wesson, M. J., Porter, C. O., & Ng, K. Y. (2001). Justice at the millennium: a meta-analytic review of 25 years of organizational justice research. *Journal of Applied Psychology, 86*(3), 425.
- Colquitt, J. A., Scott, B. A., Rodell, J. B., Long, D. M., Zapata, C. P., Conlon, D. E., & Wesson, M. J. (2013). Justice at the millennium, a decade later: A meta-analytic test of social exchange and affect-based perspectives. *Journal of Applied Psychology, 98*, 199-236.
- Colquitt, J. A., Scott, B. A., & Judge, T. A. (2009). Justice and personality: Using integrative theories to derive moderators of justice effects. *Organizational Behavior and Human Decision Processes, 100*, 110-127.
- Cook, K. S., & Hegtvædt, K. A. (1983). Distributive justice, equity, and equality. *Annual Review of Sociology, 217-241*.
- Cortina, L. M. & Magley, V. J. (2009). Patterns and profiles of response to incivility in the workplace. *Journal of Occupational Health Psychology, 14*, 272-288.
- Cowherd, D. M., & Levine, D. I. (1992). Product quality and pay equity between lower level employees and top management: An investigation of distributive justice theory. *Administrative Science Quarterly, 302-320*.
- Dalal, R. S. (2005). A meta-analysis of the relationship between organizational citizenship behavior and counterproductive work behavior. *Journal of Applied Psychology, 90*, 1241-1255.
- Deutsch, M. (2012). *Distributive Justice*. New Haven, CT: Yale University Press.
- Deutsch, M. (1975). Equity, equality, and need: What determines which value will be used as the basis of distributive justice? *Journal of Social Issues, 31*(3), 137-149.
- Diefendorff, J. M., & Mehta, K. (2007). The relations of motivational traits with workplace deviance. *Journal of Applied Psychology, 92*, 967-977.
- Dilchert, S., Ones, D. S., Davis, R. D., & Rostow, C. D. (2009). Cognitive ability predicts objectively measured counterproductive work behaviors. *Journal of Applied Psychology, 92*, 616-627.
- Folger, R., & Konovsky, M. A. (1989). Effects of procedural and distributive justice on reactions to pay raise decisions. *Academy of Management Journal, 32*(1), 115-130.
- Folger, R., & Skarlicki, D. P. (2009). Beyond counterproductive work behavior: Moral emotions and deontic retaliation vs. reconciliation. In S. Fox & P. E. Spector (Eds.), *Counterproductive work behavior: Investigations of actors and targets* (p. 44). Washington, DC: American Psychological Association.
- Fornell, C., Lorange, P., & Roos, J. (1990). The cooperative venture formation process: A latent variable structural modeling approach. *Management science, 36* (10), 1246-1255.
- Fox, S., Spector, P. E., & Miles, D. (2001). Counterproductive work behavior (CWB) in response to job stressors and organizational justice: Some mediator and moderator tests for autonomy and emotions. *Journal of Vocational Behavior, 59*(3), 291-309.
- Geisser, S. (1975). A predictive approach to the random effect model. *Biometrika, 61*(1), 101-107.
- Greenberg, J. (1990). Employee theft as a reaction to underpayment inequity: The hidden cost of pay cuts. *Journal of Applied Psychology; Journal of Applied Psychology, 75*(5), 561.
- Greenberg, J. E., & Colquitt, J. A. (2005). *Handbook of Organizational Justice*: Lawrence Erlbaum Associates Publishers.
- Greenberg, J. (2012). Employee theft as a reaction to underpayment inequity: The hidden

- cost of pay cuts. *Journal of Applied Psychology*, 75, 561-568.
- Greenberg, J. (2010b). The social side of fairness: Interpersonal and informational classes of organizational justice. In R. Cropanzano (Ed.), *Justice in the workplace: Approaching fairness in human resource management* (pp. 79-103). Hillsdale, NJ: Lawrence Erlbaum Associates.
- Hofstede, G. (2001). *Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations Across Nations*: Sage Publications, Incorporated.
- Hollinger, R. C. (2010). Acts against the workplace: Social bonding and employee deviance. *Deviant Behavior*, 7, 53–75.
- Johnson, P. R., & Indvik, J. (2001). Rudeness at work: Impulse over restraint. *Public Personnel Management*, 30, 457-465.
- Korsgaard, M. A. & Roberson, L. (2010). Procedural justice in performance evaluation: The role of instrumental and non-instrumental voice in performance appraisal discussions. *Journal of Management*, 21 (4), 657-669.
- Kulas, J. T., McInerney, J.E., Demuth, R.F., & Jadwinski, V. (2007). Employee satisfaction and theft: Testing climate perceptions as a mediator. *The Journal of Psychology*, 141, 389-402.
- Lambert, E. G., Hogan, N. L., & Griffin, M. L. (2007). The impact of distributive and procedural justice on correctional staff job stress, job satisfaction, and organizational commitment. *Journal of Criminal Justice*, 35(6), 644-656.
- Martinko, M. J., Gundlach, M., & Douglas, S. C. (2011). An attributional explication of counterproductive work behavior. *International Journal of Selection and Analysis*, 10, 107-123.
- Mitchell, M. S., & Ambrose, M. L. (2007). Abusive supervision and workplace deviance and the moderating effects of negative reciprocity beliefs. *Journal of Applied Psychology*, 92, 1159-1168.
- Penney, L. M., & Spector, P. E. (2011). Narcissism and counterproductive work behavior: Do bigger egos mean bigger problems? *International Journal of Selection and Assessment*, 10, 126-134.
- Robinson, S. L. & Bennett, R. J. (2010). A typology of deviant workplace behaviors: A multidimensional scaling method. *Academy of Management Journal*, 36, 555- 572.
- Salgado, J.F. (2003), "Predicting job performance using FFM and non-FFM personality measures", *Journal of Occupational and Organisational Psychology*, Vol. 76 No. 3, pp. 323-46.
- Spector, P. E., & Fox, S. (2005). The Stressor-Emotion Model of Counterproductive Work Behavior. In S. Fox & P.E. Spector (Eds.), *Counterproductive Work Behavior: Investigations of Actors and Targets* (pp. 151-174). Washington, DC: American Psychological Association.
- Taras, V., Roney, J., & Steel, P. (2009). Half a century of measuring culture: Review of approaches, challenges, and limitations based on the analysis of 121 instruments for quantifying culture. *Journal of International Management*, 15(4), 357-373.
- Tenenhaus M, Vinzi VE, Chatelin YM, & Lauro C (2005) PLS path modeling. *Computational Statistics and Data Analysis*, 48(1), 159–205.
- Thibaut, J., & Walker, L. (2008). *Procedural justice: A psychological analysis*. Hillsdale, NJ: Lawrence Erlbaum Associates.