

Role of Extrinsic Satisfaction on Relationship of Organizational Justice and Turnover Intention

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ABSTRACT

The Indian Healthcare Sector has numerous challenges, turnover being among the top issues. Work attitudes that the Doctors carry at the Hospital play a pivotal role in impacting their decisions. The factors that determine the Extrinsic Satisfaction for doctors as pay, and working conditions become pertinent to study as doctor retention is at the core for an uninterrupted quality service provision to the patients. This study investigates the variables of Organizational justice (distributive, procedural & interactional), Extrinsic job Satisfaction and Organizational Commitment (affective, continuous & normative) for 200 full time Doctors working in Public, Private and trust Sector Hospitals in North India. Data collection for the study is done with the help of standardized tools through purposive sampling and is analyzed using Correlation and Regression techniques. Mediation of Extrinsic Job Satisfaction in relationship to Organizational Justice and Organizational commitment has also been studied. Significant results have been presented and implications discussed. The study can be used to enhance the practices followed by Human resource at the different Sector Hospitals.

KEYWORDS:Extrinsic Job Satisfaction, Organizational commitment, Organizational Justice, Health Care Sector.

INTRODUCTION

All organizations are comprised of humans. Organizational actions have substantial effect on employees' attitudes, behavior and well-being. Aspects of human resource management such as the attitudes and behavior of the employee's and their intention to quit affects organizations' overall performance in numerous ways. Among the

gamut of organizations, the ones, which have very high human resource utilization, are Hospitals. The providers of healthcare play an indispensable role in our lives and are continuously being viewed as service providers in today's era.

The comfort level of the employees within the organization directly impacts their commitment to work, satisfaction levels and motivation towards the job. Many times dissatisfaction for various reasons might reflect on patient care and other aspects as a congenial staff interaction, which is of utmost need for best functioning of the hospital.

Organizational justice can be referred to as the employee's perception in regards to the treatment meted to them in the organization. Literature of organizational justice studies shows that organizational justice studies have unique relationship with the aspects of job satisfaction, organizational citizenship behavior organizational commitment, evaluation of authority, withdrawal and performance). Through extensive research works the three distinct, though overlapping, types of organizational justice come to the fore: distributive (FAIRNESS OF DECISION OUTCOMES), procedural (FAIRNESS OF DECISION MAKING PROCESS), and interactional justice (EMPATHETIC TREATMENT DURING COMMUNICATION PROCESS). A number of factors can influence the decision to act on a perceived injustice, including the extent of its impact. These could include perceptions of the past and likely future injustices and the tendency to confront or avoid problem situations **Coetzee (2005)**.

Hosseinzarnalipor, Ali Akbar, Sheikh Fini and Syed Mohammad Mirkamaili (2010) studied the correlation between Organizational Justice and Job Satisfaction and they revealed that a positive correlation exists between Organizational Justice and Job Satisfaction. Organizational justice continues to be marked by several important research questions, including the size of relationships among justice dimensions, the relative importance of different justice criteria, and the unique effects of justice dimensions as a forerunner on key outcomes.

Job satisfaction is the contentment that the employees get from the work they do and from the physical environment and the "atmosphere" existing in the environment. It varies according to each person as it is based on the employee's perception.

Organizations' efficiency depends to a large extent on the morale of its employee. Behavioral and social science research suggests that job satisfaction and job performance are correlated. Job satisfaction and morale among medical practitioners is a current concern worldwide. Poor job satisfaction leads to increased physician turnover, adversely affecting medical care. Consequently, by creating an environment that promotes job satisfaction, a health-care manager can develop employees who are motivated, productive, and fulfilled. This in turn will contribute to higher quality patient care and patient satisfaction. In the current study **Extrinsic Job Satisfaction** (when workers consider the conditions of work, such as their pay, coworkers, and supervisor.) is being taken into account.

Organizational commitment can be explained as the bond an employee feels with the organization or the sense of belonging. The employees who feel organizational commitment understand the organizational goals and hence are more apt to perform better towards the achievement of these goals. It may be explained as the strength of attachment that the employee feels for the organization. *Affective Commitment* turns out to be the most important aspect reflecting as employees representing the organization as brand ambassadors. They would want to influence other people also to join the organization by speaking well or acting in a way that inspires the others. This reflects the degree of liking of the employee towards the organization, his sense of attachment with the organizational values. According to a study by **Colloquit, J.A. Conlon, D.E. Wesson, M.J. Porter C.O.L.H. & Ng, K.Y. et al (2001)** who did a meta-analysis of 25 years of organizational studies reveal overall unique relationships between the aspects of organizational justice and the organizational outcomes.

Intention to quit may be defined as a process that an employee plans to leave or to stay with the organization. It is important to consider employee intent to quit as a factor affecting actual turnover. Research has shown that intent to quit is the best predictor of actual turnover behavior and was found to be highly correlated to both job satisfaction and organizational commitment **Mowday, Koberg & McArthur (1984)**.

Organizational justice perception, which is a very essential aspect in the context of doctor workforce, has not been studied extensively in the Indian health sector context. Also the other important aspects of Job satisfaction, organizational

commitment and the intention to quit with relation to perception of organizational justice has not been studied in the healthcare Indian context collectively.

There exists an inherent conflict between the management and the doctors. There arises a plethora of peculiar issues on account of this professional difference between the doctors and management. To site a few-there is a Doctor Management divide which is afflicting most of the hospitals. Good doctors may be bad managers and vice versa. This tends for the whole balance of the hospital to be either doctor-centric or manager centric .

This paper focuses on studyingthe significance of organizational justice in context of work variables as extrinsic job satisfaction and organizational commitment in their interrelationship in the hospital set up.

METHOD

The study is restricted to 200 doctors working in Punjab and Chandigarh tri city in either government, private hospitals (corporate and trust hospitals) with at least one year of existence in present job. Purposive non-probability sampling has been used and the regular employed doctors with minimum one year of experience have been studied .The research instruments of Minnesota satisfaction questionnaire, AllenMayer instrument and Niehoff and Moorman have been used for organizational justice commitment and job satisfaction. AMOS was used for data analysis.

RESULTS

The demographics of the data set reveal the details as enlisted (Table 1)

		Frequency (n=200)	Percentage
Organization	Corporate	77	38.5%
	Government	52	26%
	Trust	71	35.5%
Gender	Male	130	65%
	Female	70	35%
Age in years	< 35 yrs	71	35.5%
	35 – 45 yrs	100	50%

	> 45 yrs	29	14.5%
Approx. Working Hours	Less than 4 hours	70	35%
	4 to 8 hours	121	60.5%
	Between 8 to 10 hours	9	4.5%
	Over 10 hours	0	0.0%
Tenure with the employer	1 year	46	23%
	Between 1-3 years	55	27.5%
	Between 3-5 years	17	8.5%
	More than 5 years	82	41%

TABLE 1 Demographics

The details of mean values of the work attitudes sector wise have been enlisted as below (Table 2).

VARIABLE	SECTOR	N	Mean	Std. Deviation	f value	p value
Distributive justice	Government	52	17.44	3.47	2.56	0.08
	Corporate	77	16.31	4.28		
	Trust	71	17.58	3.12		
	Total	200	17.06	3.72		
Procedural justice	Government	52	20.4	4.42	2.07	0.13
	Corporate	77	18.78	5.87		
	Trust	71	20.11	4.29		
	Total	200	19.68	5.02		
Interactional justice	Government	52	31.13	6.99	1.17	0.31
	Corporate	77	29.38	8.57		
	Trust	71	31.03	7.04		
	Total	200	30.42	7.66		
Extrinsic Satisfaction	Government	52	21.12	3.68	1.85	0.16
	Corporate	77	19.79	5.02		
	trust	71	20.9	3.96		
	Total	200	20.53	4.35		
Affective Organizational Commitment	Corporate	77	27.03	4.77	0.61	0.547
	Govt.	52	27.52	4.71		
	Trust	71	27.86	4.41		
	Total	200	27.45	4.62		
Continuous	Corporate	77	23.6	5.02	11.7	0.00**

Organizational Commitment	Govt.	52	22.96	4.24		
	Trust	71	26.38	3.46		
	Total	200	24.42	4.54		
Normative Commitment	Corporate	77	26.95	3.32	1.274	0.282
	Govt.	52	27.17	3.56		
	Trust	71	27.76	2.63		
	Total	200	27.3	3.16		

Significant at 0.01 level of significance

TABLE 2 Sector Wise mean values for DJ, PJ, IJ, GS and OC

MEDIATION RESULTS

Table 1: Regression Weights for direct relationship between dependent and independent variable

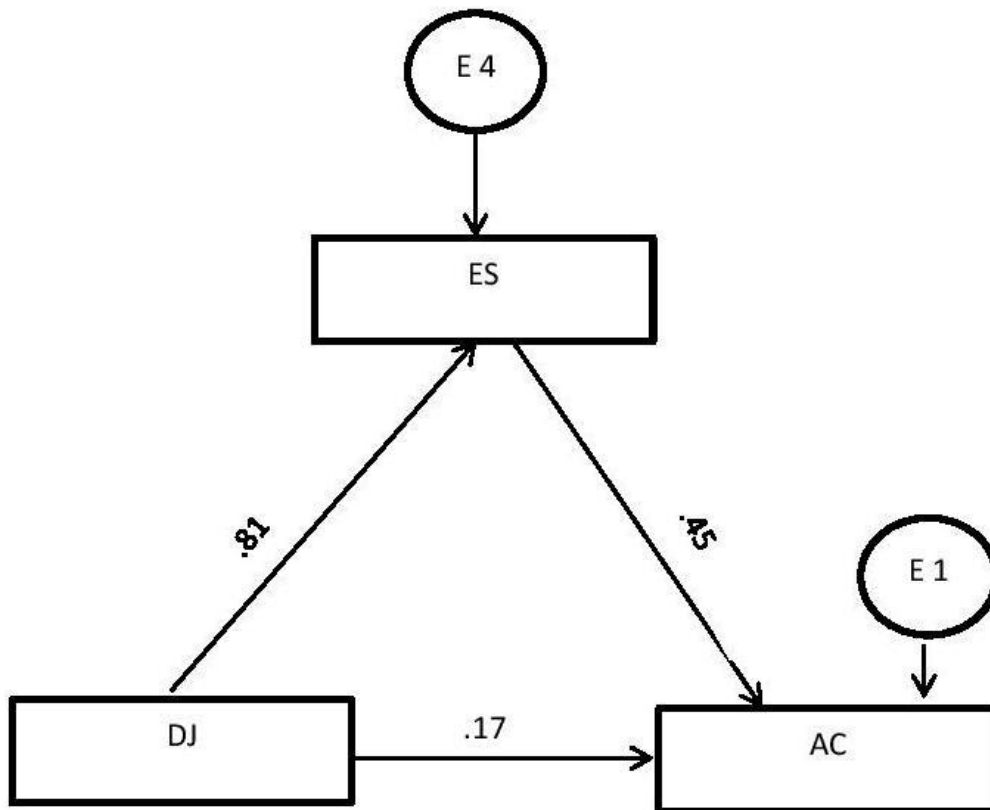
			Estimate	S.E.	C.R.	P
CC	<---	DJ	0.23	.087	6.287	.04
AC	<---	DJ	.528	.080	6.615	***
NC	<---	DJ	-.018	.060	-.297	.767
AC	<---	IJ	.290	.037	7.734	***
CC	<---	IJ	-.049	.042	-1.180	.238
NC	<---	IJ	.004	.029	.144	.886
AC	<---	PJ	.389	.059	6.578	***
CC	<---	PJ	-.028	.064	-.429	.668
NC	<---	PJ	-.017	.045	-.388	.698

Table 1 shows the direct relationship between dependent and independent variables. As seen in the table significant relationship has been found among DJ, PJ, IJ and AC. CC has been found significantly related with DJ only. In case of DJ & NC, PJ & NC, IJ & NC, PJ&CC, IJ &CC the relationship has been found insignificant, therefore these relations are not studied in further mediation analysis.

Table 2: Regression weights for the path of DJ, AC after mediator variable (ES) enter the model

			Estimate	S.E.	C.R.	P
ES	<---	DJ	.806	.060	13.408	***
AC	<---	DJ	.168	.104	1.620	.105
AC	<---	ES	.446	.089	5.039	***

Note: S.E. = Standard error; C.R. = critical ratio; p= Significance value



The relationship among affective commitment, extrinsic satisfaction and distributive justice with the help of path analysis has been analysed. Table 1 shows the results of regression analysis related to unmediated relationship between DJ and AC. Table 2 shows the results of regression weights after entering mediator variable (ES). Distributive justice is found to be directly and positively related to affective commitment ($B=0.528$, $p=.00$). Distributive justice is positively related to ES ($B=0.806$, $p=.00$). ES is found positively related to affective commitment ($B=0.52$, $p=.00$). As evident from the table 2 & fig 1 that direct effect between DJ and AC ($B=0.446$, $p=.105$) is reduced and insignificant after entering the mediator variable, therefore it can be interpreted that ES fully mediates the relationship between DJ and AC.

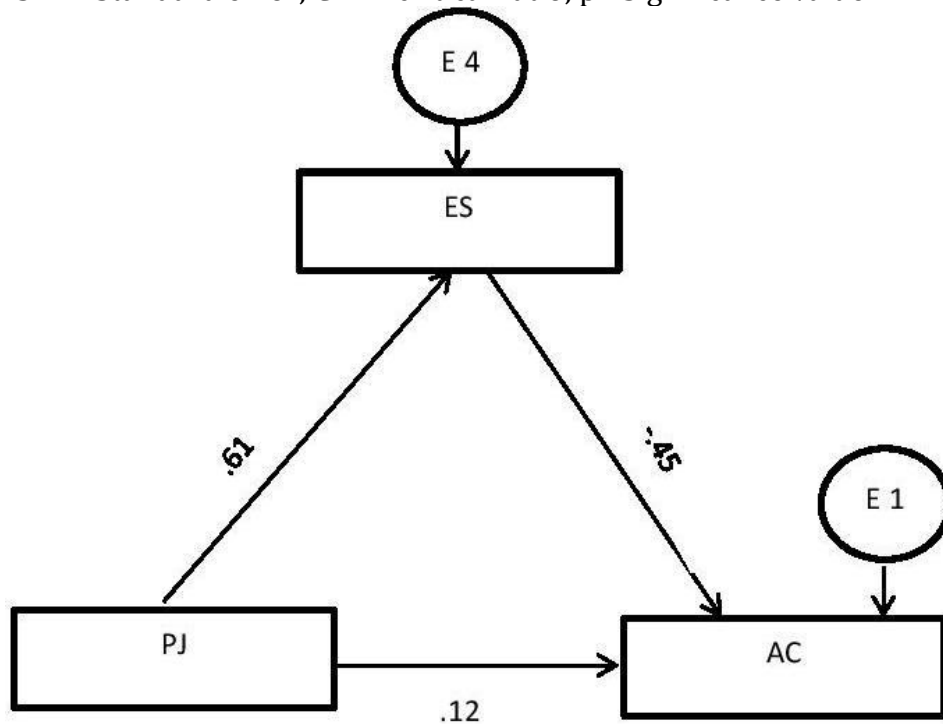
To test the validity of mediator model, bias - corrected bootstrap 95% confidence interval was performed. The results of bootstrap validated the indirect effect of Distributive justice on affective commitment through ES (.182, .523). Thus ES has been found as significantly mediating the relationship between distributive justice and affective commitment.

PJ,AC,ES

Table 3: Regression weights for the path of PJ, AC after mediator variable (ES) enter the model

			Estimate	S.E.	C.R.	P
ES	<---	PJ	.606	.044	13.753	***
AC	<---	ES	.452	.090	5.037	***
AC	<---	PJ	.116	.078	1.485	.137

Note: S.E. = Standard error; C.R. = critical ratio; p= Significance value



The relationship among affective commitment, extrinsic satisfaction and procedural justice with the help of path analysis has been analysed. Table 1. shows the results of regression analysis related to unmediated relationship between PJ and AC. Table 3 shows the results of regression weights after entering mediator variable (ES). Procedural justice is found to be directly and positively related to affective commitment ($B=0.389$, $p=.00$). Procedural justice is positively related to ES ($B=0.606$, $p=.00$). ES is found positively related to affective commitment ($B=0.452$, $p=.00$). As evident from the table 3 & fig 2 that direct effect between PJ and AC ($B=0.116$, $p=.137$) is reduced and insignificant after entering the mediator variable, therefore it can be interpreted that ES fully mediates the relationship between PJ and AC.

To test the validity of mediator model, bias - corrected bootstrap 95% confidence interval was performed. The results of bootstrap validated the indirect effect of Procedural justice on affective commitment through ES (.159, .381). Thus ES has

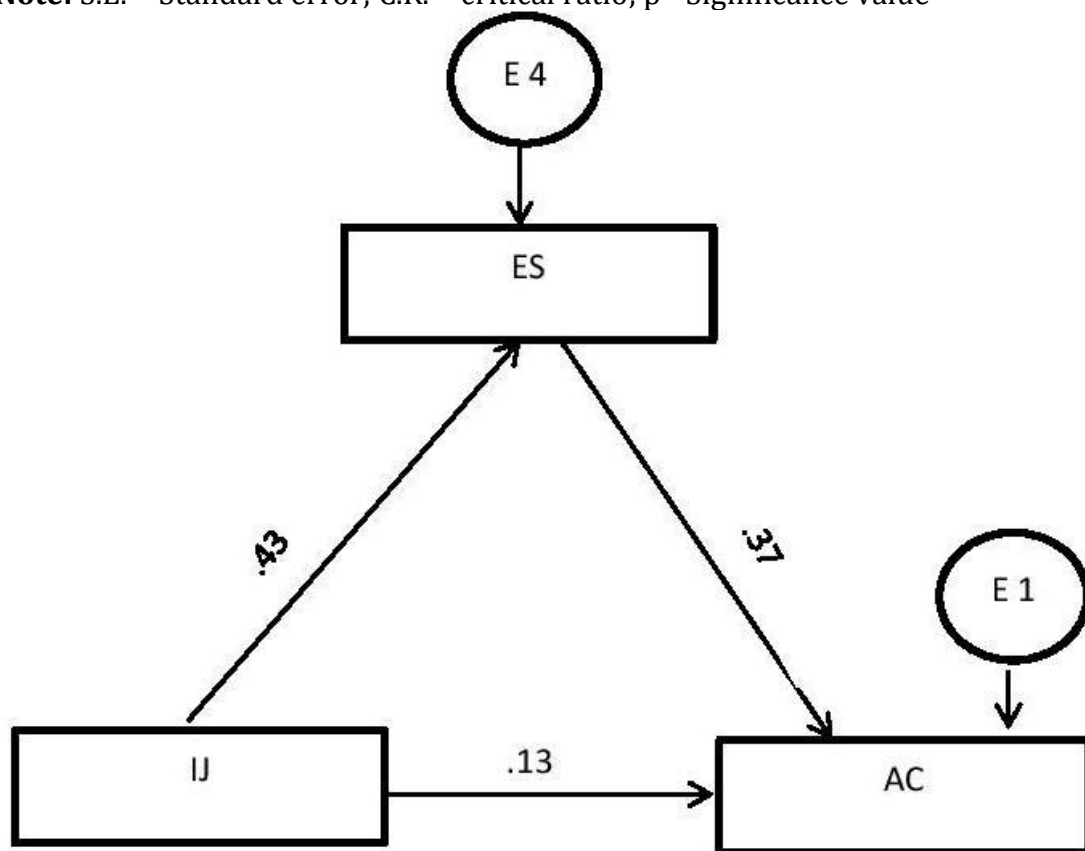
been found as significantly mediating the relationship between Procedural justice and affective commitment.

IJ,AC,ES

Table 4: Regression weights for the path of IJ, AC after mediator variable (ES) enter the model

			Estimate	S.E.	C.R.	P
ES	<---	IJ	.430	.026	16.326	***
AC	<---	IJ	.130	.055	2.354	.019
AC	<---	ES	.371	.097	3.811	***

Note: S.E. = Standard error; C.R. = critical ratio; p= Significance value



The relationship among affective commitment, extrinsic satisfaction and interactional justice with the help of path analysis has been analysed. Table 1. shows the results of regression analysis related to unmediated relationship between PJ and AC. Table 4 shows the results of regression weights after entering mediator variable (ES). Interactional justice is found to be directly and positively related to affective commitment ($B=0.29$, $p=.00$). Interactional justice is positively related to ES ($B=0.43$, $p=.00$). ES is found positively related to affective commitment ($B=0.37$, $p=.00$). As evident from the table that direct effect between IJ and AC ($B=0.13$, $p=.01$) is

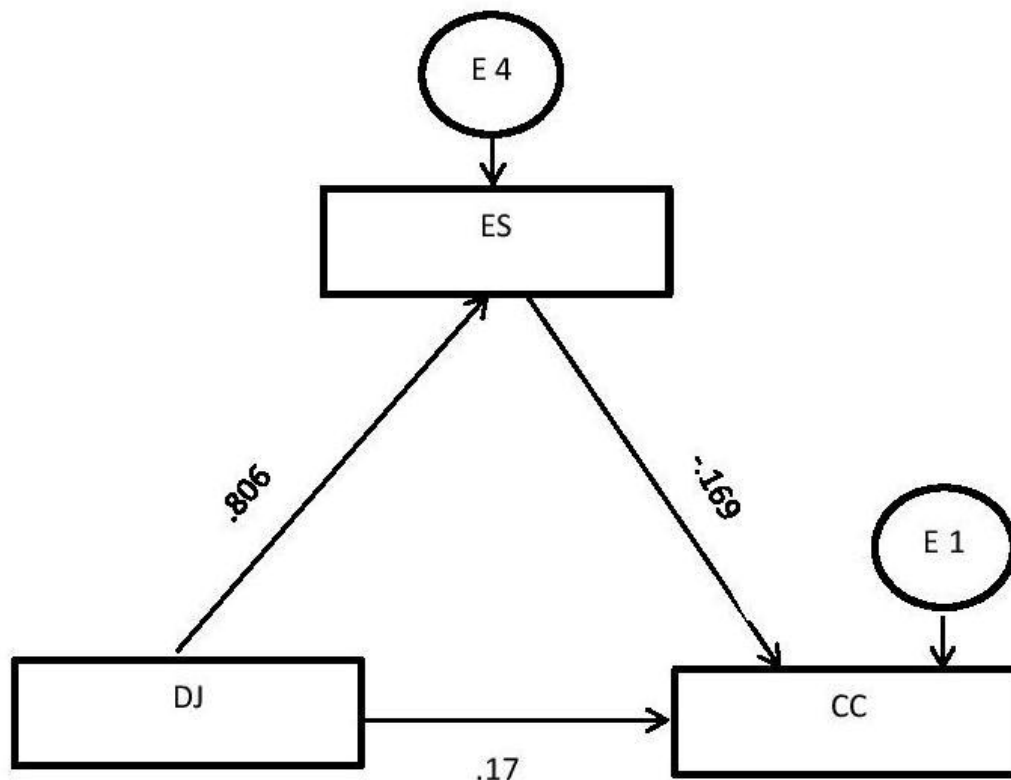
reduced, but is still significant after entering the mediator variable, therefore it can be interpreted that ES partially mediates the relationship between IJ and AC.

To test the validity of mediator model, bias - corrected bootstrap 95% confidence interval was performed. The results of bootstrap validated the indirect effect of interactional justice on affective commitment through ES (.20, .43). Thus ES has been found as significantly mediating the relationship between interactional justice and affective commitment.

Table 5: Regression weights for the path of DJ, CC after mediator variable (ES) enter the model

			Estimate	S.E.	C.R.	P
ES	<---	DJ	.806	.060	13.408	***
CC	<---	DJ	.161	.119	1.362	.173
CC	<---	ES	-.169	.101	-1.673	.094

Note: S.E. = Standard error; C.R. = critical ratio; p= Significance value



The relationship among continuance commitment, extrinsic satisfaction and distributive justice with the help of path analysis has been analysed. Table 1. shows the results of regression analysis related to unmediated relationship between DJ and CC. Table 5. shows the results of regression weights after entering mediator variable (ES). Distributive justice is found to be directly and positively related to continuance

commitment ($B=0.23$, $p=.00$). Distributive justice is positively related to ES ($B=0.76$, $p=.00$). ES is found positively related to continuance commitment ($B= -.169$, $p=.02$). As evident from the table that direct effect between DJ and CC ($B=0.161$, $p=.173$) is reduced and insignificant after entering the mediator variable, therefore it can be interpreted that ES fully mediates the relationship between DJ and CC.

To test the validity of mediator model, bias - corrected bootstrap 95% confidence interval was performed. The results of bootstrap validated the indirect effect of distributive justice on continuance commitment through ES ($-.298$, $-.14$). Thus ES has been found as significantly mediating the relationship between distributive justice and continuance commitment.

DISCUSSION & CONCLUSION

Extrinsic Satisfaction has been found as significantly mediating the relationship between Procedural justice and affective commitment. Extrinsic Satisfaction has been found as significantly mediating the relationship between interactional justice and affective commitment. Extrinsic Satisfaction fully mediates the relationship between Distributive Justice and Continuous Commitment.

In order to enhance extrinsic satisfaction, the middle and lower rungs of doctors need to feel integrated into the hospital systems. Equal opportunity should exist for all doctors at all levels of functioning and there should be a fair practice with respect to the selection, promotion and entitlement. In order to decrease retaliatory behavior favoritism in any way in an organization should be discouraged. Affective commitment needs to be enhanced for making organizations perceived more just. Organizational commitment is enhanced in doctors through the organizational policies of allowing the doctors more power in decision-making process in their area of work through low management control.

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