

BE WHAT YOU WANT TO BE

Workplace Justice, Trust, and Commitment: A Cross-Cultural Investigation

Zhou (Joe) Jiang, Central Queensland University

Paul J. Gollan, University of Queensland

Gordon Brooks, Macquarie University



Contents

- 1 Introduction
- 2 Methods
- 3 Results
- 4 Discussion

Introduction (cont.)

- Research Question
 - Whether and how well-established justice theories and relationships can be generalized or extended to different cultures?

Introduction (cont.)

Use different national samples to examine:



Introduction (cont.)

- Driven theory: Social exchange theory
- Focus: The employee-organisation exchange

Introduction (cont.)

- Multi-foci model of organisational justice

- Distributive justice (fairness of outcomes)

- Procedural justice (fairness of procedures)

- Interactional justice (fairness/quality of interpersonal treatment/interactions)

Organisation-focused

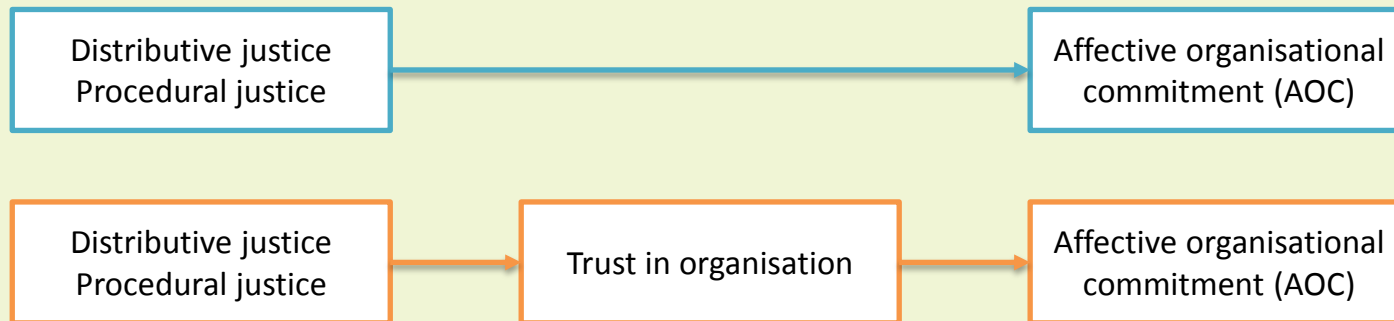
Supervisor-focused

Introduction (cont.)

- The scope of trust: Trust in the organisation
- The scope of commitment: Commitment to the organisation
 - Affective organisational commitment (AOC): “emotional attachment to, identification with, and involvement in the organization”

Introduction (cont.)

- ***The 1st goal:*** Extend the depth of the cross-cultural literature on justice
 - Cultural differences in both unmediated and trust-mediated justice-AOC relationship



Introduction (cont.)

- ***The 2nd goal:*** Extend the scope of justice research into cross-cultural settings outside of North America
 - Majority justice research: North America, or North America vs. other regions/countries (Sha, Rupp, Skarlicki, & Jones, 2013)
 - Inconsistent findings about justice effects: Western cultures (mainly North America) versus Eastern cultures (a detailed review, see Fischer, 2008)

Introduction (cont.)

- ***The 2nd goal***
 - Divert the focus to the Asia Pacific region
 - Australia, China, and South Korea
 - Context: both Anglo and Asian cultures

Introduction (cont.)

- In summary, this study seeks to:
 - Advance knowledge of cross-cultural justice by examining the justice-AOC relationship and the mediating role of trust in three Asia Pacific countries (China, South Korea, and Australia).

Introduction (cont.)

- Steps:
 - Step 1: Examine whether the relationships of distributive and procedural justice with AOC and the mediator, trust, exist in each country.

Hypotheses	Statements
H1	Distributive (H1a) and procedural (H1b) justice → AOC
H2	Procedural → AOC stronger than distributive → AOC
H3	Distributive (H3a) and procedural (H3b) justice → trust
H4	Procedural → trust stronger than distributive → trust
H5	Mediation: Distributive → trust → AOC
H6	Mediation: Procedural → trust → AOC

Introduction (cont.)

- Steps:
 - Step 2: Compare how each of the above relationships may differ across countries.

Hypotheses	Statements
H7	Distributive → trust (H7a) & AOC (H7b) stronger in China and Korea than in Australia Procedural → trust (H7c) & AOC (H7d) stronger in Australian than in China and Korea
H8	H8a: The trust-mediated distributive justice and AOC relationship stronger in China and Korea than in Australia H8b: The trust-mediated procedural justice and AOC relationship stronger in Australia than in China and Korea

Methods



Samples & Procedures

- Participants: university employees
- Paper survey: China (227; RR = 46.6%)
- Online survey: South Korea (n = 242; RR = 4.2%) & Australia (237; RR = 10%)



Questionnaire

- Four study variables: distributive justice, procedural justice, trust in the organisation, and affective organisational commitment
- Demographic variables: gender, job category, job status, age, education, and tenure
- Back-translation



Data analysis

- Confirmatory factor analysis (CFA) for the four-factor measurement model
- Hierarchical regression analyses for the research model (indirect effects confirmed by bootstrap analyses; cultural differences confirmed by structural equation modelling (SEM) path analyses)

Results

- Non-response bias test (Armstrong & Overton, 1977; Jiang & Hu, 2015)
 - Early group: first 70%
 - Late group: the rest 30%
 - T-tests on all four study variables
 - No early-late differences (i.e., $p > 0.05$) = No non-response bias
 - China: $p = 0.18 - 0.73$; Korea: $p = 0.09 - 0.76$;
Australia: $p = 0.10 - 0.70$

Results (cont.)

- CFA Results

	χ^2	df	χ^2/df	RMSEA	SRMR	CFI
CFA						
1-factor model	5378.72	230	23.39	0.18	0.14	0.57
2-factor model	4031.18	229	17.60	0.15	0.12	0.69
3-factor model 1	2270.93	227	10.00	0.11	0.08	0.83
3-factor model 2	2106.12	227	9.28	0.11	0.09	0.84
3-factor model 3	2859.14	227	12.60	0.13	0.10	0.78
4-factor model	1095.21	224	4.89	0.07	0.06	0.93
Multi-group CFA						
Configural invariance	1836.53	724	2.54	0.07	0.05	0.91
Metric invariance	1904.06	743	2.56	0.08	0.05	0.90

Results (cont.)

Means, standard deviations, correlations, and reliabilities

Variables	M	SD	1	2	3	4
<i>China (N = 227)</i>						
1. Distributive justice	2.85	0.98	(0.90)			
2. Procedural justice	2.79	0.76	0.50	(0.87)		
3. Organizational trust	3.11	0.86	0.51	0.51	(0.92)	
4. AOC	3.14	0.84	0.48	0.44	0.70	(0.90)
<i>Korea (N = 242)</i>						
1. Distributive justice	3.02	0.90	(0.89)			
2. Procedural justice	2.77	0.77	0.61	(0.86)		
3. Organizational trust	3.05	0.82	0.39	0.47	(0.93)	
4. AOC	3.69	0.77	0.32	0.33	0.48	(0.90)
<i>Australia (N = 237)</i>						
1. Distributive justice	3.48	1.04	(0.94)			
2. Procedural justice	3.24	0.87	0.49	(0.90)		
3. Organizational trust	3.53	1.08	0.37	0.78	(0.96)	
4. AOC	3.15	0.98	0.18	0.44	0.49	(0.91)

Results (cont.)

- Chinese sample

Dependent variables → Independent variables ↓ β	Organizational trust		AOC		
	Step 1	Step 2	Step 1	Step 2	Step 3
Gender – male	0.06	– 0.09	0.13 [†]	– 0.00	0.05
Age	– 0.02	– 0.02	0.00	0.01	0.02
Education	– 0.05	– 0.10	– 0.08	– 0.12 [†]	– 0.06
Tenure	0.06	0.02	0.03	– 0.01	– 0.02
Job category – academic	– 0.08	0.02	– 0.08	0.01	– 0.00
Job status – full-time	– 0.14 [†]	– 0.13 [*]	0.02	0.01	0.09 [†]
Distributive justice		0.34 ^{***}		0.35 ^{***}	0.14 [*]
Procedural justice		0.37 ^{***}		0.27 ^{***}	0.05
Organizational trust					0.61 ^{***}
R ²	0.04	0.38	0.04	0.30	0.52
F for R ²	1.69	16.88 ^{***}	1.31	11.39 ^{***}	26.51 ^{***}
ΔR ²		0.34		0.26	0.23
F for ΔR ²		59.75 ^{***}		40.21 ^{***}	104.32 ^{***}
<i>Unique variance explained by distributive justice (DJ) and procedural justice (PJ)</i>					
DJ beyond PJ		0.075 ^{***}		0.080 ^{***}	
PJ beyond DJ		0.100 ^{***}		0.055 ^{***}	

Results (cont.)

- South Korean sample

Dependent variables → Independent variables ↓ β	Organizational trust		AOC		
	Step 1	Step 2	Step 1	Step 2	Step 3
Gender – male	0.06	0.01	0.08	0.05	0.04
Age	0.08	0.06	0.11	0.09	0.06
Education	– 0.19*	– 0.18*	– 0.02	– 0.00	0.07
Tenure	– 0.03	– 0.06	– 0.03	– 0.05	– 0.03
Job category – academic	0.14	0.03	0.15	0.08	0.06
Job status – full-time	– 0.02	0.02	0.02	0.05	0.04
Distributive justice		0.16*		0.17*	0.10
Procedural justice		0.39***		0.20*	0.03
Organizational trust					0.42***
R ²	0.03	0.26	0.06	0.15	0.29
F for R ²	1.00	10.11***	2.27*	5.23***	10.31***
ΔR ²		0.23		0.10	0.13
F for ΔR ²		36.55***		13.39***	43.35***
<i>Unique variance explained by distributive justice (DJ) and procedural justice (PJ)</i>					
DJ beyond PJ		0.015*		0.017*	
PJ beyond DJ		0.093***		0.023*	

Results (cont.)

- Australian sample

Dependent variables → Independent variables ↓ β	Organizational trust		AOC		
	Step 1	Step 2	Step 1	Step 2	Step 3
Gender – male	0.01	– 0.03	– 0.05	– 0.07	– 0.06
Age	– 0.07	– 0.04	0.12 [†]	0.14 [*]	0.16 ^{**}
Education	– 0.01	0.01	– 0.17 [†]	– 0.16 [†]	– 0.17 [*]
Tenure	– 0.08	– 0.04	0.18 ^{**}	0.20 ^{**}	0.22 ^{***}
Job category – academic	– 0.14	– 0.07	0.05	0.05	0.08
Job status – full-time	0.03	0.05	0.04	0.05	0.03
Distributive justice		– 0.02		– 0.04	– 0.03
Procedural justice		0.78 ^{***}		0.47 ^{***}	0.13
Organizational trust					0.43 ^{***}
R ²	0.04	0.62	0.08	0.27	0.34
F for R ²	1.72	47.30 ^{***}	3.09 ^{**}	10.73 ^{***}	13.24 ^{***}
ΔR ²		0.58		0.20	0.07
F for ΔR ²		176.22 ^{***}		31.22 ^{***}	24.49 ^{***}
Unique variance explained by distributive justice (DJ) and procedural justice (PJ)					
DJ beyond PJ		0.000		0.001	
PJ beyond DJ		0.456 ^{***}		0.164 ^{***}	

Results (cont.)

- Cultural differences

		Organizational trust (OT)			Affective organizational commitment (AOC)					
					Total effects			Indirect effects (Sobel's test)		
		China	Korea	Australia	China	Korea	Australia	China	Korea	Australia
Distributive justice (DJ)	b	0.29***	0.14*	-0.02	0.29***	0.14*	-0.04	0.17***	0.06*	-0.01
	SE	0.06	0.07	0.05	0.06	0.07	0.06	0.04	0.03	0.02
	z ₁	4.16***	1.97*		3.88***	1.99*		4.27***	1.91*	
	z ₂		-1.71*	-4.16***		-1.69*	-3.88***		-2.47**	-4.27***
Procedural justice (PJ)	b	0.42***	0.42***	0.96***	0.30***	0.20*	0.53***	0.25***	0.17***	0.38***
	SE	0.07	0.08	0.06	0.07	0.08	0.07	0.05	0.04	0.08
	z ₁	-6.02***	-5.59***		-2.21**	-3.10***		-1.45 [†]	-2.35**	
	z ₂		0.04	6.02***		-0.96	2.21**		-1.26	1.45 [†]

The significance of indirect effects are also confirmed using 90% bias-corrected confidence intervals based on bootstrap sampling (N = 2000) method (Hayes 2013; Preacher, Zyphur, & Zhang 2010): the DJ–AOC indirect effects (China: b = 0.17, Boot SE = 0.04, CI [0.12, 0.24]; Korea: b = 0.06, Boot SE = 0.04, CI [0.003, 0.12]; Australia: b = -0.01, Boot SE = 0.02, CI [-0.04, 0.03]) and the PJ–AOC indirect effects (China: b = 0.25, Boot SE = 0.06, CI [0.15, 0.35]; Korea: b = 0.17, Boot SE = 0.05, CI [0.10, 0.26]; Australia: b = 0.38, Boot SE = 0.08, CI [0.25, 0.53]).

Results (cont.)

- Cultural differences (confirmation from SEM)

		Organizational trust (OT)			Affective organizational commitment (AOC)					
		Total effects			Total effects			Indirect effects		
		China	Korea	Australia	China	Korea	Australia	China	Korea	Australia
Distributive justice	b	0.29***	0.14 [†]	-0.02	0.29***	0.14 [†]	-0.04	0.17***	0.06 [†]	-0.01
	Bootstrap SE	0.06	0.09	0.05	0.06	0.09	0.06	0.04	0.04	0.02
	90% BCI-L	0.19	0.01	-0.10	0.19	0.01	-0.14	0.11	0.01	-0.04
	90% BCI-U	0.39	0.28	0.06	0.40	0.29	0.07	0.24	0.12	0.02
		$\Delta\chi^2_{\text{China-Australia}} (1) = 17.63^{***}$			$\Delta\chi^2_{\text{China-Australia}} (1) = 15.25^{***}$			$\Delta\chi^2_{\text{China-Australia}} (2) = 21.75^{***}$		
		$\Delta\chi^2_{\text{Korea-Australia}} (1) = 3.98^*$			$\Delta\chi^2_{\text{Korea-Australia}} (1) = 4.03^*$			$\Delta\chi^2_{\text{Korea-Australia}} (2) = 3.98^{\dagger}$		
Procedural justice	b	0.42***	0.42***	0.96***	0.30**	0.20*	0.53***	0.25***	0.17***	0.38**
	Bootstrap SE	0.09	0.10	0.05	0.09	0.08	0.07	0.06	0.05	0.08
	90% BCI-L	0.27	0.27	0.87	0.14	0.06	0.41	0.15	0.10	0.24
	90% BCI-U	0.56	0.58	1.04	0.43	0.32	0.65	0.35	0.26	0.51
		$\Delta\chi^2_{\text{Australia-China}} (1) = 36.13^{***}$			$\Delta\chi^2_{\text{Australia-China}} (1) = 5.01^*$			$\Delta\chi^2_{\text{Australia-China}} (2) = 40.25^{***}$		
		$\Delta\chi^2_{\text{Australia-Korea}} (1) = 31.36^{***}$			$\Delta\chi^2_{\text{Australia-Korea}} (1) = 9.84^{**}$			$\Delta\chi^2_{\text{Australia-Korea}} (2) = 31.36^{***}$		

Results (cont.)

- Summary of H1-H6

	Statements	China	South Korea	Australia
H1a	Distributive justice → AOC	Y	Y	N
H1b	Procedural justice → AOC	Y	Y	Y
H2	Procedural → AOC stronger than distributive → AOC	Y	Y	Y
H3a	Distributive justice → trust	Y	Y	N
H3b	Procedural justice → trust	Y	Y	Y
H4	Procedural → trust stronger than distributive → trust	N	Y	Y
H5	Mediation: Distributive → trust → AOC	Y	Y	N
H6	Mediation: Procedural → trust → AOC	Y	Y	Y

Results (cont.)

- Summary of H7-H8

	Statements	Outcomes
H7a	Distributive justice → trust stronger in China and Korea than in Australia	Y
H7b	Distributive justice → AOC stronger in China and Korea than in Australia	Y
H7c	Procedural justice → trust stronger in Australian than in China and Korea	Y
H7d	Procedural justice → AOC stronger in Australian than in China and Korea	Y
H8a	The trust-mediated distributive justice and AOC relationship (distributive → trust → AOC) stronger in China and Korea than in Australia	Y
H8b	The trust-mediated procedural justice and AOC relationship (procedural → trust → AOC) stronger in Australia than in China and Korea	Y

Discussion

- In the process of the employee-organization social exchange, organizational justice influences employees' organizational trust and AOC. However, the influence of justice is slightly different across cultures.

Justice effects on trust			
Distributive justice	China	Korea	<small>Australia</small>
Procedural justice	China	Korea	Australia

Justice effects on AOC			
Distributive justice	China	Korea	<small>Australia</small>
Procedural justice	China	Korea	Australia

Discussion (cont.)

- Across the three cultures, it was found that procedural justice was more important in building employees' organizational trust than distributive justice.
- While procedural justice has a stronger influence on AOC than distributive justice in South Korea and Australia, the reverse is true for China.
 - Potential influence of *guanxi*

Discussion (cont.)

- Support the premise that trust acts as a mediator in the social exchange process in which employees perceive organizational justice and reciprocate with AOC
- In different cultures, the roles of trust in the social exchange originating from a specific type of justice tend to be different.

For example:

- Distributive justice → trust → AOC:
 - China (partial mediation)
 - Korea (full mediation)
 - Australia (no mediation)
- Procedural justice → trust → AOC
 - Full mediation for all countries
 - This indirect effect: South Korea closer to China

Discussion (cont.)

- Findings relate to various theoretical perspectives:
 - *Pao*, a value/belief related to traditional Confucian philosophy (Chiu, 1991; Cho, 2008)
 - Materialism, which explicitly relates to distributed outcomes
 - Per capita gross national income (GNI): Australia > China and South Korea

Discussion (cont.)

- Contributions

- Generalized social exchange-based effects of justice (particularly procedural justice) on employee attitudes found in North America to multiple cultures in the Asia Pacific region
- Demonstrated disparate styles of social exchange, originating from justice in different cultures, which have not been documented in the literature
- Distinguished a particular culture from other cultures in terms of the extent of employees' reliance on trust in the process of social exchanges
- Identified that the patterns and strengths of justice effects vary by country, even when the countries are from the same cultural cluster

Discussion (cont.)

- Practical Implications
 - Regardless of culture, employers should attach importance to fairness construction and trust building in companies, particularly in human resource practices.

Discussion (cont.)

- However, multinational organizations still need to consider cultural differences when managing employees from various countries.
 - The extent to which employees react to fairness is different.
 - While some care more about distributive justice, others care more about procedural justice.
 - In Eastern branches, implement more strategies ensuring fair outcomes. In Western branches, use more practices ensuring fair procedures.

Discussion (cont.)

- Limitations and Future Research
 - Self-report data
 - Inconsistent data collection procedure
 - Different demographic composition in the three samples
 - Different universities in different countries (the influence of organisational culture)

THANK YOU!

