



## PERCEPTION OF PROCEDURAL JUSTICE ON ORGANISATIONAL COMMITMENT OF SURVIVORS' OF LAYOFFS IN SELECTED ORGANISATIONS IN GHANA

<sup>1</sup>Edward Abasimi & <sup>2</sup>Samuel Atindanbila, <sup>3</sup>Charlotte O. Kwakye-Nuako

<sup>1</sup>School of Medicine and Health Sciences, University for Development Studies, Tamale,

<sup>2</sup>Department of Psychology, University of Ghana, Legon,

<sup>3</sup>Department of Psychology, Methodist University College Ghana, ckwakye

Email: <sup>1</sup>abasimieddie@yahoo.com, <sup>2</sup>atindanbila@gmail.com, <sup>3</sup>nuako@mucg.edu.gh

### Abstract

This research examined how perception of procedural justice relates to organisational commitment of survivors of layoffs. It also examined the effects of locus of control and self esteem on perception of procedural justice. Two hundred and nineteen (219) participants (Survivors of layoffs) were made to complete survey items on perceived procedural justice, locus of control, self-esteem and organisational commitment. Pearson Product- Moment correlation, Hierarchical Multiple regression and independent t- test analysis of results revealed that perceived procedural justice was significantly positively related to affective commitment but did not relate to normative and continuance commitment. Internals were also found to perceive significantly higher procedural justice than externals and finally, self-esteem positively predicted procedural justice. The findings of the current study have practical implications for managing downsizing in organisations. These implications have been discussed.

**Keywords:** procedural justice, layoffs, survivors, internals, externals

### INTRODUCTION

Layoffs and downsizing are both terms that refer to reductions that companies make in the number of employees on the payroll. According to West (2000), layoff refers to a work force reduction entailing the involuntary departure, not for cause, of one or more employees. It is the involuntary loss of one's employment or the removal of people from a work force. Layoffs, downsizing or reorganizations have become very pervasive in both large and small organisations and in developed and developing countries. According to Uchitelle and Kleinfield (1996), more than forty three million jobs were eliminated in the U.S between 1979 and 1996. As the

number of industries and production organizations increase in developing countries, a similar trend is taking place. In Ghana for example the pervasive nature of layoffs is revealed by Anaman(1998) which shows that between 1987 and 1990, a net reduction of 36.2 percent was made in the civil service under the Ghana Structural Adjustment programme(SAP).

Past research on layoffs and downsizing focused on the consequences of layoffs on those who have been laid off. However, in recent times interest on the remaining employees (survivors) has increased. Research suggest that layoffs and downsizing have various consequences on many survivors after the layoffs (e.g. Brockner, Grover, & Blonder, 1998;





Chipunza & Samuel, 2011; Cropanzano, Bowen & Gilliland, 2007; Omoruyi, Chipunza, & Samuel, 2011). Among the consequences are that when survivors view layoffs and downsizing procedures in their organizations to be unfair (procedurally unjust), they may exhibit, among other organizational outcomes, decreased trust loyalty, job security, morale, self esteem and productivity (e.g. Omoruyi et al., 2011).

Perceived procedural justice has been noted to influence survivor reactions in the post layoff environment. It has been noted that when procedural justice is low, survivor reactions – work attitudes and behaviours, were seen to be more negative (e.g. Brockner, Konovsky, Cooper-Schneider, Folger, Martin & Bies, 1994)). It was in this light that the present study sought to examine the influence of procedural justice on one of such survivor reactions-organizational commitment and more so, in the Ghanaian context since most previous studies in this area have largely been done in advanced (western) countries especially the U.S.A; mainly by Brockner and his colleagues. The few studies that have been done on procedural justice have also examined it in relation to other variables such as job satisfaction, performance and acceptance of change in organizations (e.g., Judge, Thoresen, & Pucik, 1996; Stark, Thomas & Poppler, 2000) but not in relation to Meyer, Allen & Smith(1993)'s three component organizational commitment( viz. affective, normative and continuance).

The question mainly being addressed in the current research is how does perception of procedural justice in the post layoff environment affect survivors' affective, normative and continuance organizational commitment and how do personality traits such as locus of control and self-esteem relate to perception of procedural justice among survivors of layoffs in Ghana? The downsizing literature reveals that not much has been done on this following

work layoffs. The present study is also among the few studies to be done in actual organizational settings and hence have greater external validity as opposed to previous findings that were largely laboratory studies (Brockner et al., 1988), and thus sought to provide a better understanding of how the perceived fairness of the procedures used in layoffs and downsizing affect organizational commitment of surviving employees following layoffs.

Procedural justice (fairness) refers to the perception that fair procedures were used to derive outcomes (Leventhal, Karuza & Fray, 1980; Thibaut & Walker, 1975; Cropanzano et al., 2007). Theories of procedural justice emphasize that procedures are considered more fair if, among other things, the decision maker respectfully treats those affected by the decision, has no vested interest in a decision that is harmful to them and has limited choice in making a decision (Charness & Levine, 2000). This is consistent with Greenberg's (1990) assertion that procedural justice aspects of the layoff process include the organization providing valid reasons for layoffs, treating terminated employees decently, having a fair selection procedure for determining those to be laid off, and having effective communication about the layoffs (Greenberg, 1990). According to Leventhal et al. (1980), layoff procedures are fair if they are applied consistently to all, not biased, accurate, correctable, considers the interest of all parties concerned (representativeness) and finally are morally and ethically right. Instead of examining what constitutes procedural justice, as in most of the above studies, the current study focuses on the relationship between the perceived fairness of the procedures used in the layoff and organizational commitment of surviving employees as well as how personality traits such as locus of control and self-esteem influences perception of procedural justice.





### **Aims of the study**

From the problem stated above, the present research sought to:

- examine how perceived procedural justice and organizational commitment are related among surviving employees of layoffs in Ghana.
- determine how locus of control and self esteem influence perception of procedural justice among survivors of layoffs.

### **Relevance of the study**

Findings of this study will help managers and human resource practitioners understand better how perception of procedural justice can influence the organizational commitment of retained employees following layoffs and how this can impact on organizations. It will thus help human resource practitioners and managers undertake layoffs and downsizing more appropriately. Knowledge of how personality factors influence perception of procedural justice will be an important tool for managers and human resource practitioners.

### **Review of Relevant Literature**

#### **Organizational commitment**

Organizational Commitment in general refers to the relative strength of an individual's identification with and involvement in a particular organization (Mowday & Steers, 1979). In particular, commitment is characterized by 3 factors: a strong belief in and an acceptance of the organization's goals and values; a willingness to exert considerable effort on behalf of the organization and a strong desire to maintain membership in the organization (Mowday &

Steers, 1979). Organizational commitment has been and continues to be of great interest to researchers of organizational behavior and management practitioners. Primarily, this is because of its association with such desirable work behaviors as increased productivity, personnel stability, lower absenteeism rate, job satisfaction and organizational citizenship (Coleman, Irving, & Cooper, 1999). The conceptualization and measurement of organizational commitment has undergone significant refinement. Whereas early research on organizational commitment described it as undimensional construct reflecting an internalization of the values of the organization, Meyer and Allen (1991) suggested that commitment has three distinguishable components; these are affective, continuance and normative commitment.

Affective commitment refers to a psychological attachment to the organization (that is, individuals stay with the organization because they want to). Most previous research noted that affective commitment results from an agreement between individual and organizational values so it becomes natural for one to become emotionally attached to, and enjoy membership in the organization (Hall, Linzey & Campbell., 1997). Continuance commitment refers to cost associated with leaving the organization and the perceived lack of alternatives (that is, individuals stay with the organization because they need to). With this type of commitment, people tend to remain with the organization because they would lose many accumulated benefits by leaving it or there are no alternative jobs available. Personal investments (side-bets) the individual may not want to lose, according to Becker (1960), include close working relationships with co-workers, retirement, career, and skills that are unique to a particular organization. Others include years of employment in a particular organization, involvement in the community in which the employer is, and other benefits that make it too





costly for one to leave and seek employment elsewhere. Normative commitment refers to a perceived obligation to remain with the organization (that is, individuals remain with the organization because they feel they should stay). This is an almost natural predisposition to be loyal and committed to institutions such as family, marriage, country, religion and employment organization because of socialization in cultures that place premium on loyalty and devotion to institutions. This view of commitment holds that an individual shows commitment behavior solely because she or he believes it is moral and right.

Allen and Meyer (1990) and Brown and Gaylor (2002) found a significant positive correlation between the affective and normative commitment scales. Continuance and normative commitment were also found to be significantly correlated. However, the relationship between affective and continuance commitment was not significant.

### **Perceived Procedural Justice and Organizational Commitment**

The present study examined survivors' perceptions of justice during downsizing. Justice can be examined as a virtue, as a right, as retribution, and as fairness (Webb, 1997). For organizational survivors, justice at work revolves around fairness of outcomes, procedures, and interactions. According to Sheppard, Lewicki and Minton (1992), what is actually just matters less than what is perceived to be just. So, in the case of organizational survivors, what appears to be happening with the rules and procedures in the downsizing process may be more influential than what is actually taking place.

Organizational justice theory focuses on perceptions of fairness in organizations, by categorizing employees' views and feelings about

their treatment and that of others within an organization. As stated above, three types of organizational justice theory have been identified in the literature. Perceptions about the outcomes of decisions taken from the basis of distributive justice (Leventhal, 1976). Perceptions about the processes used to arrive at and to implement these decisions form the basis of two further types of justice that are often treated as one in the literature; these are procedural and interactional justice (Greenberg, 1996).

Procedural justice refers to the fairness of the decision-making processes underlying the allocation of outcomes; that is whether or not fair procedures were used to derive outcomes or resolve disputes (Thibaut & Walker, 1975). In the present study procedural justice thus refers to the survivors' perceptions of the fairness of the procedures used to lay off fellow employees. Theories of procedural justice emphasize that most people consider procedure more fair if, among other things, the decision maker accords respectful treatment to those affected by the decision, has no vested interest in a decision that is harmful to them and has limited choice in making a decision (Charness & Levine, 2000). This is in line with Greenberg's (1990) assertion that procedural justice aspects of the layoff process include the organization providing valid reasons for layoffs, treating terminated employees decently, having a fair selection procedure for determining those to be laid off, and having effective communication about the layoffs (Greenberg, 1990). Brockner et al. (1994) noted that procedures are unfair if decision makers implement them without regard to legitimate concerns of those affected, such as preparing to cope with the adverse consequences of a decision.

Procedural justice has been found to matter in explaining several organizational outcomes such as job performance, job satisfaction, organizational





citizenship behaviour and organizational commitment (Kernan, & Hanges, 2002; Winkler, 2003). Employees feel in control over organizational outcomes when they are directly involved in the procedures for decision making. Procedural justice also affects work groups or teams. Procedural justice judgments should have strong effects on group cohesiveness and loyalty, because fair procedures will reassure members that their interest will be protected and advanced through group membership (Colcuit, Noe & Jackson, 2002; Winkler, 2003). Findings also indicate that procedural justice affect team members' commitment to the group and overall job performance (Coicuit et al., 2002). Past research on procedural justice has found that perceptions of procedural justice are related to organizational commitment. For example researchers such as McFarlin and Sweeney (1992) and Sweeney and McFarlin (1993) found that procedural justice had influence on employees' loyalty and commitment to their organizations. Similar results were also found by Tang and Sarsfield-Baldwin (1996). Both studies found that commitment was determined by the perceived fairness of procedures and treatment received by the organizational members. Martin and Bennett (1996) reasoned that employees would not necessarily be committed to their employers if they do not perceive the employer to be fair in their policies and interaction with their employees.

Few studies on procedural justice and survivor work reactions to layoff suggest that survivor reactions are predicted by perceived procedural justice as happens in the pre-layoff environment. More specifically, the studies found that survivor attitudes and behaviours (e.g., job satisfaction) are more positive if procedures are fair. For example Stark et al.(2000 ) in a study of 167 survivors of organizational downsizing and layoffs in the USA, found that strong perceptions of managerial effort to conduct downsizing and layoffs in procedurally just manner increase the potential that survivors will

accept the change implemented by management. If that is the case, it is in the right direction to explore whether or not perceived procedural justice will increase the potential that survivors will be more organizationally committed and specifically which type of organizational commitment since they readily accept the change (positive reactions) compared to those who perceive procedural injustice.

In a study examining the effects of layoffs on survivors, Brockner et al. (1986) found that subjects worked harder (greater organizational commitment) when they believed that a coworker's dismissal was fair rather than unfair. This finding is consistent with that of Greenberg (1990) who in examining the reactions of survivors of layoffs, found that survivors are in a good position to judge the fairness of layoffs, both distributive and procedurally; and that surviving employees were found to be more committed to the organization when they perceived that the terminated employees were adequately compensated and equitably treated. These researchers however did not examine procedural justice in relation to the three components of organizational commitment.

Koonce (1991) also reports that, in a study of 30 *Fortune* 500 companies which had experienced downsizing, it was found that poor employee morale resulted from a number of factors that were neglected during restructuring; namely, organizations failed to keep their employees adequately informed about changes taking place, middle-level managers responsible for implementing changes did not receive adequate training for these tasks, and corporate goals and performance standards were unclear (which are all procedural fairness issues). In addition to poor employee morale during and after downsizing, Koonce further reported that there was management confusion, reduced worker productivity (at a time when workloads were higher) on the part of survivors.







### **Locus of control and perception of procedural fairness**

Locus of control has been noted to influence perception or appraisals of situations. For example based on their appraisals of situations, internals are more likely to take actions to cope with stress, whereas externals are more likely to endure rather than act (Anderson, 1997, Kahn & Aabyosi, 1992). Given the tendency of internals to perceive situations as controllable and their preference for taking constructive actions to resolve problems in the workplace, they are more likely to perceive organizational justice following layoffs compared to their external counterparts. Previous studies show that externals are more likely to feel anxious in the face of potential stressors and less active in coping with stress than internals ((Kahn & Aabyosi, 1992)

Stark et al. (2000) in an empirical study, found that negative affect and a high degree of internal locus of control influences survivor acceptance of change. The researchers surveyed employees in 12 business and health care organizations in the Midwest and on the West coast who were survivors of layoffs and downsizing. Respondents answered questionnaires consisting of measures of violation of the psychological contract, management attempt at procedural justice, acceptance of change, job satisfaction, generalized self esteem, organizational based self- esteem, negative affect and locus of control. Findings showed that high internal locus of control influences survivor acceptance of change (in the present context, layoffs).

### **Self-esteem and perception of procedural justice**

Judge, Locke, and Durham (1997) refers to self-esteem as people's appraisals of themselves while it has been defined by Kreitner and Kinicki (2001) as a belief about one's own self worth based on an overall self-evaluation and that it is measured by having

survey respondents indicate their agreement or disagreement with both positive and negative statements. Those who agree with positive items and disagree with negative ones have high self- esteem. They see themselves as worth while, capable, and acceptable. People with low self esteem view themselves in negative terms. They do not feel good about themselves and are hampered by self-doubts. Mehrabian (1998) conceptualized self-esteem as generalized positive- negative attitude towards oneself; that is, how positively or negatively in general an individual thinks and feels about himself. Most researchers assume that self-esteem is a relatively stable personality trait that is formed by the end of the adolescent years and not easily altered.

Brockner's (1988) concept of "behavioural plasticity" provides a theoretical basis for understanding the role of self-esteem in environmental stimuli-employee response relationships. Behavioural plasticity refers to the extent to which individuals are affected by external factors, such as social influences. Brockner posited that individuals with low self-esteem are more behaviorally plastic than those with high self-esteem. In other words the work behaviours and attitudes of individuals with low self esteem are affected by their (social) environment to a greater extent than are those with high self-esteem. Given that organizational (procedural) justice constitutes one of the most important aspects of employees' social environment, it would be useful to explore and understand how an employee's self-esteem might influence his or her perception of organizational justice (procedural) following layoffs.

The present research focused on what extent a survivor's self-esteem influences his or her perception of procedural justice in the stress-induced post layoff environment. It is anticipated that individuals with high self esteem will perceive more procedural justice than their low self-esteem counterparts. This





hypothesis is also partly based on the assumption that individuals with low self-esteem have particularly high susceptibility to stressors such as high role ambiguity (Brockner, 1988). Viewing self-esteem as a resource for coping (Kahn & Aabyosiere, 1992) offers an alternate yet convergent line of reasoning for understanding employee perception of procedural justice following layoffs. Kahn and Aabyosiere (1992) noted that self-esteem affects the appraisals of situations, choices of coping behaviours and vigor with which a selected course of action is undertaken. To the extent that self-esteem affects appraisals it is anticipated that the post layoff stress may affect the low self-esteem individuals more which may inturnlead to a more negative appraisal (perception) of (procedural) justice following layoffs. Thus individuals with low self-esteem may perceive lower (procedural) justice than those with high self-esteem.

#### Statement of hypotheses

Based on the literature reviewed above, the following hypotheses were stated and tested.

1. Procedural justice will significantly positively relate to Affective and Normative commitment

2. Procedural justice will significantly negatively relate to continuance commitment.

3. Internals will perceive significantly higher procedural justice/ fairness than externals.

4. Self esteem will positively predict perception of procedural justice.

#### Methodology

##### Sample and Sampling method

The sample consisted of 250 surviving employees, who were selected from five (5) organizations that had undergone layoffs and downsizing. In each organization, all survivors of the layoffs, except top level managers who were not targeted for layoffs, were sampled. Out of the 250 surviving employees who were surveyed, only 219 of them returned completed questionnaire useable for analysis. Respondents also provided their background information such as gender, age, marital status, educational qualification and job tenure. Respondents were assured of confidentiality. Respondents' personal information is summarized in table 1.

**Table 1. Subjects demographic characteristics**

Variables	N	%	M	SD
Age (Years)			37.46	9.248
Tenure (Years)			10.33	8.636
<b>Gender</b>				
Male	136	62.1		
Female	83	37.9		
<b>Marital status</b>				
Single	69	31.5		
Married	144	65.8		
Divorced	6	2.7		
<b>Education</b>				
SSCE/O'Level& below	51	23.3		
GCE"A"Level/post sec	22	10		





Diploma	54	24.7
Ist Degree	49	22.4
Masters	6	2.7
Other(Technical Courses)	37	16.9

### Measures

Four standardized instruments were used to gather data. These included Stark et al.'s, (2000) Procedural Justice Scale, Rotter's (1966) Locus of Control Scale, Rosenberg (1965) Self-esteem Scale, and Meyer et al., (1993) Organizational Commitment Scale.

Stark et al. (2000) Procedural justice scale measures the effectiveness of communications and perceptions of fairness from the survivor's perspective. It contains eight items. Ernie et al. (1999) had an internal consistency of 0.92 and in the present study an internal consistency (Cronbach's alpha) (N= 219), of .86 was obtained. Respondents replied using a seven point Likert scale ranging from strongly disagree-1 to strongly agree-7. Higher scores were indicative of higher levels of procedural justice.

Rotter's (1966) locus of control scale measures locus of control of respondents. The original scale contains 29 forced - choice items. Twenty-three (23) of those are designed to measure the locus of control and the six are filler items. The reliability and validity of the scale has been demonstrated in several studies. Lim and Teo (1998) reported a Cronbach alpha of 0.65 which correspond with the internal consistencies reported by Rotter (1966). In the present study, Cronbach alpha was found to be 0.64, N = 219, which is consistent with results from previous studies. The respondents had to choose between an internal and an external alternative. A total locus of control score is obtained by counting the number of external alternatives chosen (minimum 0, maximum

23). High numbers (scores from 12 - 23) indicates an external locus of control, low numbers (scores from 0 - 11) indicates an internal locus of control ( Rotter, 1966)

Rosenberg's (1965) Self- esteem scale consists of ten items measured on a seven-point Likert scale ranging from strongly agree = 1 to strongly disagree = 7. Previous researchers (e.g., Mehrabiam, 1998; Rosenberg, 1965) have reported Cronbach's alpha for various samples ranging from 0.77 to 0.88. In the present study internal consistency (Cronbach alpha) reliability of the scale (N = 219), of 0 .77 was obtained. Scoring was done by summing the ratings assigned to all the items after reverse scoring the positively worded items. The positively worded items were reversed scored because the scale ranged from strongly agree = 1 to strongly disagree = 7 instead of the other way round. Higher scores indicated higher self esteem.

Meyer et al. (1993) organisational commitment scale was used to measure commitment. The scale has good reliability as assessed in studies of its internal consistency (Meyer & Allen, 1997). The scale has also been reported by Ko (1996), in Seoul, Korea, as having the following reliabilities for the 3 measures (affective, continuance and normative) for two samples he used: Affective commitment (Sample 1 = .88; sample 2 = .87); Continuance commitment (sample 1 = .58; sample 2 = .64) and Normative commitment (sample 1 = .78, sample 2= .78). Consistent with previous studies using Meyer et al. (1993) organizational commitment questionnaire, in





the present study, the following internal consistencies were obtained: For affective commitment, internal consistency ( $\alpha$ ) (N = 219) was = 0.79, for continuance commitment (N = 219) it was 0.67, and that of normative commitment (N = 219) was = 0.84. Responses range from strongly agree = 1 to strongly disagree = 7. All positively worded items were reversed scored. The scale consists of 18 items, six per subscale. The highest obtainable score for each subscale was 42 with the lowest being 6. The maximum score for overall commitment was thus 126 with the minimum being 18.

### Procedure

Permission was sought for the conduct of the study from human resource managers of the various organizations selected. Being a survey study, the researchers distributed self-administered questionnaires to selected participants. Respondents were survivors of layoffs who had witnessed layoffs in their organizations spanning 1 to 3 months. Data collection lasted two months. Regular follow - ups and reminders were undertaken every week. Respondents were assured of anonymity of responses since names were not to be written on the questionnaires. Only office numbers of respondents were written by researchers to ensure easy retrieval of questionnaires upon completion. Further anonymity was ensured by making sure that every questionnaire was in an envelope that could be sealed and lodged with the receptionists for onward submission to the researchers for respondents who were not available on the days of collection. A total

of 219 questionnaires out of the 250 were returned indicating a high response rate of 88%.

### Control of extraneous variables

Previous studies (e.g., Allen & Meyer, 1993), found that affective, continuance and normative commitment are influenced by employees' age and organizational tenure while others (e.g. Hrebiniak & Alluto, 1972; Kidron, 1978) have also found educational level correlating significantly with organizational commitment. The present study thus included these variables in the demographic section of the questionnaire and statistically controlled for them, as recommended by Baum (2002).

### Results

This study examined relationship between Procedural Justice (during layoffs) and organizational commitment following layoffs. Descriptive and inferential statistics were used in reporting the results. The results obtained are as follows.

### Perceived Procedural Justice and Organizational Commitment

In testing hypothesis 1 and 2, the Pearson - Product Moment Correlation was used and the results are as shown in Table 2 below.

Table 2 Pearson - Product Moment Correlations between measures of Components of organizational Commitment and Perceived Procedural Justice.

Measures	1	2	3	4
1. P. PJ				
2. AF.OC				
3. CON.OC	.291**			
4. NORM.OC	-.096	.099		
	.099	.479**	.420**	

**\*\* Correlation is significant at 0.01 level (1 tailed)**

Key:

P. PJ - Perceived procedural Justice

AF.OC- Affective Organizational Commitment

CON.OC- Continuance Organizational Commitment

NORM.OC- Normative Organizational Commitment

From the correlation results, there was a significant but weak positive correlation between Perceived Procedural Justice and Affective Commitment [ $r(217) = 0.29, p < .01$ ], with higher levels of Procedural Justice associated with higher levels of Affective Commitment. The coefficient of determination for Perceived Procedural Justice and Affective Organizational Commitment ( $r^2 = 0.084$ ) implies that Perceived Procedural Justice helps to explain about 8 percent of the variance in respondents scores on the Affective Organizational Commitment scale.

There was also a weak and insignificant correlation between Perceived Procedural Justice and Continuance Commitment [ $r(217) = .10, p = n.s.$ ], and perceived Procedural Justice and Normative Commitment [ $r(217) = .10, p = n.s.$ ].

The hypothesis that perceived Procedural Justice is significantly positively related to Affective and Normative Commitment was therefore not supported. The second hypothesis that Perceived Procedural Justice will be negatively related to continuance commitment was also not supported

**Other results**

The study also examined correlations among the 3 different components of Organizational Commitment as shown in the Table 2. The results showed that Affective Commitment and Normative Commitment were significantly positively correlated with moderate strength of relationship [ $r(217) = .48, p < .01$ ]. Continuance commitment and Normative Commitment were also significantly positively related [ $r(217) = .42, p < .01$ ]. The correlation between continuance Commitment and Affective Commitment was however small and insignificant [ $r(217) = .099, p = n.s.$ ].

**Locus of control and Procedural Justice**

To test hypothesis 3, the independent sample t-test was used and the results are as shown in table 3 below.

Table 3 Means, Standard Deviations and t-test result of Procedural Justice Scores for Internals and Externals.

Dependent Variable	Locus type	N	Mean	SD	T	df	P
Procedural Justice	Internals	146	34.9932	9.72625	2.250	217	.025
	Externals	73	31.9041	9.26787			

As showed in Table 3 above, the overall Mean (34.9932), SD = 9.72625, for internals was higher than that of Externals (31.9041), SD = 9.26787.

To further examine whether the mean differences were significant, the independent sample t-test result in the same table above showed that there was a significant difference between Internals and Externals in their perception of Procedural Justice [ $t(217) = 2.250, p < .05$  (two-tailed)]. This implies the hypothesis that Internals will perceive higher Procedural Justice than Externals was supported.

It should be noted however, that though there was a significant difference in scores for Internals and Externals, the magnitude of the differences in the

Means was small (eta Squared = .023), meaning that the differences between the two groups were not great.

### Self esteem and procedural justice

In testing hypothesis 4, Procedural Justice was regressed on Self esteem and controlled variables (tenure, education and age) using the Hierarchical Multiple Regression (enter method). The results are shown in Table 4.

Table 4 Hierarchical Multiple Regression of Procedural Justice on Self- esteem and control variables.

Variables	Standardized Beta ( $\beta$ )	F	Sig.	R <sup>2</sup>	Changed R <sup>2</sup>	Changed F
<b>Control variables</b>		.872	.457	.012	.012	.872
<b>Tenure</b>	.089		.405			
<b>Education Level</b>	.069		.317			
<b>Age</b>	-.125		.244			
<b>All Variables</b>		3.653	.007	.064		
<b>Tenure</b>	.086		.411			
<b>Education</b>	.037		.585			
<b>Age</b>	-.118		.260			
<b>Self esteem</b>	.230		.001		.052	11.866

From the result in table 4, a significant model emerged  $F(4, 214) = 3.653, P < .01$ . The R<sup>2</sup> was .064 indicating that the model as a whole explained only 6.4 percent of the variance, with self esteem explaining an additional 5.2%. (Changed R<sup>2</sup> = .052) of the variance when tenure, education and age were statistically controlled. The contribution of Self

esteem was statistically significant (Changed  $F(1, 214) = 11.866, P < .01$ ).

For individual contribution to the model, the results indicate that neither of the control variables contributed significantly to perception of Procedural Justice; Tenure, [ $\beta = .086, p = n.s.$ ], Education, [ $\beta = .037, p = n.s.$ ], Age, [ $\beta = -.118, p =$



n.s]. Self esteem however was significantly related to Procedural Justice [ $\beta = .230, p = .001$ ]. This result implies that the hypothesis that Self esteem will predict Perceived Procedural Justice was supported.

### Discussion

The present research was aimed at examining the relationship of perceived procedural justice and Meyer et al. (1993) three components of commitment among survivors of layoffs in selected organizations in Ghana. The study also examined the relationship of locus of control and self - esteem on perception of Procedural Justice. Based on the above objectives and the literature reviewed, four hypotheses were stated and tested:

The first hypothesis which stated that perceived procedural justice is significantly positively related to Affective and Normative commitment was not supported. From the literature reviewed, though a few studies have been done examining the relationship between perceived procedural justice and commitment (Brockner, Davy & Cater, 1985; Brockner et al., 1987; Charness & Levine, 2000; Cropanzano et al. 2007; Greenberg, 1990) and between perceived procedural justice and affective commitment, the researchers have not come across any study that has examined the relationship between perceived procedural justice and all the 3 components of commitment together. This study is thus one of the first to do so and is thus an initial point in understanding such a relationship.

Though the findings from the present research partly support the hypothesis that perceived procedural justice is positively related to affective and normative commitment, it fails to support the hypothesis as a whole because procedural justice did not relate positively to normative commitment. It was expected that procedural justice will relate positively with both affective and normative

commitment since most studies found a positive correlation between affective and normative commitment. The present research however found that this was not the case. This finding supports the argument by most past research ( e.g. Coleman et al.,1999) that though affective and normative commitment are related, they are still conceptually different and measure different aspects of work behaviour. It therefore does not mean that any variable that correlates positively with one will equally correlate positively with the other.

The second hypothesis that Perceived Procedural Justice is negatively related to continuance commitment was not supported. The result showed no relationship between procedural justice and continuance commitment. Here again, the present research represents one of the first studies to examine and test a potential relationship between perceived procedural justice and continuance commitment. This finding thus provides baseline information on the variables concerned and lays a foundation for future studies.

The next hypothesis that Internals will perceive higher procedural justice than Externals was supported. However, little empirical research has been done examining the relationship between locus of control and perception of procedural justice. This study is thus one of the first to examine such a relationship. Previous studies have not found direct and straight forward relationship between locus of control and perception of procedural justice. The present result however, supports previous conclusions (Anderson, 1997; Kahn & Aabyosi, 1992) that given the tendency of Internals to perceive situations as controllable, and their preference for taking constructive actions to resolve problems in the workplace, they are more likely to perceive procedural justice than their external counterparts. Kahn and Aabyosi (1992) and Ganster and Schaubroeck (1991) argue that externals are more





likely to feel anxious in the face of potential stressors and less active in coping with stress than externals. To the extent that externals are more anxious (in times of stress - in this case layoff-induced stress) and this leads to negative appraisals/perception of the situations that induce their anxiety, it is not surprising that in the present study, they perceive lower procedural justice compared to their internal counterparts.

The findings of the present research supported the final hypothesis that self esteem will positively predict perceived procedural justice. The finding is in line with that of Kahn and Aboysiere (1992) which noted that self esteem affects the appraisals of situations, choices of coping behaviour and vigor with which a selected course of action is taken. From the perspective of stress, Ganster and Schaubroeck (1991) noted that individuals with low self esteem are more affected by job stressors. Since the post-layoff work environment is considered very stressful by survivors (Brockner et al., 1988) individuals with low self esteem are more likely to be affected by it and hence more likely to perceive low procedural justice compared to high self esteem individuals who are more capable of managing the stress (Marehbiyam, 1998).

Brockner's (1988) concept of behavioural plasticity could also be used to explain why self esteem predicts perceived procedural justice. Behavioural plasticity according to Brockner (1988) refers to the extent to which individuals are affected by external factors such as social factors. In line with this concept, Brockner (1988) posited that individuals with low self esteem are more behaviourally plastic than those with high self esteem - that is, the work behaviours and attitudes of individuals with low self esteem are more affected by their (social) environment than are those with high

self esteem. To the extent that procedural justice constitute an important part of employees' social environment, it is not surprising that individuals with high self esteem perceive higher procedural justice than those with low self esteem. Following layoffs, individuals with high self esteem perceive higher procedural justice because they are less affected by the stress induced by the layoff and its environment compared to their counterparts with low self esteem.

### Contributions of this research

The uniqueness of the present research is that it sampled from several public and private organizations providing a basis for generalization. It examined the relationship between Perceived Procedural Justice and the three (3) component view of organizational commitment following layoffs thus stimulating further research in this area. It also examined the relationship between personality traits such as locus of control and self-esteem and perception of procedural justice among survivors of layoffs. Previous studies (e.g. Coleman et al., 1999) have also found that procedural justice is positively related to normative commitment but the present study failed to support this fact. This may lay a foundation for further research in the Ghanaian organizations.

Finally, the present study extended previous research by exploring new areas like the relationship between locus of control and procedural justice and that of self esteem and procedural justice which are fairly unexplored areas. The findings that internals perceive higher procedural justice than externals; and that of self esteem predicting procedural justice therefore not only add to knowledge but could stimulate further research.







### Limitations and Recommendations for future studies

There are some limitations of this research, some of which are discussed below.

Firstly, because of the retrospective nature of the survey, inquiring about layoff activities from 15 months to three months, the ability of respondents to accurately assess their feelings about the layoffs and the procedures used at the time of the layoffs could have been compromised.

Secondly, the study inherits all the weaknesses of surveys and self report measures. This is because all the questionnaires used demanded that respondents self report their behavior. Their report could therefore be subject to personal biases and socially desirable responses. A better way could have been to use more objective measures. Future studies should look at possible ways of objectively measuring survivors' behaviour following layoffs. For example, future researchers could obtain commitment information not only from participants themselves but also from their employers. The information obtained could then be compared to detect personal biases. Survey questionnaires could also be constructed with a number of fillers that would in a way hide the real information being sought from participants. This could make them report more objectively, though the disadvantage here is that questionnaire would be very lengthy which may result in a low response rate.

### Conclusions

Downsizing and layoffs have become contemporary problems in Ghanaian work organizations. This study on perceived procedural justice and organizational commitment following layoffs is thus timely and its findings which have implications for managing downsizing organizations

could prove useful to managers and Industrial and Organizational Psychologists.

The result from this study has brought to light that when it comes to organizational commitment following layoffs in the Ghanaian context, procedural justice matter. It also shows that personality traits matter with regards to perception of procedural justice. Thus when planning and implementing layoffs or other types of restructuring, managers need to consider the nature of the individuals who will be affected by the restructuring as well as the procedures that would be used to ensure justice.

### References

1. Anaman, J.A (1998). Implementation and effects of downsizing in the Ghana Civil Service. *A dissertation submitted to the school of Administration as partial fulfillment for the award of the Masters in Business Administration*, University of Ghana, Legon.
2. Anderson, C.R (1997). Locus of control, Coping behaviours and performance in a stress setting: A longitudinal study. *Journal of Applied Psychology*, 62, 446-451.
3. Brockner, J. (1998). The effects of work layoffs on survivors: Research, theory and practice. In B.M Staw & L.L Cummings (Eds.). *Research in organizational behaviour*, 10, 213-255. Greenwich, CT; JAI press.
4. Brockner, J., Davy, J., & Carter C. (1985). Layoffs, Self- esteem and survivor guilt: Motivational, Affective, and attitudinal consequences. *Organizational Behaviour and Human Decision Processes*, 36,229-244.





5. Brockner, J., Greenberg, J., Brockner, A., Bortz, J., Davy, J., & Cater, C. (1986). Layoffs, equity theory, and work performance. Further evidence of the impact of guilt. *Academy of management journal*, 29,373-384
6. Brockner, J., Grover, S.L. & Blonder, M.D (1988). Predictors of Survivors' Job involvement following layoffs: A field Study. *Journal of Applied Psychology*, 73, (3), 436-442.
7. Brockner, J., Grover,S.L., Reed, T. F., Dewitt, R. L., & Omalley, M.N.(1987). Survivors reactions to layoffs: We get by with a little help for our friends. *Administrative Science Quarterly*, 32, 526-541.
8. Brockner, J., Konovsky, M., Cooper-Schneider, R., Folger, R., Martin, C.,& Bies, R. (1994). Interactive effects of procedural justice and outcome negativity and survivors of job loss. *Academy of Management Journal*, 37, 397-409.
8. Brown, U.L. & Gaylor, K.P. (2002). Organizational commitment in higher education. *Journal of Organizational Behaviour*, 20,70-80.
9. Charness, G., & Levine, D.I. (2000). When are layoffs acceptable? Evidence from A Quasi-experiment. *Industrial and Labour Relations Review*, 53 (3), 381-395.
10. Chipunza C, Samuel, M.O. (2011). The Influence of Downsizing Organisational Strategies on Survivor Qualities in an Economically Volatile Environment. *Journal of Social Sciences*, 28(2): 87-98
11. Colcuit, J., Noe, R. & Jackson, C. (2002). Justice in teams: antecedents and consequences of procedural justice climate. *Personnel Psychology*, 55(1), 83-109.
12. Coleman, D.F., Irving, P. G., & Cooper, C.L. (1999). Another look at the locus of control- organizational commitment relationship: It depends on the form of commitment. *Journal of organizational Behaviour*; 20, 995-1001.
13. Cropanzano, R., Bowen, D.E., & Gilliland, S.W.(2007). The management of Organizational Justice. *Academy of Management perspectives (November)*, 34-48
14. Greenberg, J. (1990). Organizational justice: Yesterday, today and tomorrow. *Journal of management*, 16 (2) 399-432.
15. Greenberg, J. (1996). The quest for justice on the Job. *Essays and Experiments*. Thousand Oaks, CA: Sage
16. Hall, C.S., Linzey, G., & Campbell,J. B.(1997). *Theories of personality, 4<sup>th</sup> ed.*, John Wiley and Sons, New York, NY.
17. Hrebiniak, G., & Alutto, J. A.( 1972). Personal and role-related factors in the development of organizational commitment. *Administrative Science Quarterly*, 17:555-572
18. Judge, T.A., Thoresen, C.J, & Pucik, V. (1996). Managerial coping with organizational change: A dispositional perspective. *A paper presented to the Academy of Management*.
19. Kahn, R.L & Aabyosiore, P. (1992). Stress in organizations. In Dunnette, M.D. and
20. Hough, L.M (Eds). *Handbook of Industrial and Organizational Psychology, 2nd edn., 3, Consulting Psychologists, Palo Alto, CA, 571-650.*





21. Kernan, C. M. & Hanges, P.J.(2002). Survivor Reactions to Reorganization: Antecedents and consequences of Procedural, Interpersonal, and Informational Justice. *Journal of Applied Psychology*, 87(5), 916-928.
22. Kidron, A. (1978). Work values and organizational commitment. *Academy of Management Journal*, 21(2): 239-247.
23. Koonce, R. (1991). "The people side of organizational change". *Credit Magazine*, 17, (6),22-5.
24. Kreitner, R. & Kinicki, A. (2001). *Organizational Behaviour (5<sup>th</sup> edition)*, Irwin/McGraw-Hill, New York, NY, 10020.
25. Leventhal, G. S (1980). What should be done with equity theory? New approaches to the study of fairness in social relationships. In K.Gergen, M. Greenberg, & R. Willis (Eds.).*Social Exchange. Advances in theory and research*, 27-55. New York: Plenum.
26. Lim, V.K.G. & Teo, T.S.H (1998). Effects of individual characteristics on Police officers' work-related attitudes. *Journal of managerial Psychology*, 13(5/6), 334-342.
- Lind, E. A., & Tyler, T. R. (1988). *The social psychology of procedural justice*. New York: Plenum.
27. McFarlin, D.B., Sweeney, P.D. (1992). Distributive justice and procedural justice as predictors of satisfaction with personal and organizational outcomes. *Academy of Management Journal*, 35, 626-637.
28. Mehrabian, A. (1998). *Manual for the Self Esteem and Optimism-pessimism Scales*. Albert Mehrabian, 1130 Alta Messa Road, Monterey, CA, USA 93940.
29. Meyer, J. P., & Allen, N. J (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1, 61-98.
30. Meyer, J.P., & Allen, N. J. (1997). *Commitment in the workplace: Theory, Research and Application*. Sage, Thousand Oaks, CA.
31. Meyer, J. P., Allen, N. J., & Gellatly, I.R.( 1990). Affective and continuance commitment to the organization: Evaluation of measures and analysis of concurrent and time- lagged relations. *Journal of Applied Psychology*, 75, 710-720.
32. Meyer, J. P., Allen, N.J., & Smith, C.A (1993). Commitment to organizations and occupations: extension and test of a three-component model. *Journal of Applied Psychology*, 78, 538-551.
33. Mowday, R.T., Steers, R.M., & Porter, L.W (1979). The measurement of organizational commitment. *Journal of vocational Behaviour*; 14, 224-247.
34. Omoruyi Q, Chipunza, C & Samuel, M.O. (2011). Perceptions of justice and extra-role behaviours of survivors after organisational restructuring at a consolidated bank in Nigeria. *SA J of Hum Res Manage*, 9(1): 344
35. Rosenberg, M. (1965). *Society and the Adolescent Self-Image* . Princeton, N.J: Princeton University press.
36. Rotter, J.B. (1966). Generalised expectancies for internal versus external control of reinforcement . *Psychological monographs*, 80 (1, whole No. 609).
37. Sheppard, B., Lewicki, R., & Minton, J. (1992). *Organizational justice: The search for fairness in the workplace*. New York: Lexington.





38. Stark, E., Thomas, L.T. & Poppler, P. (2000). Can Personality Matter More Than Justice? A Study of Downsizing and Layoff Survivors in the USA and Implications for Cross Cultural Study. *A paper submitted to the Academy of Business and Administrative Sciences 2000 International conference, Prague, Czech Republic.*
39. Sweeny, P.D., & Mcfarlin, D.B (1993). Workers' evaluations of the "ends" and the "means". An examination of four models of distributive and procedural justice. *Organizational Behaviour and Human decision Processes*, 55, 23-40.
40. Tang, T., & Sarsfield-Baldwin, L. (1996). Distributive and Procedural Justices as related to satisfaction and commitment. *S.A.M. Advanced management Journal*, 61, (3), 25-41.
41. Thibaut, J., & Walker, L. (1975). *Procedural Justice*. Erlbaum, Hillsdale, NJ
42. Uchitelle, L. & Kleinfeld, N. (1996). On the battlefields of business, millions of casualties. *The New York Times*, sec.1, 26 & 28.
43. Webb, R. (1997). Organizational justice: A communication-based perspective. Qualifying examination question: The Department of Speech Communication, University of Texas at Austin.
44. West, G.B (2000). *The effects of Downsizing on survivors: A Meta - Analysis*. A dissertation Submitted to the Faculty of the Virginia Polytechnic Institute and State University in partial fulfillment of the requirements for the degree of Doctor of Philosophy in Public Administration and Political Affairs.
45. Winkler, B. L. (2003). *Organizational survivors: Perceptions of conflict and justice during organizational downsizing*. A Thesis submitted to Texas A & M University in partial fulfillment of the requirements for the degree of Master of Arts.

