The Relationship between Organizational Justice and Social Loafing in Ho Chi Minh City, Vietnam

Vu Ba Thanh1, Ngo Van Toan2

Received: May 7, 2018 Revised: May 24, 2018 Accepted: July 30, 2018

Abstract

This study aims to explore the relationship between organizational justice and social loafing of organizations in Ho Chi Minh City through quantitative analysis from the survey data for the 228 employees working at the Organizations in Ho Chi Minh City. The instrument of collecting data was a questionnaire. The collected data were analyzed using SPSS version 22 and employing exploratory factor analysis (EFA), Cronbach’s alpha, multiple regression analysis. The results showed that only two factors are Distributive justice and Procedural justice is to have the reverse effect on social loafing of employee. From the results of the study showed, Distributive justice and Procedural justice has the opposite effect of social loafing, which demonstrates that when individuals feel that their work is spent on performing tasks in a clearly divided and they will receive a worthwhile result in the group when performing the task then the individual's collective indifference to the organization will decrease. And motivate the employee to make more efforts to work and contribute for the organization. In addition, the factor of Procedural justice also has the opposite effect of collective redundancy, which demonstrates that employees are more concerned about fairness in official policies and organizational procedures.

Keywords: Organizational Justice, Social Loafing, Procedural Justice, Vietnam.

JEL Classification Code: D22, D23.

1. Introduction

In the organization, individuals in the group will realize that other members of the group effort less than the efforts when working group (Etemadi et al., 2015). This problem makes them feel that the benefits they have gained from teamwork are not fair to all the activities they have done, as a result, they would see inequality in the group (Etemadi et al., 2015). This phenomenon occurs will cause many negative consequences in the organization such as reduced performance, reduced satisfaction, and trust in the team (Aggarwal et al., 2008; Etemadi et al., 2015; Murphy, 2003), reduce the interaction between individuals, and thereby reduced organizational performance (Mortazavi et al., 2011; Liden et al., 2004). The trend of the individual from the independent activity to behave collectively and thereby reducing social loafing. (Lin et al., 2009). Recognizing the importance mentioned above, the authors have chosen to study the relationship between organizational justice and social loafing in Ho Chi Minh City.

2. Theoretical Basis and Research Model

According to Greenberg (1987) organizational justice is the employee’s perception of fairness in the place where they work, which means organizational justice is the way in which the employee feels they are treated publicly. In the work they receive, and whether that affects their behavior in the organization. The concept of organizational justice involves important factors such as commitment, performance, employee satisfaction (Lipponen et al., 2004). Etemadi et al. (2015) have outlined four types of institutional equality: (1) Distributive justice is the fairness of the results the employee receives, (2) Procedural justice is the process used to distribute the rewards in the organization, (3) Interactional justice is justice of organizational transferred to subordinates and subject to the supervision of superiors, (4) Systemic justice is The system shows the employee’s perception of workplace co-worker behavior, supervisors’ behavior and the procedures of the entire organization where they work.
The origin of social loafing begins with the "Ringelmann Effect," which describes the tendency of individuals will reduce labor productivity when they work in groups (Ringelmann, 1913; led by Simms & Nicholls, 2014). Ingham, Levinger, Graver and Peckham (1974) described the effect of "social loafing" when they succeeded in demonstrating individual efforts to be denied when people worked in groups. Williams, Harkins and Latané (1981) have expanded the experiment and given the conclusion that if the efforts of individuals in the organization were measured, those who caused conflict or because indifference would decrease, and their research focuses on studying of measuring the output of individuals in the organization. With the conceptual basis of social loafing of Ingham et al. (1974) and Latané et al. (1979), so far, many other authors have followed Karau and Williams (1993); George (1992); Etemadi et al. (2015) argue that social loafing is a phenomenon in which the individual's efforts to achieve their goal when they work in a team is lower when the individual works independently.

Research by Ligen et al. (2004) suggests that one's perception of interdependence in work is related to social loafing; A person's perceptions of a negative Distributive justice associated with collective redundancy, as well as the person's perception of justice in policies and procedures without affect the downward trend Indifference of the individual. Ferrante et al. (2006) explored what needed for the group leader can do to help reduce social loafing. They compare between the group leader and the group has no leaders to see which group is less tolerant and they conclude that the groups with the leader are less likely to be idle, which proves equity was evaluated in the group to reduce social loafing. Etemadi et al. (2015) investigated the relationship between organizational justice and social loafing among nurses at Sanhayan's Tohid Medical and Education Center. The results of the study also indicate that there is a negative interaction between the components of organizational justice and social loafing.

Based on the theory and inheritance of previous studies of the relationship between organizational justice and social loafing, the author proposes a research model as shown in Figure 1.

The model aims to examine the relationship between organizational justice and social loafing of staff in organizations in Ho Chi Minh City with the regression equation as follows:

\[ SL = \alpha + \beta_1 * DJ + \beta_2 * PJ + \beta_3 * IJ + \beta_4 * SJ \]

Research using non-probability sampling. The author sent the survey questionnaire to 260 employees in Ho Chi Minh City, collecting 244 votes and after removing the unsatisfactory 228 valid votes, meeting the sample size requirement. For research. In this study, the components of organizational equity were developed by Kaneshiro (2008) with distributive justice (DJ) consisting of nine observation variables, The Procedural justice (PJ) consists of 5 observation variables, Interactional justice (IJ) consists of 11 observational variables and a Systemic justice (SJ) of 10 observed variables. Social loafing factor (SL) developed by George (1992) consisted of 10 observed variables. The questionnaire for this study using Likert scale with 5 levels. Data analysis methods: descriptive statistics, Cronbach's Alpha scales, EFA, multiple regression analysis, Anova using SPSS 22.0 software.

3. Data Analysis and Results

3.1. Reliability Analysis and EFA Analysis

The Cronbach's alpha-scale reliability test showed that nine observed variables of the DJ variable, 5 observed variables of the variable PJ, 11 observed variables of the variable IJ, and 10 observed variables of the variable SJ has high reliability should be the variables of organizational justice components will be brought in to analyze the EFA for the next step. Meanwhile, Cronbach's Alpha reliability test of 10 observation variables of the variable SL, then we exclude variable SL3 and SL7 because the total correlation coefficient is not satisfactory. Therefore, only 8 observation variables of the SL variable are included in the EFA analysis. After implementing EFA 4 times, SJ1, IJ2, SJ5, IJ11 observation variables were excluded from the model. At the 5th EFA implementation results are as shown in Table 1, Sig value. = 0.000 ≤ 0.05 in the Battlet test showed that the results of the analysis were statistically significant greater than 95% and the observed variables were correlated in the overall. The total variance of 51.786% representing the factors derived from the analysis can account for 51.786% of the variation in the initial survey data. The results in Table 1 also show that the factors that represent research concepts are intrinsically consistent and highly reliable, well suited for subsequent analyzes.
Table 1. Results of reliability analysis and analysis of the EFA discovery factor

| Variable | Component | Cronbach’s Alpha |
|----------|-----------|------------------|
| DJ9      | 0.885     |                  |
| DJ6      | 0.881     |                  |
| DJ8      | 0.866     |                  |
| DJ2      | 0.801     |                  |
| DJ7      | 0.784     |                  |
| DJ5      | 0.775     |                  |
| DJ1      | 0.769     |                  |
| DJ4      | 0.704     |                  |
| DJ3      | 0.569     | Cronbach’s Alpha = 0.928 |
| SJ7      | 0.878     |                  |
| SJ2      | 0.833     |                  |
| SJ4      | 0.827     |                  |
| SJ8      | 0.826     |                  |
| SJ6      | 0.785     |                  |
| SJ10     | 0.780     |                  |
| SJ9      | 0.738     |                  |
| SJ3      | 0.737     |                  |
| IJ6      | 0.816     |                  |
| IJ4      | 0.764     |                  |
| IJ3      | 0.754     |                  |
| IJ5      | 0.748     |                  |
| IJ9      | 0.743     |                  |
| IJ10     | 0.732     |                  |
| IJ8      | 0.694     |                  |
| IJ1      | 0.656     |                  |
| IJ7      | 0.594     |                  |
| PJ5      | 0.865     |                  |
| PJ2      | 0.825     |                  |
| PJ4      | 0.783     |                  |
| PJ1      | 0.761     |                  |
| PJ3      | 0.734     |                  |
| SL10     | 0.856     |                  |
| SL9      | 0.820     |                  |
| SL8      | 0.810     |                  |
| SL1      | 0.743     |                  |
| SL6      | 0.655     |                  |
| SL5      | 0.628     |                  |
| SL2      | 0.597     |                  |
| SL4      | 0.591     |                  |
| Invalid method | 18.907  | 36.305  | 52.714  | 63.711  | 51.786  |
| KMO = 0.844 | Sig=0.000 | Sig=0.000 | Sig=0.000 | Sig=0.000 | Sig=0.000 |

3.2. Regression Results

The author performs regression analysis with SL dependent variables and the four independent variables are DJ, PJ, IJ, SJ. After the first regression analysis, the IJ and SJ variables did not affect the dependent SL variables. Therefore, we need to type 2 IJ and SJ variables out of the model and again the second regression. The results of the second regression are shown in Table 2.
Table 2. Second regression result

| Model | Unstandardized Coefficients | Standardized Coefficients | t | Sig. | Collinearity Statistics |
|-------|-----------------------------|--------------------------|---|------|-------------------------|
|       | B | Std. Error | Beta |       | Tolerance | VIF |
| 1     | (Constant) | 4.168 | .166 | 25.085 | .000 | .829 | 1.207 |
|       | DJ | -.256 | .039 | -.379 | -6.529 | .000 | .829 | 1.207 |
|       | PJ | -.245 | .041 | -.345 | -5.935 | .000 | .829 | 1.207 |

The R² coefficient is 0.371 and the correction R² is 0.365. Thus, the model with two DJ variables and PJ explained 36.5% of the effect of Distributive justice and Procedural justice on the collective indifference in Ho Chi Minh City. The Sig value = 0.000 (<0.05), so the combination of two independent variables can explain the variation of the dependent variable. From table 3 found that variables of Distributive justice and Procedural justice affected the collective indifference of employees at enterprises in Hochiminh city with a significance level of 1% for both 2 variables DJ and PJ. Regression analysis gives us the linear regression equation as follows:

\[
SL = -0.379 \times DJ - 0.345 \times PJ
\]

Through the above equation, we see that Distributive justice has the strongest impact on collective bargaining, followed by Procedural justice, and both components have the opposite effect of collective bargaining. 2 balanced factors interact and balance the system do not affect social loafing

4. Discussion

From the results of the study showed, Distributive justice and Procedural justice has the opposite effect of social loafing, which demonstrates that when individuals feel that their work is spent on Perform tasks in a clearly divided and they will receive a worthwhile result in the group when performing the task then the individual's collective indifference to the organization will decrease. And motivate the employee to make more efforts to work and contribute for the organization. In addition, the factor of Procedural justice also has the opposite effect of collective redundancy, which demonstrates that employees are more concerned about fairness in official policies and organizational procedures. This is to determine the results of their work in the group. When clear policies and procedures will help employees determine the tasks and accomplishments they achieve and thereby reduce collective negligence. The two factors of Interactional justice and Systemic justice have no impact on social loafing, suggesting that employees are not paying much attention to these two factors.

References

Aggarwal, P., & O’Brien, C. L. (2008). Social loafing on group projects: Structural antecedents and effect on student satisfaction. *Journal of Marketing Education, 30*(3), 255-264.

Etemadi, M., Darab, M. G., Khorasani, E., Moradi, F., & Vazirinasab, H. (2015). Social loafing among nurses and its relation with organizational justice. *International Journal of Educational and Psychological Researches, 1*(2), 125-130.

Ferrante, C. J., Green, S. G., & Forster, W. R. (2006). Getting more out of team projects: Incentivizing leadership to enhance performance. *Journal of Management Education, 30*(6), 788-797.

George, J. M. (1992). Extrinsic and intrinsic origins of perceived social loafing in organizations. *Academy of Management Journal, 35*(1), 191-202.

Greenberg, J. (1990). Looking fair vs. being fair: Managing impressions of organizational justice. *Research in Organizational Behavior, 12*(1), 111-157.

Ingham, A. G., Levinger, G., Graves, J., & Peckham, V. (1974). The Ringelmann effect: Studies of group size and group performance. *Journal of Experimental Social Psychology, 10*(4), 371-384.

Kaneshiro, P. (2008). Analyzing the organizational justice, trust, and commitment relationship in a public organization. Doctoral dissertation. Northcentral University, Scottsdale, Arizona.

Karau, S. J., & Williams, K. D. (1993). Social loafing: A meta-analytic review and theoretical integration. *Journal of Personality and Social Psychology, 65*(4), 681-706.

Latané, B., Williams, K., & Harkins, S. (1979). Many hands make light the work: The causes and consequences of social loafing. *Journal of Personality and Social
Psychology, 37(6), 822-832.
Liden, R. C., Wayne, S. J., Jaworski, R. A., & Bennett, N. (2004). Social loafing: A field investigation. *Journal of Management, 30*(2), 285-304.
Lin, T. C., & Huang, C. C. (2009). Understanding social loafing in knowledge contribution from the perspectives of justice and trust. *Expert Systems with Applications, 36*(3), 6156-6163.
Lipponen, J., Ollkonen, M. E., & Myyry, L. (2004). Personal value orientation as a moderator in the relationships between perceived organizational justice and its hypothesized consequences. *Social Justice Research, 17*(3), 275-292.
Mortazavi, S., Hakimi, H., Soori, N., & Gholizade, R. (2011). Investigation of perception of justice and trust on teams social loafing in knowledge sharing: Research and development teams in Mashhad Industrial Town. *Exec Manage Bull, 3*, 137-162.
Murphy, S. M., Wayne, S. J., Liden, R. C., & Erdogan, B. (2003). Understanding social loafing: The role of justice perceptions and exchange relationships. *Human Relations, 56*(1), 61-84.
Simms, A., & Nichols, T. (2014). Social loafing: a review of the literature. *Journal of Management Policy and Practice, 15*(1), 58-67.
Williams, K., Harkins, S. G., & Latané, B. (1981). Identifiability as a deterrent to social loafing: Two cheering experiments. *Journal of Personality and Social Psychology, 40*(2), 303-311.