



Organizational Justice & Work Climate of Hotel Employees in Sarawak, Malaysia

Mark Kasa¹, Zaiton Hassan²

^{1,2}Faculty of Cognitive Sciences and Human Development, University Malaysia Sarawak, Malaysia

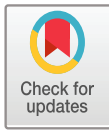
ARTICLE INFO

Article History:

Received: Aug-30-2023

Revised: Dec-020-2023

Accepted: Feb-26-2024



Corresponding Author:

Mark Kasa

Faculty of Cognitive Science and Human-development, University Malaysia Sarawak, Malaysia

ekmark@unimas.my

ABSTRACT

Research Aims

The purpose of this study was conducted to investigate the relationship between both organizational justice and organizational climate towards turnover intention, with job satisfaction acting as the mediating variable.

Design/Methodology/Approach

This cross-sectional study involves conducting a survey among 252 hotel employees in Sarawak. Pearson correlation analysis and Haye's PROCESS model through SPSS macros model 4 were applied to examine relationships and meditational effects.

Research Findings

The results indicate that 1. Job satisfaction mediates the relationship between organizational climate and turnover intention; 2. Job satisfaction mediates the relationship between organizational justice and turnover intention; 3. Job satisfaction is negatively related to turnover intention.

Theoretical Contribution/Originality/Value

This study assesses whether job satisfaction mediates the effect of organizational justice and organizational climate on turnover intention and mend the gaps on inconsistencies found on the association between organizational justice and turnover intention.

Practical/ Policy Implications

Hotels can implement a fair and equitable system within their organisation such as a performance-based rewards system, to ensure job security and stability can be offered to employees.

Research limitations

This study was conducted within the context of Sarawak only and among hotel employees, and this study is conducted solely quantitatively.

Keywords: Organizational Justice, Work Climate, Turnover Intention, Job Satisfaction, Hotel

1. INTRODUCTION

With the push of globalization and dominance over new market segments, organisations are getting more aggressive in expanding their brand's recognition, profits, sales, and market control. The main driver behind all organizational expansions and performance are its employees, who are regarded as assets in organisations (Jahangir et al., 2006; Mirvis, 2023), and act as the interrelated cogs in the operational machinations of organisations. Turnover is one of the common organizational problems, yet poses high concerns to any organization, especially when turnover rate is high, as it would potentially lead to a significant loss (Zagladi et al., 2015), both in the productivity and staff development areas. As mentioned by Jahangir et al. (2006) and Kashif (2022), the high staff turnover rate in the hospitality business not only creates a possible vulnerability and a major concern, but it also drives up the company's operational costs. Generally, turnover intention is a condition when an employee has the intention to quit although still yet to leave. In other words, turnover intention happens when employees contemplate, be it lightly or heavily, on the idea to resign at their current post and considers finding new job opportunities in other organizations. Past studies concluded several reasons behind the employees' intention to quit their current jobs. The prospect of getting a better and a more decent job, or at least in all aspects might led to this intention to quit the job (Zagladi et al., 2015). In addition, in a study by Nunally (1978), organizational relationship behaviour, organizational commitment, and job satisfaction also led to turnover intention, whilst a study by Jahangir et al. (2006) concluded the presence of uncertain work settings and unstable working conditions within the hotel industry has been found to potentially contribute to employee dissatisfaction, which in turn may result in an increased likelihood of employees expressing an intention to quit their current positions. The statement of Jahangir et al. (2006) aligned with the outcome of study by Hendro Rumpoko et al. (2022) reported that organizational environment affect the intention to quit among four-star hotel employees in Surabaya. Based on these two findings, the factors can be grouped under two general variables, namely organizational climate and organizational justice.

Organizational climate is seen in how employees get along with each other and in how the organization instils a sense of belonging among its employees and helps in supporting employees' behaviour formation (Alkahtani, 2015; Bilginoğlu & Yozgat, 2022). Organizational climate helps to distinguish an organization from other organizations, especially their competitors, by providing a combination of internal factors that shapes the organisation's unique working environment. A favourable organizational climate reduces the possibility of employees leaving the organization and vice versa. In their previous study, Chai & Singh (2008) suggested that hotel employees' intention to leave is negatively related to all four dimensions of organizational climate, which are the structures, responsibilities, rewards, and supports. In the same study, it was concluded that an improvement in organizational climate reduces turnover intention and the opposite would happen if there were a deterioration in organizational climate (Chai & Singh, 2008). To summarize, organizational climate is an important factor that influences an employee's turnover intention as it shapes the organization's working environment, which in turn, affects the employee's perception of their organization. Meanwhile, organizational justice refers to the way organizations, specifically the managers and supervisors, treat their employees, specifically in the aspect of fairness and equality. The fairness and equality are seen from the employees' job positioning, payment, and bonuses (Alkahtani, 2015). Employees who perceive unfair treatment within their organization often experience a sense of exclusion, leading to an increased intention to leave their current employment. This heightened turnover intention is indicative of a stronger inclination to seek alternative employment opportunities (Tsai & Wu, 2010; Hur & Abner, 2023). In contrast, employees who are treated fairly and equally tend to stay loyal. Furthermore, it has been discovered that organizational justice is negatively correlated with job satisfaction (Tsai & Wu, 2010). Based on what has been studied so far, it can be concluded that organizational justice is a delicate and intricate factor to be managed yet have significant implications towards employee retention. Apart from that in a study by Nunally (1978), it was discovered that job satisfaction may relate