

Research Article

INVESTIGATE THE EFFECT ORGANIZATIONAL JUSTICE ON ORGANIZATIONAL INNOVATION IN ILAM PETROCHEMICAL COMPANY

Abdolah Shayan¹, Soheila Ghasemi² and *Leila Naserirad³

¹ Assistant Professor, Ilam University Ilam, Iran

³ Department of management, Ilam Science and Research Branch, Islamic Azad University, Ilam, Iran

³ Department of management, Ilam Science and Research Branch, Islamic Azad University, Ilam, Iran

*Author for Correspondence

ABSTRACT

Nowadays the main challenge of organizations is innovation And in dealing with unstable and turbulent external environment, concepts such as trust-Considering its key role in attracting and retaining talents and human capital that are rich in creativity and innovation in organizations- will be more prominent role . The present study was performed aimed at investigating the effect organizational trust on innovation in organizations and Statistical population Technical Staff- operational and semi-operational in Ilam Petrochemical Company is 140 persons. 150 questionnaires were distributed and according to the Cochran formula 103 were selected as sample. The research method was descriptive and correlational. Measurement tools in this study were: Organizational justice questionnaire and organizational innovation questionnaire. Cronbach's alpha coefficients obtained from a sample 30 questionnaire for the justice questionnaire was 0.966 and organizational innovation was 0.879. The results showed that organizational justice on organizational innovation coefficient of 0.26 has significant positive effect .

Keywords: *Organizational justice, Organizational innovation, Innovative Organizations, Ilam Petrochemical Company*

INTRODUCTION

Organizational justice means the expression of feeling showed by employees against the actions they are faced with. The more is the perceived justice to employees, the less will be the tendency to leave the job. (Yarmohammadian et al, 2012. 2).

In practice, organizations need to be informed and aware of the processes that include the production of outcomes and talent management. For this reason, the information should be made about talent management practices influenced by organizational justice leading to the particular employee gains to help the achievement of desired organizational outcome (Zhelenz et al, 2013. 10). Organizational justice theories suggest that individuals may respond with negative emotions and behavior to any unfair relationship. An employee may react by reducing the optional commitment and dependencies thus the transactions that are conducted before during a project cause the employees' perception that makes damage to their commitment resulting in a negligent and careless behavior. (Concern for the quality of the work, Chow et al, 2013. 106). The main challenge of organizations is innovation which facilitates the process of reconciling many environmental changes. Indeed, being innovative helps the organization in dealing with the external turbulent environment that is rapidly increasing (Moradi and colleagues, 2013. 90). Despite the competition in all areas of technical, organizational and ... managers are trying to create an environment of proper understanding in order to produce innovation in which the possibility for creativity and productivity will be increased. (Moradi and colleagues, 2013. 88).

Research Background

Organizational justice

The concept of justice raised in social exchanges. Researchers use social exchanges frameworks for assessing the fairness of some transactions and verifying the role of equality in shaping the futures exchanges, which is called the equality theory. Theory of justice largely explains the behaviors of people

Research Article

dealing with a complicated conflict in their minds (Wu Al, 2013.167). The first concept of organizational justice was raised as reward and punishment in an organization. Then, the same rules and procedures were added. Finally the interactions and relationships were added and then it was the same concept as it is today. (Dendr, Tebankaly, 2013.5777). Qualitative studies have shown that certain laws, the laws that are used currently to describe organizational justice, are actually linked with the perception of fair treatment (Zapata et al, 19 1:21). In any working relationship, there is a transaction expectation. Justice in trade, personal perception of justice in received behavior and responses and his reaction to such perceptions are organizational justice hypotheses. (Chow et al, 2013.106). Organizations need to improve organizational justice because the improvements in organizational justice may lead to increased knowledge sharing (Yasil and Derli, 2013.1). The majority of scientists believe that organizational justice is multi-dimensional (Zapata et al, 2013.1) and each of which has a distinct background (Cho et al. 2013.106).

Organizational justice includes:

Procedural justice that creates the settlement terms, such as stability, accuracy and suppressing the discrimination.

Distributive justice requires the agreement with rules such as fairness, equality and needs. Furthermore, interactional justice requires the agreement with compliance and respect to interpersonal interactions and behaviors.

And informational justice requires the agreement with rules such as honesty and being reasonable. (Zapata et al, 2013.1)

Despite the numerous attitudes and behaviors of employees for the organization and behaviors that are infused with justice there is a significant gap in justice literature: By far we do not know much about why managers in the first place are agree with the rules of justice. We should note that our studies are focused on organizational justice literature by direct measurement and evaluation of justice in most common frameworks (For example, measurement of adherence and violation to / from specific rules of justice). As we know, models of organizational justice tend to focus on justice as an independent variable to be an external factor in causal systems. Although this attitude is important, but is powerless) in calculating compliance with the laws of justice.(Zapata et al, 2013.1). From a theoretical perspective, explaining why managers have a tendency to the rules of justice provides a more complete picture of justice. From a functional perspective, understanding why managers have a tendency to the rules of justice can help the organization to accept more rules of justice in a number of managers. (Zapata et al, 2013.1).

Procedural justice

It means the "fairness in the decision-making process that leads to outcome including whether the decision-making processes, processes control, and mechanisms to resolve disputes are fair, clear, consistent, solid and reasonable or not and whether the employees are participated in decision-making processes or not. (Yasil and Derli, 2013.202). In other words, the procedural justice focuses on whether the employees understand the process by which the results are interpreted as fairness or not. (Cho et al, 2013.106).

Distributive justice

It is related to the results fit. According to Ibragimva, understanding the organizational justice is considered as an important part of knowledge sharing environment. Employees collect and take knowledge with a positive understanding of distributive justice (Yasil and Derli, 2013.202). Distributive justice focuses on whether the eligible results are achieved or not. (Cho et al, 2013.106). Price and Mioler (1986) defined the distributive justice as: the degree to which rewards and punishments are related to performance inputs. This definition of distributive justice is based on equality which refers to when a person judges a situation as fair to be equal to the outcome of an effort by the person. Thus, distributive justice does not refer to the rewards and punishment given by the organization, but also refers to the reward distributed among the employees.

Research Article

Interactional justice

Interactional justice focuses on the quality of interpersonal relationships when the procedures are carried out (Cho et al, 2013.106). It is defined as the quality of interpersonal behavior among the people who work together in an organization (Yasil and Derli, 2013.202)

Findings of cognitive justice

Wu et al in their study on online purchases reaches the conclusion that a consumer's perception of justice is a fundamental basis for his belief in an online purchase (Wu AI, 2013.174).

Mitchell et al have shown that the distributive justice is associated positively and significantly with pos that provides job satisfaction. In their study, independent job motivation plays an intermediate role in the relationship between job satisfaction and distributive justice (Michel et al, 2012.731). The study results of Wu in China showed that the procedural justice has no significant effect on customer satisfaction that was proved by the results of previous studies on the markets. Interactional justice is important for designing the form of a better system intermediate for online customers. System intermediate should be provided in both dimorphic and user-friendly manners in order to ensure a good relationship with online customers. Understanding of justice by customers is a noteworthy and important point in online shopping and provides an extraordinary insight for sellers to understand the concerns of Major buyers in a context of social exchange (Wu AI, 2013.174).

Organizational innovation

Nowadays it is very important to learn how an organization innovates and which processes lead to the innovation. Innovation is considered as the most important dynamic feature and a binding component (Layelz, 2013.1). Innovation is the successful implementation of creative ideas within an organization (Vaezi et al: 2010.2) and contributes positively to the business performance, and also is a critical factor in explaining the company's competition especially in knowledge-based industries. The primary objectives the innovation process include reduced operating costs and leading time and also the improved production flexibility (Tang. 2013.3).

In the past, most industrial companies focused on internal innovation while exploiting foreign technology and foreign learning has opened a door to a new knowledge that leaves the existing organizational memory (Wu AI, 2013.118).

- Innovation (to create, move, react and change ideas) is a critical factor for growth, success and survival of the organization (Vaezi et al: 2010.2).
- Innovation process refers to the adoption of new or improved goods and services (Tang.et al 19 1:21,).

Innovation can be at individual, group or organizational levels (Tang.et al 2013.3) and includes both fundamental and developmental innovation (Vaezi et al 2010.4).

Dimensions of Organizational Innovation

Today, innovation in organizations is classified in three different categories:

Administrative innovation: It deals with changing the organizational structure , administrative processes and human resources (Damanpuvr and Shenider, 2009)

Productive innovation: It is the production of new products or responding an external consumer or market demand (Bahrami et al, 2012). Innovation in products refers to the new or improved products and services for its customers (Moradi and colleagues, 2013.90).

Process innovation: The new element that is used in the production or service activities of organization (Bahrami et al, 91) Process innovation completes the tasks by changing and improving the methods of organization (Moradi and colleagues, 2013.90).

The roles of innovator in innovative organizations

Creator of thought: a person who offers new visions and insights through internal discovery and acquisition of knowledge about the environment.

Research Article

Keeper of information: a person who operates with external resources of organization for the relationships of people and groups within the organization.

Product hero: someone who generally favors change and innovation and works in business processes and providing special products to apply new ideas.

Project Manager: A person who is charged with the responsibility of implementing a project and uses technical expertise and resources.

Innovation leader: someone who focuses on maintaining the goals and values of innovation, encourages innovation, and leads the organization forces into the proper pathways. (Naserzadeh et al: 2011.59).

Findings of cognitive innovation

Estinsma and Ferbank examined a number of possibilities that may affect the company's choice for the purchase of technical knowledge. Other studies focus on the fact that these modes are to be included in the company's infrastructure for a better understanding of management. Therefore, the background of organization has been recognized in the study by researchers as an important issue in innovation. (Wu et al, 2013.118). The study results of Wu and colleagues on customer satisfaction in online shopping indicate that the motivation of research, development and technology learning are relatively important regulators in the relationships between specific human capital, informational structure and the pattern of innovation. . (Wu et al, 2013.125).

In the study of Jonathan and his colleagues, the assumption that POS is associated with motivation is based on the idea that POS increases the satisfaction of psychological needs. As it is important for employees and cares about their preservation, creates the probability of strong relationships with the organization and its members and explains trust to employees so that they will welcome their tasks more.

Research objective

Analysis of the impact of organizational justice on organizational innovation in Petrochemical Company of Ilam

Research hypotheses

1.1. Main hypothesis

Organizational justice has a significant positive effect on organizational innovation in the petrochemical company of Ilam.

1.2. secondary hypotheses

1. Distributive justice has a significant positive effect on productive innovation in the petrochemical company of Ilam.
2. Distributive justice has a significant positive effect on process innovation in the petrochemical company of Ilam.
3. Distributive justice has a significant positive effect on administrative innovation in the petrochemical company of Ilam.
4. Procedural justice has a significant positive effect on productive innovation in the petrochemical company of Ilam.
5. Procedural justice has a significant positive effect on process innovation in the petrochemical company of Ilam.
6. Procedural justice has a significant positive effect on administrative innovation in the petrochemical company of Ilam.
7. Interactional justice has on productive innovation in the petrochemical company of Ilam.
8. Interactional justice has on process innovation in the petrochemical company of Ilam.
9. Interactional justice has on administrative innovation in the petrochemical company of Ilam.

Research Article

2. The conceptual model of research

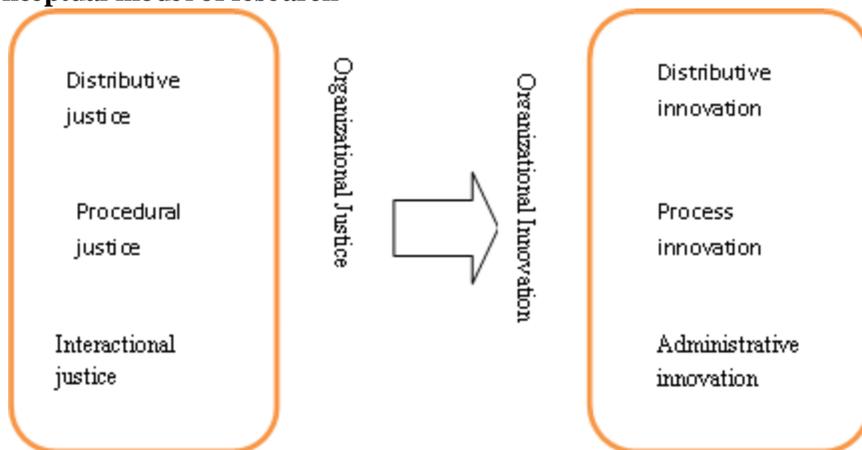


Figure 1: Conceptual Model of Research

METHOD

In this study, to gather information about the research literature, the library method was used and then a questionnaire was used for the field study. This study is quantitative and in terms of purpose, control degree and data collection method is respectively applied, field and descriptive (correlation).

Statistical population

The study population is consisted of 21 Technical-operational and semi-operational staffs at the Petrochemical Company of Ilam among which 103 staffs were selected as the sample size using Cochran formula and according to the population size.

Sampling method and sample size

In this study, Cochran formula is used to determine sample size and sampling method. Accordingly the population and sample size was person. Sample size was calculated using the Cochran formula as follows:

$$n = \frac{Nz^2pq}{(N-1)d^2 + z^2pq}$$

$$n = \frac{140 * 1.96^2 * 0.5 * 0.5}{(140 - 1) * 0.05^2 + (1.96^2 * 0.5 * 0.5)} = 103$$

in which

Table1: Name and Description of the Sampling Variables

Variable rate	Variable description	Variable name
140	population size	N
103	Sample size	n
1.96	Normal variable rate	Z
0.5	The attribute rate of the population	P
0.5	p-1	Q
0.05	The amount of allowable error	d

Tools for data collection

In this study, two questionnaires of organizational justice based on Likert scale seven-item responses and organizational innovation based on Likert scale five-item responses have been used. Among which 103 completed questionnaires were collected and their validity is provided as content and their reliability is obtained using Cronbach's alpha. Cronbach's alpha coefficient obtained for organizational justice questionnaire is 0.966, and for organizational innovation questionnaire is 0.879 representing the good reliability of the questionnaire. The questionnaire consists of two parts: The first part is related to

Research Article

organizational justice and consists of three parts of distributive justice with 5 questions, procedural justice with 5 questions and interactional justice with 7 questions. The second part has three parts of productive innovation, process innovation and administrative innovation including 7, 6 and 4 questions.

Tools for Data Analysis

In this study, using regression technique the path analysis is discussed. In the regression method one of the most important assumption is normal dependent variable, otherwise the used tests will not be valid. Thus, normality tests were performed for all variables using Kolmogorov Smirnov test. Summary of Kolmogorov Smirnov test for research variables is presented below.

Table 2: Results of One-sample Kolmogorov Smirnov Test

		Justice	Innovation
N		103	103
Normal Parameters ^{a,b}	Mean	44.19	33.71
	Std. Deviation	21.330	9.551
	Absolute	.100	.097
Most Extreme Differences	Positive	.100	.097
	Negative	-.094	-.061
	Kolmogorov-Smirnov Z	1.013	.987
Asymp. Sig. (2-tailed)		.256	.284

- a. Test distribution is Normal.
- b. Calculated from data.

In conclusion, considering that for all data sig>5% the variables are normally distributed so that the Pearson test can be used for the explanation of research variables.

Analysis of findings

Finally, the hypothesis is confirmed using SPSS 18 software using regression analysis . Summary of results for the research hypotheses are given in the following table.

Table 3: Summary of results for testing research hypotheses

Results	Effect rate	Sig	Hypotheses
Confirmed	0.2	0	distributive justice has a significant positive effect on productive innovation in the petrochemical company of Ilam.
Confirmed	0.144	0	distributive justice has a significant positive effect on process innovation in the petrochemical company of Ilam.
Confirmed	0.098	0.001	distributive justice has a significant positive effect on administrative innovation in the petrochemical company of Ilam.
Confirmed	0.267	0	procedural justice has a significant positive effect on productive innovation in the petrochemical company of Ilam.
Confirmed	0.231	0	procedural justice has a significant positive effect on process innovation in the petrochemical company of Ilam.
Confirmed	0.137	0	procedural justice has a significant positive effect on administrative innovation in the petrochemical company of Ilam.
Confirmed	0.215	0	Interactional justice has on productive innovation in the petrochemical company of Ilam.
Confirmed	0.19	0	Interactional justice has on process innovation in the petrochemical company of Ilam.
Confirmed	0.138	0	Interactional justice has on administrative innovation in the petrochemical company of Ilam.
Confirmed	0.264	0	Organizational justice has on organizational innovation in the petrochemical company of Ilam.

Research Article

CONCLUSION

Successful organizations are able to survive in the present competitive world and have the ability to cope with changes and make new thoughts and ideas in the organization.

Today, the post-industrial organizations are knowledge-based and their survival and position depend on creativity, innovation, and discovery (Chupani and colleagues: 2011.2). Research done in the field of innovation (resources in the present study) refer to the human resources, training, creativity, reward systems, intellectual capital and innovation as an important factor in shaping the organization. Of the most important factors in creating innovation, the man and his thinking and personality requirements are involved, to achieve innovation category, the admission must be paid to factors Provide appropriate human abilities.

Among the factors that greatly affect the performance of human creativity and organizational justice can be cited.

Despite the low employees' perceptions of justice in organizations, leadership and motivation of your employees will be affected. Actually perceived justice employees and employee satisfaction is a basic requirement for the effective performance (Manzari, Tavakoli and Rajabi, 2012).

Because of Petrochemical Company, a production company and the other companies in the province, role in providing innovation was considered as target as well as the technical, operational and semi-operational units and staff of higher education and technical knowledge To answer these research questions have been considered as examples.

The results confirm the hypothesis and the conclusion were reached as a result of the impact of organizational justice 0.26: the impact of organizational innovation. The limitations of this study may be mentioned:

- Unwillingness of employees), especially technical personnel (in response to questions from the questionnaire to several reasons, including lack of time and lack the inherent tendency of employees Located technical question.
- Lack of organizational justice and climate of distrust between managers and even employees.

Recommended further research with respect to the human perception of fairness, uncertain and ambiguous sentences can be expressed as to receive more appropriate to analyze the concepts of fuzzy logic is used.

ACKNOWLEDGEMENT

We are Assistant Professor, University of Ilam and grateful to Oolom Tahghighat University, Ilam branch authorities, for their useful collaboration.

REFERENCES

- Bahrani S, Yarmohammadian MH, Rajaeipor S and Bakhtiar Nasrabadi H (2012).** Relationship management simple and multiple Kardkrdhy Strategic Human Resources and Administrative Innovation of Medical Sciences, Isfahan University of Medical Sciences. Managing health information. Ninth year. No. VI: 877-870.
- Chupani H, Zare Khalili M. and Elahi Gol A (2011).** Requirements and consequences of organizational innovation. Fourth National Conference on Engineering and Management of Innovation.
- Rezaeian A (2011).** Principles of organization and management. Tehran samt.
- Sarlak MA (2008).** Organizations in the knowledge age. Tehran Payam Noor University Press .1396/001.
- Shafipor F, Jafari P, Yarmohammadian MH and Dalvr A (2011).** Evaluation model based on organizational justice and organizational trust for Education Breeding. Journal - a new approach to research in educational administration. Since two. Fourth number .20-1.
- Ghorbani MJ (1386).** Organizational trust. Fifth International Management Conference.
- Moeenzade Sh, Ghazi S, Karimzadegan D and Vahdat D (2012).** Experimental Investigation of the relationship between the diffusion of innovation, Organization and their impact on the adoption of mobile banking. Study of public administration. Fifth year. No. XVI. 9-17:

Research Article

Moradi M, Yakide K, Abdollahiyan F and Safardost A (2013). Investigate the effects of error management culture and organizational innovation. Quarterly Journal - Organizational Culture Management Research. Eleventh year. No. II .114-87.

Manzari Tavakoli A and Rajabi M (2012). Understanding of organizational justice and organizational trust Medical Sciences and Health Services Kerman.'s First regional conference on research and new approaches in management accounting.

Naserzade Jalilian, Aslani, M and Soroush H (2008). Theories of knowledge management. negahe danesh.

Vaezi M, Chupani H and Fashalanj L(2010). Determinants of organizational innovation. Third national conference creativity geological, engineering and management, TRIZ and Innovation Iran November 7-1

Yarmohammadian MH, Shafiepour F and Fvaldvnd M (2013). Relationship between organizational justice, job satisfaction and organizational trust and organizational commitment to deliver EFQM self-evaluation of a predictive model) case study of university professors Islamic Azad region, four countries (. Quarterly Journal - a new approach to research in educational administration. fourth year. No. 1 .18-1.

Camision, Cesar, Villar-Lopez and Ana(2014). Organizational innovation as an enabler of technological innovation capabilities and firm performance. Journal of Business Research ,67,2891-2902.

Chou, Tzy-Yuan, Chou, Seng-cho T., Jiang , James J, Klein and Gary(2013). The organizational citizenship behavior of IS personnel: Does organizational justice matter?. Information & Management, 50, 105-111.

Damanpour, Fariborz, Schenieder and Marguerite(2009). Characteristics of innovation and innovation Adoption in public Organization :Assessing the Role of managers. J public Admin Res Theory, 19(3), 495-522.

Dressler, Marc(2013). Innovation management of German wineries: From activity to capacity – an explorative multi-cases survey. Wine Economics and Policy.

Dundar, Tugba and Tabancali, Erkan(2012). The relationship between organizational justice perception and job satisfaction. Social and Behavioral Science, 46, 5777-5781.

Gelens, Jolyn, Dries, Nicky, Hofmans, Joeri and Pepermans, Roland(2013). The role of perceived organizational justice in shaping the outcomes of talent management: A research agenda. Human Resource Management Review.

Johnston, JR, Robert E and Bate, j. Douglas(2003) .the power of strategy innovation. American Management Association, 1601 Broadway, New York, NY 10019.,

Lyles, Marjorie A.(2013). Organizational Learning, knowledge creation, problem formulation and innovation in messy problem. European Management Journal.

Mitchell, Jonathan I. , Gagne, Marylene, Beaudry, Anne and Dyer, Linda(2012). The role of perceived organizational support and motivation in reactions to new information technology. Computer in Human Behavior, 28, 729-738.

Tang, Jing, Pee, L.G., Iijima and Junichi(2013). Investigating the effects of business process orientation on organizational innovation performance. European Management Journal.

Wu, Aihua, Su, Jing Qin, Wang and Haiwei(2013). Internal innovation or external innovation? An organizational context-based analysis in china. Journal of High Technology Management Research ,24, 118-129.

Wu ,Ing-Long(2013). The antecedents of customer satisfaction and its link to complaint intention in online shopping: An integration of justice, technology, and trust. International Journal of Information Management, 33, 166-176.

Ye, Jonathan, Kankanhalli and Atreyi(2013). Exploring innovation through open networks: A review and initial research questions. IIMB Management Review ,25, 69-82

Yesil, Salih, Ferit Dereli and Selcuck(2013). An empirical investigation of the organizational justice, knowledge sharing and innovation capability. Social and Behavioral Sciences, 75 ,199 – 208.

Zapata, Cindy P., Olsen Jesse E and Martins Luis L.(2013). Social exchange from the supervisor's perspective: Employee trustworthiness as a predictor of interpersonal and informational justice. Organizational Behavior and Human Decision Processes ,121, 1-12.