

Study the Role of Trust in Effect Organizational Justice on Organizational Silence Using Structural Equation Modeling

Case Study: Tax Organization of Ilam

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Abstract: Nowadays, knowledge and research organizations are important in knowledge creation. Ability and survival of such organizations largely depends on the knowledge which is born out of human resource thoughts. Organizational knowledge capitalism is undoubtedly the key to survival in today's highly competitive world. Justice and relations in an organization, particularly the relations between managers and employees are major issues that will be increasingly significant each day. One of the ongoing barriers of these communications is organizational silence. The actual study has aims to evaluate the role of trust on the relations between perceived justice and the employees' silence of Ilam Tax Organization. The research population consists of 110 employees of Ilam Tax Organization that 85 questionnaires have been estimated by the use of Cochran sampling formula and 92 questionnaires have been analyzed using random sampling method. The results suggest the organizational justice (by 0/83 coefficient) has positive effect on the organizational trust. Moreover, the organizational justice directly by -/53 coefficient and indirectly by -/37 coefficient and trusting the manager by -/45 coefficient have negative effect on the organizational silence. Dimensions of justice are distributive, procedural and interactional indirectly influencing on organizational trust and silence.

Key words: trust, organizational justice, employee silence.

INTRODUCTION

In the survival and protection of the organizations employees have a critical role. Thus, getting on the issue of staff silence in organization would be very important.

Employees work in an environment where they can participate in gaining experiences by their own scientific researches and freely sharing knowledge as well as making discussions and exchanging ideas. So they shouldn't do their jobs passively and in silence. The recent studies indicate when an organization expects the employees doing their jobs silently with no criticism; this concern could be signs of withdrawal and organizational protest activities. As we know, human resources, especially creative people, innovators, entrepreneurs and innovative thinkers are the most valuable assets of an organization. Whereas new organizational structures have been altering so far and the organizations and their human resources have been influenced by a number of threats so that we could point to the "Organizational Silence" phenomenon. If people are bullied to be silent, therefore, the engine generating organizational knowledge won't function any more. When the manpower as the main human resource keeps silent, the management must experience a major risk [1]. The organizational silence is a social phenomenon which occurs in an organizational level affected by a number of organizational features including decision making process, management process, culture and employees' perception of effective factors on the silence behavior [2]. In addition of the organizational silence, perceived injustice has detrimental effects on the spirit of social work because it overshadows the manpower's effort and the employees' motivation. Injustice and unreasonable distribution of achievements and the organization outcomes weaken the morale of the employees and undermine their spirit of effort and activity [3]. Therefore, considering the justice is the key of survival and stability of the organization development and progress flow as well as its employees [4]. Some examples of the management main responsibilities are to maintain and develop the justifiable behaviors in managers and a sense of justice in the employees. Considering justice, especially in certain management behaviors towards the employees (bonus distribution, supervision relations, promotions and assignments) is highly significant for the employees [3]. The justice is considered as the initial factor in the health of social institutions [5].

However, the employees silence phenomenon confines the organizations, there are a few scientific studies conducted on employees silence and the role of trust in an organization, particularly trusting management hasn't been studied yet regarding effectiveness on breaking the employees silence and the justice perception.

Research Theoretical Bases

Trust

Trust is one of the fundamental concepts that are easily understood by everyone. Haymoys defines trust as an expectation or prospect of an individual from someone's behavior or another group leading to personal and altruistic advantages. Router defines it as the general expectations that we can rely on words, promises, verbal and written terms of others [6]. The researches suggest as the management justly behaves with the employees, positive and rich relations will form among them. Such positive and constructive relation causes motivation and increases job performance [7]. Senior managers sometimes may not admit they lack significant information and consider the silence as a sign of consensus and success. In some cases, even if the managers directly request feedback from their employees, the staff may be involved in negative feedback filtering. As a result, the feedback received by the management may reflect what the employees think the management wants to hear, not what is showing the reality of the situation and to [8].

Organizational Justice

The study of Adams' job regarding the justice commenced at 1963 over the theory of equality. Here, Adams focuses on the perceived fairness of the outcomes that is the distributive justice [9]. The main structural components of the equality theory are incomes and outcomes. Incomes include some items that any individual considers as his assistances to the organization and the outcomes consist of some rewards that any individual receives. The theory of equality discusses that people are satisfied when the ratio of incomes to their own outcomes is equal in comparison with the incomes to other's outcomes. If the inequality is perceived, it causes people to feel uncomfortable and they are stimulated to eliminate the discomfort. Existence of inequality causes people's stimulation in order to achieve equality or reduction of inequality and the power of such motivation changes directly according to the size of the perceived inequality [10]. The result of the theory of equality was distributive justice, which involved the allocation or distribution of resources. In such organizational justice, the distribution of resources primarily affects the perception of justice, fairness, commitment and organizational trust. The justice or service competency based compensation has been considered an equal equivalence [11]. Leventhal (1976) has studied the distributive justice from the perspective of those who perform the allocation. Leventhal fair judgment model considers a more active approach to the equality. In the theory, Leventhal states that people judge regarding their eligibilities using several different justice law [12]. As people receive less rewards comparing to the people who are being compared, they react negatively and one of these reactions could be silence against the organization and not to submit any comments or critics to increase the organization profitability.

Organizational Silence

The employees' silence mentioned for the first time at 1970 by Albert Hirschman, Scientist of the Social Science and it was then developed by other scientists [13]. The organizational silence is to avoid any correct statement of people's behavior, cognitive evaluations or to be effective on the organizational environment for the people who have comprehended the ability to implement changes and modifications [14]. Silence could be a form of relation including a field of perception, emotion, or meaning and intention such as objection or approval [15]. As the employees feel the organization values them, they will contribute with the organization for a long period of time and they psychologically develop their tendency and readiness for supporting the organization [16]. The employees believe that the organization has provided some social and emotional sources such as support and provision as well as treating them respectfully, so that the organization silence will decrease.

The employees silence is a knowingly and intentionally behavior [13] which can be against the perceived injustice in the workplace [17]. Therefore, justice performance by the managers or the increased perception of justice in an organization can significantly reduce the organizational silence. On the other hand, according to the organizational silence, although it is conceptually similar to the modification of the employees' silence, it's generally used to describe the collective level of such phenomenon that the employees avoid giving information [18] whereas the employees' silence generally focuses on individual level of analysis. Despite the fact that the organizational silence is commonly attributed to not expressing expressions, information and opinions among employees, regarding the motivation of keeping silence which is created in employees, its nature would be different.

The organizational silence not only is created among the managers and employees, but it also occurs during the conflict between the employees, so that the role of trusting the manager and making a constructive relation between the manager and employee can prevent the silence significantly.

Relations of Justice, Confidence and Silence in Organizations

The researchers believe that the organizational dreams that allow the employees to expressive their ideas are regarded positive based on them because it leads the employees to be considered as valuable members of the organization. Considering Lind and Tyler's idea, the employees feel unvalued when they see

their colleagues are unable to express their pint of views freely. The researches indicate these emotions reduce commitment and trust of the members towards the organization. In case the employees feel the organization considers no value for them, they will consider less value and trust in return for the organization. The outcomes resulting from attenuation of commitment and trust include reduction in motivation and personal satisfaction, mental isolation or redundancy of the employees from the organization [19]. If someone considers the actual approaches unjustifiable as well as being in minority, he prefers to stay silent instead of complaining to the organizational approach; therefore his silence is conscious, deliberate and purposeful because he refuses expressing knowledge and opinions in order to resolve the organizational hardships [20].

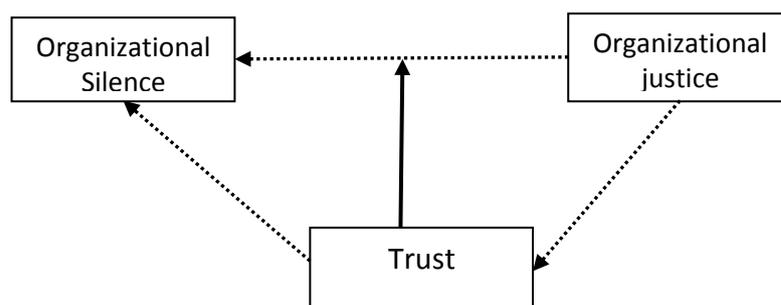
Research Background

Yousef Ramezani (2012) concluded by study the relationship between trusting the manager and sharing knowledge and mediation role of losing credit and knowledge documentation that at the management level, the focus is on the main role of the people in the process of knowledge sharing in comparison to two components of knowledge documentation and fear of losing any individual's credit. Furthermore, trusting the management directly and with no mediation has effect on intergroup and intragroup knowledge sharing [21]. Danaeifard et al. (2011) studied a research entitled as "Explanation of the role of organizational culture on organizational silence in public sector". They found there is a significant relationship between the organizational culture, atmosphere and the silence behavior, so that there is a positive correlation between quadruplet aspects of the organizational culture and the organizational silence [22]. Jalal Panahi (2010) in a research entitled as "analysis of employees' job prospects in public organizations, explanation of organizational silence atmosphere and organizational silence behavior" concluded there is a significant relationship between aspects of silence atmosphere and employees' job prospects with employees' silence behavior , so that there is a relatively strong positive correlation between prospect of the senior management and supervisors with employees' silence behavior and there is a relatively strong negative correlation between communicative opportunities and job prospects of employees with employees' silence behavior [23]. Mehdi Javaheri Kamel (2009) in his research "effect of organizational justice, leader-member relation, trust and psychological empowerment on organizational citizenship behavior stated the employees' perception out of the justice is positively related to the trust the supervisor and psychological empowerment. Additionally, trusting the supervisor and psychological empowerment are positively related to the organizational citizenship behavior [24]. Arezou Ashja (2009) in the study of the relation between the organizational justice aspects and trusting the supervisor among the employees of Mobarakeh Steel of Isfahan stated there is a positive and significant relationship between the aspects of justice and trust and the justice aspects are able to foresee the trust aspects [25].

Research Theoretical Framework

For the perceived organizational justice and employees' organizational silence, the researcher has used the aspects submitted by the theory of equality, theory of Leventhal and silence spiral theory and social interaction theory. In the theory of equality submitted by Adams, it's mentioned the motivation is affected by the perception and people behave in the workplace based on equality and airiness affecting job behavior. The social interaction theory assumes when someone does a favor or shows affection for someone else, the affection of favor receiver is in charge of responding mutually, although time or situation details are not distinctive [26] . Ignoring the employees or treating unfairly to them by the organization lead to reduction in their attempts, actions and job commitment, performance, not to resolve the organizational problems and even resignation. Leventhal judgment model considers more active attitude to the theory of equality. In this theory, Leventhal states people judge level of their eligibilities by the use of several various justice acts [12]. Considering the silence spiral theory , the closer people consider their thoughts and opinions to the dominant thought and opinions of the society, the more tendency is shown to state freely and clearly their opinions in public [20].

The Conceptual Model of Research



The Main Hypothesis

The organizational justice and the regulatory role of the trust have impact on the organizational silence.

The Secondary Hypotheses

The 1st hypothesis: the organizational justice has impact on the organizational silence.

The 2nd hypothesis: the organizational justice has impact on the organizational trust.

The 3rd hypothesis: the organizational justice has impact on the organizational silence.

THE RESEARCH METHODOLOGY

The research method is applied in terms of objective and nature and it is descriptive-correlational in terms of the method because its objective is to describe the effect between the research variables which has been conducted in the field. The theoretical bases of the research have been collected by the library method and statistical raw data are collected through questionnaires.

The research population consists of Tax Organization of Ilam. The samples were estimated 85 employees out of 110 employees of the organization by the use of Cochran formula. By prediction of non-returning and receiving incomplete questionnaires as well as using simple random method, 100 questionnaires were distributed and 92 correct and complete questionnaires were analyzed by Lisrel software. The measured reliability related to each factor of the organizational justice, organizational trust and organizational silence have Cronbach's alpha coefficients respectively 0/91, 0/94 and 0/93. Moreover, the total reliability of the research is 0/76 indicating highness of the research questionnaire validity.

Data Analysis

Correlation among Variables

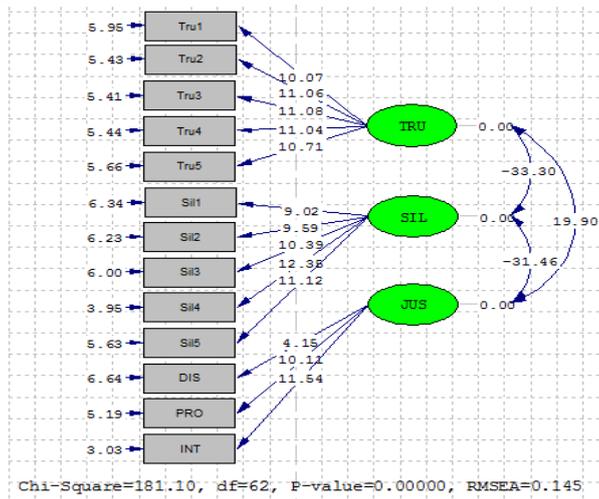


Diagram of estimation of significance coefficients in the model measuring the research variables

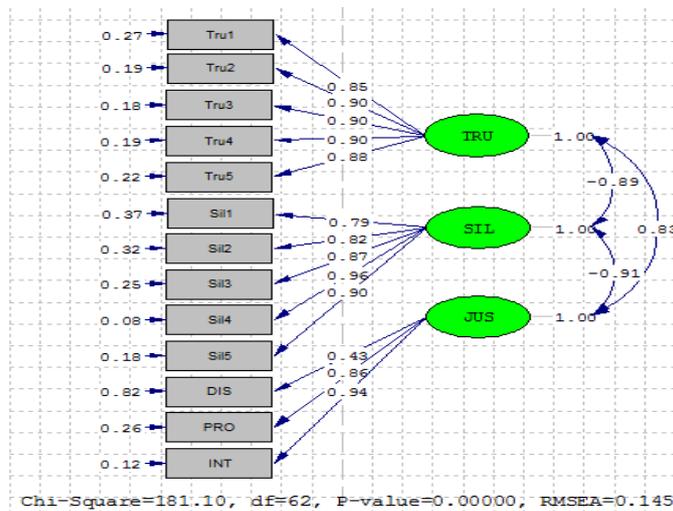


Diagram of estimation of standard model measuring the research variables

Path Analysis of Structural Equation Modeling

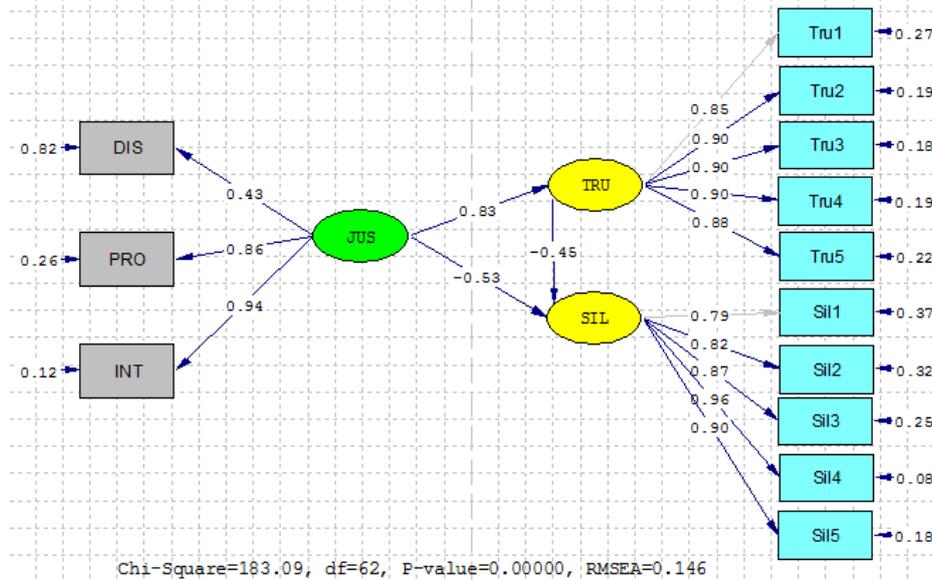


Diagram of impact coefficients in the research model in standard estimation status

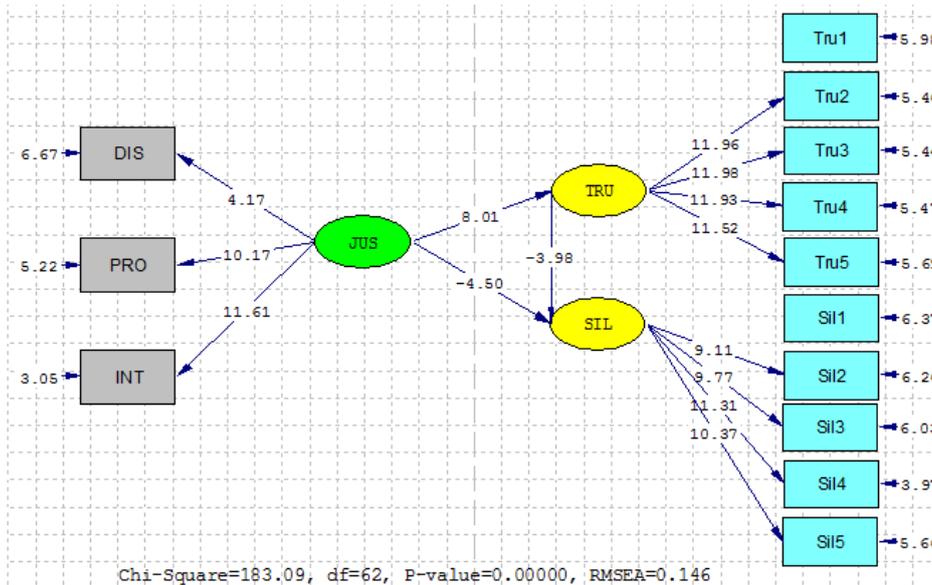


Diagram of significance coefficients among the research model variables

Model Fitting Indexes

Considering $\chi^2/df = 2.95$, NFI=0/93, NNFI=0/93, RMR=0/092, CFI=0/95, RFI=0/91 and IFI=0/95 indexes, we could imply that the explained model holds high fitting and proportion in addition of testability and significance (P-value=0/00000). Therefore, this research model is an acceptable model based on the research framework and theory as well as the gained results.

DISCUSSION AND CONCLUSION

The research structural model test output indicates the relevance of the structural model, the significance of relationships between variables and fit of the model as well as appropriateness and acceptability of the model. The organizational justice by positive impact coefficients of 0/83 directly affects the organizational trust and has direct effect by a negative coefficient of -/53 and -/73 through a mediation on the organizational silence. Furthermore, the organizational trust by a negative coefficient of -/45 has direct and significant impact on the organizational silence. The employees usually prefer to interact with people who are alike and they confirm each others' belief and point of views. Therefore, if comments, ideas or employees' opposition are prevented, the more similarity the employees have, the possibility of creating the silence atmosphere will be

more. Besides the similarity, common understandings grow more in some organizations where the members have relatively stable membership because the stability means more opportunities for the employees in order to interact with each other and share their understandings.

One of the main outcomes of the organizational silence is its impact on decision-making and the organizational changes, so that it affects the strategy explanation which has positive effect on the quality of the organizational decision-making as well as the organizational performance or in the organization innovation which needs an area in which the employees feels free to express their ideas and views. All the said factors suggest the organizational silence reduces the decision-making effectiveness.

The organizational approaches that allow the employees expressing their ideas are considered positive because they result in considering the employees as valuable members of the organization. According to Lind and Tyler, we could conclude the employees feel undervalued when they deal with not being able to express the ideas freely as well as feeling the injustice, therefore, they prefer to stay silent. Such emotions lead to reduction in members' trust to the organization. The outcomes which could be the taken of unjustifiable feeling, trust attenuation and silence in the organization are as follow: motivation reduction, personal satisfaction, reduction in job commitment, mental isolation or redundancy of the employees from the organization.

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