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Exploring the effects of Organizational Justice on Employees’ Innovative Behavior in Hospitality Industry from the Aspect of Organizational Support

Jiun-Lan HSU¹, Jeng-Hwan WANG²

Abstract

To cope with the strict challenge of hospitality business environments, domestic hospitality businesses need to concern about the market products being innovative and the employees have to actively present innovative behaviors in order to break through the deadlock for enhancing the competitiveness and business performance. Taking hospitality industry in Taiwan as the research subject, the correlations among employees’ Perceived Organizational Justice (Distributive Justice, Procedural Justice, and Interactional Justice), Innovative Behavior, and Organizational Support are explored in this study. With random sampling, 500 copies of questionnaires are distributed to and collected from the employees of The Landis Group on-site, and 263 valid ones are retrieved, with the retrieval rate 53%. The research results are concluded as below. 1. Organizational Justice presents significantly positive correlations with Idea Generation in Innovative Behavior. 2. Organizational Justice reveals remarkably positive correlations with Idea Marketing in Innovative Behavior. 3. Organizational Justice shows notably positive correlations with Idea Practice in Innovative Behavior. 4. Organizational Support appears outstanding moderating effects on the correlations between Organizational Justice and Innovative Behavior.

Keywords: organizational justice, innovative behavior, organizational support, hospitality industry.

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Research background

The economy in Taiwan has developed from traditional manufacturing industry to service industry, in which hospitality industry is one of important sub-industries in tourism service industry. Both business scale and business style of hospitality industry develop with economic boom and advance that the business requires permanent and deliberate planning. When original quality, speed, and cost advantages gradually become essential to competition because of global division of labor, shortening of product life cycle, and rapid changes of industrial structure, an enterprise has to constantly enhance the innovative capabilities to continuously create value and make profits. When the competitors constantly innovate, an enterprise without innovative capabilities is likely to cause failure (Afuah, 2003). Innovation not only allows an enterprise coping with market demands, but could also satisfy customers and markets; it is a reliable defender as well as the strongest attack on the competitors; and, it is the optimal and most attractive propaganda to markets and customers. Any new ideas would create new business opportunities in any industries that the differentiation from competitors is the key in the new success for an enterprise. The products and services in hospitality industry cannot be protected by patents that they are easily copied and imitated by other businesses in the same industry to result in product homogeneity in the market. Moreover, the constant changes of consumer demands and preference have hospitality industry face the impact and pressure to continuously innovate and create business opportunities to cope with the changes of consumer styles and the highly competitive environment in the market. For this reason, domestic hospitality businesses have to concern about the innovative market products in order to break through the deadlock and promote the competitiveness and business performance, and the employees need to actively present innovative behaviors so as to cope with the strict challenges in the hospitality business environments (Tsai, 2006 & 2008). Nonetheless, innovative behaviors are considered as additional contributions of employees (Tien & Lu, 2009); the factors in the employees developing and practicing the creative ideas are the keys in presenting the innovative behaviors. It is therefore the research motive in this study.

Literature and hypothesis deduction

Organizational Justice

Greenberg (1990) considered justice as a critical factor in an organizational system. Tsai (2006) pointed out Organizational Justice being the core variable for predicting individual behaviors in recent literatures. Colquitt et al. (2001) concluded four dimensions for Organizational Justice, in which Interactional Justice was further divided into Interpersonal Justice and Information Justice. Some
researchers considered that Interactional Justice and Information Justice should be classified into Procedural Justice and divided Organizational Justice into Distributive Justice and Procedural Justice. Other researchers classified three dimensions for Organizational Justice, namely Distributive Justice, Procedural Justice, and Interactional Justice. Researchers classified the dimensions for Organizational Justice according to the research requirements; however, three dimensions were largely applied to analyzing Organizational Justice in recent studies on Organizational Justice. This study also focuses on Innovative Behavior in hospitality industry. Innovative Behavior is not the essential behaviors of employees toward the organization, but relies on the attitudes of employees actively paying for the organization. In addition to innovative ideas, Innovative Behavior refers to the employees willing to actually express and try the ideas or concepts; besides, various rewards to innovative behaviors and the cooperation and attitudes among departments, superiors and subordinates, and the organization would affect the employees taking actions. The theory of Tsai (2007), who divided Organizational Justice into Distributive Justice, Procedural Justice, and Interactional Justice, therefore is utilized in this study. (1) Distributive Justice. Distributive Justice was first proposed by Homans (1961), who integrated other researchers’ theories to develop equity theory, which was the basis of Organizational Justice. The core concept of Distributive Justice was the equal cognition of inputs and outputs; such cognition was built on the comparison between oneself and others. When the distributed results were consistent with the work distributed, it was regarded equitable (Fortin, 2008). (2) Procedural Justice. Procedural Justice was first proposed by Thibaut and Walker (1975), who studied the reactions in the dispute management process. The party with the right of procedure control (the right or the opportunity to express opinions) in the procedure stage would consider the results being just, while the other party without the right of procedure control would not. When researchers’ focus gradually moved to Procedural Justice, studies on Organizational Justice also changed from Distributive Justice to Procedural Justice. Folger (1986) indicated that not only the reference results but also the reference methods would be compared when an individual evaluated the decisions. (3) Interactional Justice. Bies and Moag (1986) proposed the concept of Interactional Justice, which referred to the treatment among people being considered in an individual making justice judgment, emphasized interpersonal interaction and communication between an individual and the environment, and regarded the rewarding process being the relationship of Procedure -> Interaction -> Outcomes. Mikula, Petal & Tanzer (1990) also discovered that a large part of unjust cognition of employees was not the issues of distribution or procedure, but the perceived treatment of the employees in the interpersonal interaction process (Huang, 2006).
Innovative Behavior

Creativity is simply a starting point of innovation; innovation is actually the tactic to enhance organizational performance, and innovative behaviors value the employees’ behaviors of achieving innovation. Afuah (2003) indicated that innovative behaviors were not merely invention and creation, but the process to generate new knowledge. Westand Anderson (1996) mentioned that innovative behaviors were not simply technological changes, but contained practice process and new creativity. Innovative behaviors could be used for judging the flexibility of an organization and was one of the approaches successfully mastering changing competitors, markets, and demands generated from technological innovation (Woodman, Sawyer & Griffin, 1993). Innovative behaviors, as the specific output of creativity, presented the process of transforming creativity into profits (Heunks, 1998). Zhou and George (2001) revealed that the embodiment of innovative behaviors was not just the ideas, but included the idea generation, promotion, and planning, to ensure the effective practice of innovative ideas. For this reason, innovative behaviors started from the generation of innovative ideas, which were actively promoted and looked for all possible supports, such as superior and colleague supports, and then the practice at the final stage. Kanter (1988) regarded innovation as a multi-stage process, rather than a single dimension, and divided Innovative Work Behavior into three dimensions. 1. Idea Generation referred to the confirmation of problems and the generation of innovative ideas and solutions, mainly about individuals generating new ideas for questioned problems. 2. Innovative Idea Mobilization referred to looking for assistance and sponsors for the new ideas and attempting to utilize all supports for the alliance of the supporters. 3. Innovative Idea Realization referred to innovative individuals practicing innovation to form innovative models or prototypes, which were further mass-produced for commercial products or services. Janssen (2000) pointed out the three stages of Innovative Behavior. 1. Idea Generation referred to novel and useful ideas generated in any domains. 2. Idea Marketing referred to the employees effectively applying creative ideas to the practice at work, when the creative ideas could be continuously developed with the organizational support and identification. 3. Idea Practice referred to the employees’ creative ideas being approved by the organization and presenting the development, which were further embodied on the job or products to promote the organizational performance.

Organizational Support

Carlson and Perrewe (1999) discussed the effects of social support on individuals and divided social support into the one at work (including superior and colleague supports) and the other not at work (containing spouse, family, and friend supports), where Organizational Support focused on the social support of employees in the organization. Workplaces referred to the task relationship and
interpersonal exchange among superiors and colleagues, such as the mutually dependent relationships of understanding each other, respecting each other, and emotion concern, which would further affect the employee performance at workplaces. Through social exchange and psychological contract, an employee would present distinct working attitudes and behaviors according to the perceived organizational support (Han, Chiang & Yang, 2009). An employee considered that the organization supporting the belief came from high consistency between the internal perception of the organization identifying oneself and the evaluation. The expectation of employees about the organization treating them in various situations would affect the viewpoints toward the organization (Cheng & Tsai, 2007). Ho, Huang, Chen & Chuang (2010) indicated that social support at workplaces was the overall acquirable and beneficial social interaction from colleagues and superiors. A supportive cultural organization could provide the employees with favorable welfare and salary, offer plenty of necessary resources, and present high support on the employees (Gerloff and Hoyt, 1999). Lee and Maurer (1997) mentioned that employees would appear more commitment and productivity on the organization when they believed that the organization would help them achieve the success of personal career goals. Organizational Support was acquired from permanent interaction between employees and the organization, which reflected the employee perception of the organization being willing to guarantee the job stability. Organizational Support therefore was an employee perceiving the emphasis from the organization. Yoon and Thye (2002) revealed that Organizational Support stressed on the procedural justice of an organization and the development experiences of the employees, which not only could facilitate the communication and cooperation among organizational members, but also allowed the employees perceive the emphasis from the organization, so as to make up the value difference between the employees and the organization. In the study on expatriates, Kraimer and Wayne (2004) classified Organizational Support into (1) Adaptive Support, including language training and culture, (2) Career Support, covering career plan and career performance of expatriates, and (3) Financial Support, containing bonus and salary. Bhanthumnavin (2003) divided Organizational Support into (1) Emotional Support, including concern and empathy, (2) Information Support, containing counseling and feedback, and (3) Material Support, covering job-related resources and assistance.

**Deduction of research hypothesis: Organizational Support, Organizational Justice, Innovative Behavior**

Organizational Justice would affect an employee’s intrinsic motives and extrinsic behaviors as well as the psychological contract formed by comparing the rewards between external and internal groups. Favorable psychological contract between employees and superiors would help encourage the employees’ innovative behaviors (Tien & Lu, 2009). Lin (2010) pointed out an organization emphasizing
the basic rights of employees when the employees perceived the organizational justice; the employees therefore would appear trust on the organization. The establishment of trust could predict the innovation inspiration and practice function of an employee as the trust of an employee to the superiors and organizational policies would affect the employee using new methods solving problems and presenting innovative performance. Roch and Shanock (2006) found out the correlations and positive effects between Perceived Justice and Perceived Organizational Support; and, employees considered the positive correlations between the justice of superiors in the work decision process and the organizational support. Lo, Wu & Chang (2008) discussed the relations between various types of organizational justice, organizational support and organizational identification and revealed the significantly positive correlations between Organizational Justice and Organizational Support. Phattanacheewapul and Ussahawanitchakit (2008) explored the correlations among Organizational Justice, Organizational Support, Job Satisfaction, Employee Commitment, and Job Performance and showed the remarkably positive correlations between Organizational Support and Organizational Justice. George (2007) pointed out the notably positive correlations between Superior Support and Interactional Justice. The supporting behaviors and attitudes of superiors could build up the trust between superiors and the employees and benefit the employees proposing innovative ideas without facing any risks (Cojocaru, Bragaru & Ciuchi, 2012). Oldham and Cummings (1996) indicated that an employee could generate creative products when the superiors revealed supportive attitudes; an employee needed to perceive the organizational encouragement and support of innovation on the system design or policies; and, when an employee proposed new ideas, the superior could timely show encouragement and praise and present open attitudes towards the opinions so that the employee was willing to try innovative behaviors.

Based on the above literatures, the following hypotheses are proposed in this study.

Hypothesis 1. Organizational Justice presents significantly positive correlations with Idea Generation in Innovative Behavior.

Hypothesis 2. Organizational Justice shows remarkably positive correlations with Idea Marketing in Innovative Behavior.

Hypothesis 3. Organizational Justice reveals notably positive correlations with Idea Practice in Innovative Behavior.

Hypothesis 4. Organizational Support appears outstanding moderating effects on the correlations between Organizational Justice and Innovative Behavior.
Research methodology

Research framework

Figure 1. Research framework

Research sample

Based on customer-oriented principle, The Landis Group provides the visitors with comfortable accommodation experiences, delicate diet, and considerate travel services with the professional, passionate, and elegant service quality. The sub-businesses contain Landis Hotels & Resorts which is united with several businesses, Landis Management which provides professional hotel management services, and Liz Dining Group which offers special diet and baked products. Liz Dining Group aims to create characteristic topics, and the snack bars and restaurants in The Landis Taipei Hotel contain three stores of Liz Gastro and two restaurants of The Story Tea House and Brasserie Liz. Liz Gastro is famous of classical European cakes and bread, and The Story Tea House and Brasserie Liz integrate the elegant services of The Landis with typical French dishes in the comfortable and relaxing French atmosphere. With random sampling, 500 copies of questionnaires are distributed to the employees of The Landis Group on-site, and 263 valid ones in 287 collected copies are retrieved, with the retrieval rate 53%.

Research instrument

(1) Organizational Justice Scale. Referring to the dimensions and scale proposed by Tsai (2007), Organizational Justice Scale was extracted, with Factor Analysis, three factors with the eigenvalue larger than 1, the factor load in 0.67 ~ 0.86, and the reliability in 0.81 ~ 0.87, including Distributive Justice, Procedural Justice, and Interactional Justice. The covariance explained achieves 81.426%.
(2) **Innovative Behavior Scale.** Referring to the dimensions and scale proposed by Janssen (2000), Innovative Behavior Scale was extracted, with Factor Analysis, three factors with the eigenvalue larger than 1, the factor load in 0.76 ~ 0.92, and the reliability in 0.84 ~ 0.90, containing Idea Generation, Idea Marketing, and Idea Practice. The covariance explained reached 86.735%.

(3) **Organizational Support Scale.** Referring to the dimensions and scale proposed by Bhanthumnavin (2003), Organizational Support Scale was extracted, with Factor Analysis, three factors with the eigenvalue larger than 1, the factor load in 0.72 ~ 0.89, and the reliability in 0.82 ~ 0.88, covering Emotional Support, Information Support, and Material Support. The covariance explained achieved 84.662%.

From the above analyses, Organizational Justice, Innovative Behavior, and Organizational Support present proper reliability; and, the factors extracted from Organizational Justice, Innovative Behavior, and Organizational Support are consistent with the operational definition in this study. The scales in this study therefore present favorable construct validity.

**Result and analysis**

**Correlation analysis of variables**

From the correlation coefficients among Organizational Justice, Innovative Behavior, and Organizational Support, Table 1, there was no multicollinearity problem that the sampled data could be preceded Regression Analysis.

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributive Justice(1)</td>
<td></td>
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<td></td>
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<tr>
<td>Procedural Justice(2)</td>
<td>0.03</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interactional Justice(3)</td>
<td>-0.07</td>
<td>0.01</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Emotional Support(4)</td>
<td>0.15</td>
<td>0.17</td>
<td>0.19*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Support(5)</td>
<td>0.23*</td>
<td>0.16</td>
<td>0.27*</td>
<td>0.05</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Material Support(6)</td>
<td>0.22*</td>
<td>0.28*</td>
<td>0.20*</td>
<td>-0.04</td>
<td>-0.09</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idea Generation(7)</td>
<td>0.24*</td>
<td>0.26*</td>
<td>0.31*</td>
<td>0.16</td>
<td>0.15</td>
<td>0.13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idea Marketing(8)</td>
<td>0.20*</td>
<td>0.29*</td>
<td>0.30*</td>
<td>0.06</td>
<td>0.11</td>
<td>0.19*</td>
<td>0.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idea Practice(9)</td>
<td>0.21*</td>
<td>0.23*</td>
<td>0.28*</td>
<td>0.05</td>
<td>0.17</td>
<td>0.10</td>
<td>-0.11</td>
<td>0.06</td>
<td></td>
</tr>
</tbody>
</table>
Correlations between Organizational Justice, Organizational Support and Innovative Behavior

Regarding Multiple Regression Analysis of knowledge management and organizational performance, Distributive Justice, Procedural Justice, and Interactional Justice in Organizational Justice were the independent variables, and Idea Generation, Idea Marketing, and Idea Practice in Innovative Behavior were the dependent variables. The analysis results were organized in Table 2. Distributive Justice, Procedural Justice, and Interactional Justice showed significantly positive correlations with Idea Generation that H1 was partially supported. Distributive Justice, Procedural Justice, and Interactional Justice revealed remarkably positive correlations with Idea Marketing that H2 was partially supported. Distributive Justice, Procedural Justice, and Interactional Justice presented notably positive correlations with Idea Practice that H3 was partially supported.

<table>
<thead>
<tr>
<th>Hierarchical variable</th>
<th>Idea Generation</th>
<th>Idea Marketing</th>
<th>Idea Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>β</td>
<td>β</td>
</tr>
<tr>
<td>Distributive Justice(1)</td>
<td>0.178*</td>
<td>0.184*</td>
<td>0.197*</td>
</tr>
<tr>
<td>Procedural Justice(2)</td>
<td>0.165*</td>
<td>0.173*</td>
<td>0.186*</td>
</tr>
<tr>
<td>Interactional Justice(3)</td>
<td>0.188*</td>
<td>0.196*</td>
<td>0.211**</td>
</tr>
<tr>
<td>Emotional Support(4)</td>
<td>0.152*</td>
<td>0.167*</td>
<td></td>
</tr>
<tr>
<td>Information Support(5)</td>
<td>0.127</td>
<td>0.158*</td>
<td></td>
</tr>
<tr>
<td>Material Support(6)</td>
<td>0.146</td>
<td>0.161*</td>
<td></td>
</tr>
<tr>
<td>Interaction</td>
<td>(1)=(4)</td>
<td>0.040</td>
<td>-0.123</td>
</tr>
<tr>
<td></td>
<td>(2)=(4)</td>
<td>0.022</td>
<td>0.096</td>
</tr>
<tr>
<td></td>
<td>(3)=(4)</td>
<td>-0.102</td>
<td>0.054</td>
</tr>
<tr>
<td></td>
<td>(1)=(5)</td>
<td>0.117</td>
<td>0.162*</td>
</tr>
<tr>
<td></td>
<td>(2)=(5)</td>
<td>-0.035</td>
<td>0.106</td>
</tr>
<tr>
<td></td>
<td>(3)=(5)</td>
<td>0.027</td>
<td>0.155*</td>
</tr>
<tr>
<td></td>
<td>(1)=(6)</td>
<td>0.125</td>
<td>0.073</td>
</tr>
<tr>
<td></td>
<td>(2)=(6)</td>
<td>0.043</td>
<td>-0.099</td>
</tr>
<tr>
<td></td>
<td>(3)=(6)</td>
<td>0.002</td>
<td>0.141</td>
</tr>
<tr>
<td>Regression model</td>
<td>F=6.337</td>
<td>6.834</td>
<td>7.166</td>
</tr>
<tr>
<td></td>
<td>Significance</td>
<td>**</td>
<td>**</td>
</tr>
<tr>
<td></td>
<td>R²</td>
<td>0.231</td>
<td>0.248</td>
</tr>
<tr>
<td></td>
<td>R²</td>
<td>0.231</td>
<td>0.166</td>
</tr>
</tbody>
</table>

*p 0.05 **p 0.01 ***p 0.001
From Table 2, when Organizational Support was included, Distributive Justice, Procedural Justice, and Interactional Justice appeared significantly positive effects ($\beta=0.184^{*} \sim 0.196^{*}$, $\beta=0.177^{*} \sim 0.206^{**}$, $\beta=0.171^{*} \sim 0.209^{**}$) on Innovative Behavior under the moderating effects of Organizational Support, with increasing intensity. Such a result conformed to the expectation of this study that H4 was supported.

**Conclusion**

The empirical analyses show the remarkably positive correlations between Perceived Organizational Justice and Innovative Behavior of the employees in hospitality industry, meaning the higher Perceived Organizational Justice, the better Innovative Behavior. The higher Perceived Organizational Justice reveals that the organization stresses on the basic rights of the employees, who therefore would appear trust on the organization. Such trust allows predicting the inspiration and practice of the employees’ innovative behaviors (Lin, 2010; Clegg, Unsworth, Epitropaki & Parker, 2002). The previous research results and practical management are similar to this research result. It is found when the employees in hospitality industry perceive the organizational justice, they would consider the proposed creative ideas being able to be discussed with the superiors to acquire suggestions and feedback for revision for better chances of practice. The frequency of presenting innovative behaviors would then be enhanced.

The empirical analyses reveal the moderating effects of Organizational Support on the correlations between Organizational Justice and Innovative Behavior in hospitality industry, meaning that the employees perceiving high Organizational Support would effectively enhance the positive effects of Organizational Justice on Innovative Behavior. When the organization highly supports emotion, instrument, and resources, it would like to listen to the employees’ ideas. The partners in the organization are the close interpersonal network of the employees. With idea exchange, influence, and mutual behavior effects, an employee’s viewpoints are supported, the type of support, and the employee being willing to and bravely express the innovative ideas play critical roles (Lin, Chen & Hsu, 2007). When an organization achieves the considered justice of the employees in the organizational justice practice process, the superiors and colleagues being willing to offer resources and emotion supports for innovative practice would have the employees present the team support in the innovative idea practice, the promotion of innovative policies would be smoother, and the frequency of transforming innovative ideas into innovative behaviors would be enhanced.
Suggestion

Based on the research results, the following suggestions are proposed in this study.

1. Understanding the employees’ demands and perception. Perceived Organizational Justice is the subjective measurement of an employee. In this case, hospitality businesses should further understand the employees’ demands and perception and listen to their opinions and ideas for the reference of justice practice so as to promote the perceived organizational justice of the employees and enhance the intention to present innovative behaviors and performance.

2. Providing incentives to encourage the employees showing innovative behaviors. Hospitality businesses should offer more incentives and encourage the employees to present innovative behaviors. A reward system should be established, proper opportunities or different channels for the employees expressing opinions should be given, and superior supports are offered. Suitable innovative ideas not being expressed would not assist in the organization.

3. Organizational Support is found to show moderating effects on the correlations between Organizational Justice and Innovative Behavior. As a result, the superiors and colleagues in hospitality businesses should be willing to offer instrument and emotion concerns with the employees, present supportive atmosphere, and formulate procedure and interpersonal interaction aiming at distinct reward systems and decisions so as to offer support and assistance with the employees. The perceived organizational justice therefore would approach the considered justice of employees, who would then enhance the intention to present innovative behaviors.

References


