# Does Psychological Capital Mediate The Relationship Between Organizational Justice And Job Performance In Teachers Of Public Sector Universities Of Khyber Pakhtunkhwa, Pakistan?

# <sup>1</sup>Ume Ruqia Saadat, <sup>2</sup>Dr. Asghar Ali, <sup>3</sup>Dr. Muhammad Anees Ul Husnain Shah, <sup>4</sup>Muhammad Nauman, <sup>5</sup>Dr. Nazim Ali, <sup>6</sup>Dr. Muhammad Imran Shah

<sup>1</sup>Lecturer in Economics, Department of Commerce, GU, D.I. Khan,

<sup>2</sup>Assistant Professor, Department of Education, University of Malakand

<sup>3</sup>Associate Professor, Department of Education, University of Education Lahore, D.G Khan Campus

<sup>5</sup>Associate Professor, Department of Commerce and Management Sciences, University of Malakand

<sup>6</sup>Assistant Professor, Department of Commerce, Institute of Business Administration, Gomal University, D.I. Khan (corresponding author)

## Abstract

The main aim of this research was to investigate the mediating function of psychological capital in the relationship between organisational justice and job performance. A total of 352 teachers employed at public sector universities located in Peshawar, Mardan, Dera Ismail Khan, and Malakand division of Khyber Pakhtunkhwa were included in the study. The data collection process spanned a period of two months. The data were analyzed using the statistical software packages SPSS and Amos. There exists a significant correlation between organisational justice, psychological capital, and job performance. The findings of the study indicate that there is a significant positive correlation between psychological capital and job performance. The use of Structural Equation Modelling revealed a significant mediation function of psychological capital in the association between organisational justice and job performance.

Keywords: Psychological Capital; Organizational Justice; Job Performance; Teachers; Pakistan.

#### Introduction

The presence of institutions of higher education plays a pivotal role in the advancement and progress of any given country. Higher education is the last step of training for a young person before beginning a profession; therefore it has a significant impact on a country's systemic growth and development of competent graduates (Jameel & Ahmad, 2020; Rabayaa & Obaid, 2019). University faculty have specialized roles that include instructing students, supervising researchers, publishing findings, and giving back to the local community. One of the key issues in the academic literature is job performance (JP). Considering its vital weight in the performance of organisations, it becomes of greatest significance for both management and scholars. Understanding the variables that influence your JP is therefore important, especially for academic workers.

The importance of justice in organisations has become increasingly apparent as we get a better understanding of the extensive role that organisations play in society. Currently, organisations serve as reflections for society. Therefore, organizational justice (OJ) is studied in many important disciplines such as organizational behavior, management and

<sup>&</sup>lt;sup>4</sup>*M.Phil.Student, Department of Commerce and Management Sciences, University of Malakand* 

psychology (Parker & Kohlmeyer III, 2005). Every firm today is on the lookout for ways to advance and grow in an increasingly competitive market. In order to gain ground in an environment where competitive advantages may be purchased or copied, management is attempting to increase production by focusing on human resources. For a group to operate socially and psychologically, justice inside the group is essential. One's confidence in the organization's future treatment of them is based on their perception of the organization's current degree of justice. They need to feel like they're contributing to the success of the business. If individuals are recognized and cherished by those in authority, they will ensure that they have access to justice (Krishnan, Loon, & Yunus, 2018). The core of organisational justice is the degree to which employees believe their company treats them fairly. There are three parts to it: procedural justice (PJ) (how the verdict was reached), distributive justice (DJ) (how one person was treated in comparison to others), and interactive justice (IJ) (how people were treated as a result of the procedures) (Ahmed & Faeq, 2020).

JP, as defined by G. Anwar and Shukur (2015), is the execution of one's responsibilities and obligations on a given task, with the usual considerations of time, speed, and efficiency in mind. JP, as defined by Akram, Lei, Haider, and Hussain (2020)'s JP theory, consists of employees' observable behaviors that allow an organisation to accomplish a specified task. Research on employee performance is a valuable asset for every company, regardless of industry or location, as mentioned by (Chegini, Janati, Asghari-Jafarabadi, & Khosravizadeh, 2019).

Psychological capital (PsyCap) is a term created by Luthans, Avolio, Avey, and Norman (2007). Individual's positive psychological condition of growth characterized by "self-efficacy, hope, optimism, and resilience" is what they mean by PsyCap. They define PsyCap as "an individual's

positive psychological state of development characterized by self-efficacy, hope, optimism and resilience". Self-efficacy is the earliest and most well studied component of Psycap. More funding has been allotted to study it. Self-efficacy is the belief that one has the requisite personal drive, mental tools, and behavioral style to successfully complete a goal within a specified environment (Stajkovic & Luthans, 1998). According to Charles R Snyder et al. (1991) hope refers to a "positive motivational state that is based on an interactively derived sense of successful." C Richard Snyder (2000) defined hope as "both the willpower (agency) and way power (pathways) that you have for your goals". The term "optimism" was used by psychologist L. C. Tiger (1979) to describe a state of mind characterized by a positive outlook on a social or material future that the evaluator sees as desirable, beneficial, or enjoyable. Resilience, as defined by positive psychologists (Masten & Reed, 2002), is the capacity to recover quickly from threatening or harmful situations. Luthans (2002) defined resilience as "the positive psychological capacity to rebound, to 'bounce back' from adversity, uncertainty, conflict, failure, or even positive change, progress, and increased responsibility." From this description, we may infer that resilience is a positive quality that can be used in the face of both adversity and extraordinary prosperity.

JP refers to how well an employee does their job throughout the course of an entire work shift. According to (Motowildo, Borman, & Schmit, 1997), JP consists of actions taken by an employee that contribute to the achievement of the company's stated goals and objectives. In a similar vein, Campbell, McHenry, and Wise (1990) defined JP as the actions taken by employees that contribute to the achievement of organisational objectives. Performance, as defined by Motowildo et al. (1997), are behaviors that may be evaluated. It has to focus on actions that contribute to the company's mission (Motowildo et al., 1997).

The most often recognized pillars of organisational justice are "distributive justice, procedural justice, and interactional justice" (Faeq & Ismael, 2022). Shah, Anwar, and Irani (2017) use the word "distributive justice" to refer to the fair sharing of resources among employees. Instead, an individual's assessment of the fairness of the procedure used to allocate outcomes is captured by the idea of procedural justice (Shah et al., 2017). The term "procedural justice" is used to describe an individual's belief that the organization's formal processes and the treatment they get from the organization's authorities in implementing those rules have resulted in a fair distribution of outcomes (Wolfe, Rojek, Manjarrez Jr, & Rojek, 2018). The phrase "procedural justice" refers to the degree to which decision-makers felt that the process for awarding results was fair (Abdullah, Omar, & Sadq, 2020). An individual's perception of the equity in an organization's distribution of results is contingent upon their personal encounters with the organization's established protocols and the manner in which they have been treated by its governing entities in implementing those protocols. The phrase "interactional justice" is used to describe how people are dealt with ---with respect or without — throughout the process of resolving a problem. Candor and explanation, as well as friendliness, sensitivity, attention, sincerity, compassion, certainty, directness, care, and dedication, have all been linked to interactional fairness. (K. Anwar & Ghafoor, 2017).

Many studies have been conducted on the link between OJ and JP (Afridi & Baloch, 2018; Anjum et al.; Bakri & Ali, 2015; Salahuddin, Alam, Zakir, Shah, & Iqbal, 2022). Similarly, there are a few studies on the relationship between OJ and PsyCap (Bakri & Ali, 2015; Dora & Azim, 2019). PsyCap has been shown to have a good association with JP (Kappagoda, Othman, Zainul, & Alwis, 2014). To our knowledge, there are no studies that have tested the mediating effect of PsyCap in the relationship of OJ and JP in teachers of public sector universities of Khyber Pakhtunkhwa (PSUKP) Pakistan.

Hypothesis 1: There exists a statistically significant association between organisational justice and job performance among teachers of PSUKP.

Hypothesis 2: There exists a statistically significant association between organisational justice and psychological capital among teachers of PSUKP.

Hypothesis 3: Psychological Capital exhibits a statistically significant association with Job Performance among teachers of PSUKP.

Hypothesis 4: Psychological Capital serves as a mediator in the association between Organisational Justice and Job Performance among teachers of PSUKP.

# **Research Methodology**

# **Data Collection Procedure**

A total of 352 teachers from public sector universities in the Khyber Pakhtunkhwa (KP) region were included in the study. Data was gathered over a period of two months. Four hundred and thirty (N=430) questionnaire containing demographics, PsyCap scale, OJ scale and JP scale, were distributed to faculty members physically with the help of students and faculty members. Three hundred and forty five (N=345) questionnaires were retuned within two months after two reminders with the help of faculty and friends. Only seven questionnaires which contained incomplete information were eliminated from the study.

#### PsyCap Questionnaire

PsvCap having four dimensions (Hope. Resiliency, Optimism, and Efficacy) was gauged through PsyCap scale adapted from Luthans et al., (2006). The hope dimension of PsyCap has six items whose examples are "Right now I see myself as being quite successful at work," and "If I should find myself in a jam at work, I could think of several methods to get out of it". The resiliency dimension of PsyCap has six items whose examples are "I typically take tough things at work in stride" and "When I experience a setback at work, I have trouble rebounding from it, moving on." The efficacy dimension of PsyCap has six items whose examples are "I feel confident representing my work area in meetings with management," and "I feel confident helping to create targets/goals in my work area". The optimism dimension of PsyCap has six items whose examples are "If something can go wrong at work, it will," and "I always see the bright side of things about my employment." 6-point Likert scale was employed to gauge PsyCap in this study.

	Cronbach's Alfa
Efficacy	.78
Optimism	.82
Норе	.84
Resiliency	.86

# **JP Scale**

JP having two dimensions (in-role and extra-role) was gauged through JP scale adapted from Goodman and Svyantek (1999). The in-role dimension of JP has nine items whose examples are "I achieve the objectives of my job," "I satisfy all job criteria," and "I am proficient overall". 5-point Likert scale was employed to gauge JP in all areas of my job, manage duties with expertise."

The extra-role dimension of JP has seven items whose examples are "I help my teammates with their tasks when they are absent," "I help other employees with their job when they are not present," and "I come up with original ideas to boost the department's standards in this study.

# **Table 2: JP Reliability**

	Cronbach's Alfa
"In-Role Performance"	.83
"Extra-Role Performance"	.77

# **Measurement of OJ**

OJ having three dimensions (distributive, interactional, procedural) was gauged through OJ scale (Niehoff and Moorman, 1993). The distributive dimension of OJ has five items whose

examples are "My work schedule is fair." and "I think that my level of pay is fair". The procedural dimension of OJ has six items whose examples are "Job decisions are made by the general manager (GM) in an unbiased manner" and "To make job decisions, my GM collects accurate and complete Information". The distributive dimension of OJ has eleven items whose examples are "When decisions are made about my job, the GM treats me with kindness and

. Table 3: Reliability of OJ consideration" and "When decisions are made about my job, the GM treats me with respect and dignity". 5-point Likert scale was employed to gauge OJ in this study.

	Alfa
DJ	.87
РЈ	.81
IJ	.78

#### Results

#### Table 4: Relationship of OJ, PsyCap and JP

	OJ	PsyCap	JP
OJ	1	.478**	.299**
PsyCap	.478**	1	.279**
JP	.299**	.279**	1

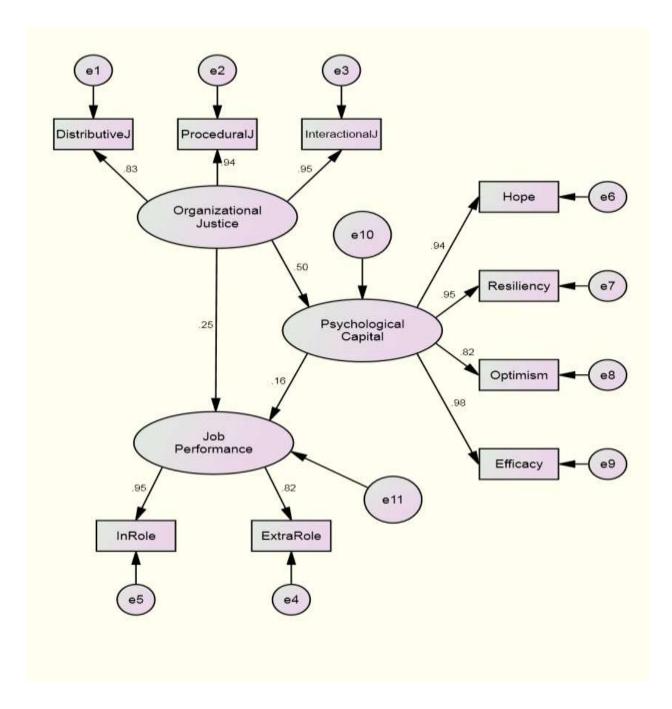
"\*\*. Correlation is significant at the 0.01 level (2-tailed)."

Table 4 shows the interrelationship of OJ, PsyCap and JP in teachers of PSUKP. OJ revealed a significant relationship with PsyCap and JP. PsyCap also revealed a significant positive relationship with JP. Therefore, we accept:

Hypothesis 1: There exists a statistically significant association between organisational justice and job performance among teachers of PSUKP.

Hypothesis 2: There exists a statistically significant association between organisational justice and psychological capital among teachers of PSUKP.

Hypothesis 3: Psychological Capital exhibits a statistically significant association with Job Performance among teachers of PSUKP.



The Hypothesis 4: Psychological Capital serves as a mediator in the association between Organisational Justice and Job Performance among teachers of PSUKP was confirmed by making structural model of OJ, PsyCap and JP through Amos. The beta value ( $\beta$ =.39, p < .001) between OJ and JP went down to  $\beta$ =.25, p < .001 when PsyCap was added as mediator. All of the indices in table 03 are within standard range. Likewise, all of the factor loadings in figure 03 are within tolerable range. The 3-factor model of OJ, PsyCap and JP is acceptable. So we accept **H4:** PsyCap mediates the relationship between OJ and JP in teacher of PSUKP.

CMIN/Chi Square	53.105
DF	24
CMIN/DF	2.213
Р	.001
GFI	.966
RMR	.044
CFI	.990
RMSEA	.061

#### Table 5: Indices

#### Conclusion

The primary objective of this study was to examine the role of PsyCap as a mediator in the association between OJ and JP. A total of 352 teachers employed at public sector universities located in Peshawar, Mardan, Dera Ismail Khan, and Malakand division of Khyber Pakhtunkhwa were included in the study. The data collection process spanned a period of two months. The data were analyzed using the statistical software packages SPSS and Amos. There exists a significant correlation between OJ, PsyCap, and JP. The findings of the study indicate that there is a significant positive correlation between PsyCap and JP. The use of Structural Equation Modelling revealed a significant mediation function of PsyCap in the association between OJ and JP.

### References

- Abdullah, M., Omar, S., & Sadq, Z. (2020). The impact of the relationship between information technology and OJ in promoting strategic Enterprneuial. Zanco Journal of Humanity Sciences, 24(4), 113-138.
- Afridi, A. A., & Baloch, Q. B. (2018). The effect of OJ on job satisfaction: A comparative study of public and private universities of

khyber pakhtunkhwa. Abasyn Journal of Social Sciences, 11(1), 237-253.

- Ahmed, Y. A., & Faeq, D. K. (2020). An economic Evaluation of training and its Effect on employee performance in Building Construction Directory of Sulaimani province–Kurdistan region. Qalaai Zanist Journal, 5(2), 1048-1068.
- Akram, T., Lei, S., Haider, M. J., & Hussain, S. T. (2020). The impact of OJ on employee innovative work behavior: Mediating role of knowledge sharing. Journal of Innovation & Knowledge, 5(2), 117-129.
- Anjum, N., Shah, M. I., Iqbal, M., Ullah, M., Iqbal, M., & Ali, N. Do OJ and Work Engagement Mediate the Relationship between Personality Traits and JP among Teachers of Private Colleges, KP, Pakistan?
- Anwar, G., & Shukur, I. (2015). The impact of training and development on job satisfaction: a case study of private banks in Erbil. International Journal of Social Sciences & Educational Studies, 2(1), 65.
- Anwar, K., & Ghafoor, C. (2017). Knowledge management and organizational performance: A study of private universities in Kurdistan. International Journal of Social Sciences & Educational Studies, 4(2), 53.

- Bakri, N., & Ali, N. (2015). Relationship between OJ, PsyCap and job burnout: Empirical evidence from health care sector. Asian Social Science, 11(25), 84.
- Campbell, J. P., McHenry, J. J., & Wise, L. L. (1990). Modeling JP in a population of jobs. Personnel psychology, 43(2), 313-575.
- Chegini, Z., Janati, A., Asghari-Jafarabadi, M., & Khosravizadeh, O. (2019).
  Organizational commitment, job satisfaction, OJ and self-efficacy among nurses. Nursing Practice Today, 6(2), 86-93.
- Dora, M., & Azim, A. M. M. (2019). OJ and workplace deviance behavior: PsyCap as Mediator. American International Journal of Humanities and Social Science, 5(2), 35-45.
- Durrah, O., Al-Tobasi, A., A'aqoulah, A., & Ahmad, M. (2016). The impact of the PsyCap on JP: A case study on faculty members at Philadelphia university. International Review of Management and Marketing, 6(2), 183-191.
- Faeq, D. K., & Ismael, Z. N. (2022). Analyzing the Relationships Between OJ and JP. International journal of Engineering, Business and Management, 6(5).
- Jameel, A. S., & Ahmad, A. R. (2020). Factors impacting research productivity of academic staff at the Iraqi higher education system. International Business Education Journal, 13(1), 108-126.
- Kappagoda, U., Othman, P., Zainul, H., & Alwis,
  G. (2014). PsyCap and JP: The mediating role of work attitudes. Dr. Hohd. Zainul and Alwis, Gamini, PsyCap and JP: The Mediating Role of Work Attitudes (June 27, 2014). Journal of Human Resource and Sustainability Studies.
- Kappagoda, U., Othman, P., Zainul, H., & Alwis,G. (2014). PsyCap and JP: The mediating role of work attitudes. Dr. Hohd. Zainul

and Alwis, Gamini, PsyCap and JP: The Mediating Role of Work Attitudes (June 27, 2014). Journal of Human Resource and Sustainability Studies.

- Krishnan, R., Loon, K. W., & Yunus, N. A. S. (2018). Examining the relationship between OJ and JP. International journal of academic research in business and social sciences, 8(3), 466-477.
- Luthans, F. (2002). The need for and meaning of positive organizational behavior. Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, 23(6), 695-706.
- Luthans, F., Avolio, B. J., Avey, J. B., & Norman, S. M. (2007). Positive PsyCap: Measurement and relationship with performance and satisfaction. Personnel psychology, 60(3), 541-572.
- Masten, A. S., & Reed, M.-G. J. (2002). Resilience in development. Handbook of positive psychology, 74, 88.
- Motowildo, S. J., Borman, W. C., & Schmit, M. J. (1997). A theory of individual differences in task and contextual performance. Human performance, 10(2), 71-83.
- NGO, T. T. (2021). Impact of PsyCap on JP and job satisfaction: A case study in Vietnam. The Journal of Asian Finance, Economics and Business, 8(5), 495-503.
- Niehoff, B. P., & Moorman, R. H. (1993). Justice as a mediator of the relationship between methods of monitoring and organizational citizenship behavior. Academy of Management journal, 36(3), 527-556.
- Parker, R. J., & Kohlmeyer III, J. M. (2005). OJ and turnover in public accounting firms: A research note. Accounting, Organizations and Society, 30(4), 357-369.

- Rabayaa, S. M., & Obaid, S. M. (2019). The Impact of Knowledge Management by Technological Tools and Electronicmeans on Academic Staff Performance in Palestinian Universities. International Review of Management and Marketing, 9(2), 57.
- Salahuddin, S., Alam, M. M., Zakir, M., Shah, I., & Iqbal, T. M. M. (2022). Impact of OJ on JP among Teachers of Private Sector Universities, Pakistan: Authentic Leadership and PsyCap as Mediators. Central European Management Journal, 30(4), 1225-1232.
- Shah, N., Anwar, S., & Irani, Z. (2017). The impact of organisational justice on ethical behaviour. international Journal of Business innovation and Research, 12(2), 240-258.
- Snyder, C. R. (2000). Handbook of hope: Theory, measures, and applications: Academic press.
- Snyder, C. R., Harris, C., Anderson, J. R., Holleran, S. A., Irving, L. M., Sigmon, S. T., . . . Harney, P. (1991). The will and the ways: development and validation of an individual-differences measure of hope. Journal of personality and social psychology, 60(4), 570.
- Stajkovic, A. D., & Luthans, F. (1998). Selfefficacy and work-related performance: A meta-analysis. Psychological bulletin, 124(2), 240.
- Sun, T., Zhao, X. W., Yang, L. B., & Fan, L. H. (2012). The impact of PsyCap on job embeddedness and JP among nurses: a structural equation approach. Journal of advanced nursing, 68(1), 69-79.
- Wolfe, S. E., Rojek, J., Manjarrez Jr, V. M., & Rojek, A. (2018). Why does OJ matter? Uncertainty management among law enforcement officers. Journal of Criminal Justice, 54, 20-29.