THE EFFECT OF PSYCHOLOGICAL CONTRACT ON ORGANIZATIONAL JUSTICE PERCEPTION: A CASE OF HOSPITAL EMPLOYEES

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ABSTRACT

today's business world, it is known that the opinions of the employees about the organization positively guide the organization and how important it is in the achievement of the organization. If employees fulfil their liabilities within the framework of mutual trust with the organization and if they think that they are rewarded for their efforts from the organization, their organizational justice perception will increase. Accordingly, although the employees think that there is a fair system in the organization, it will be inevitable for them to work harder for the organization and increase its productivity and efficiency.

The main purpose of the study is to investigate the effect of psychological contract levels of the medical secretary in a university hospital on organizational justice perceptions. In addition, it is aimed to contribute

1. INTRODUCTION

Employees have expectations that the organization will provide incentives and opportunities to meet their needs in return for the benefits to the organization. As a result of this expectation, psychological contract emerges between employees and organization (Özler & Üner, 2012: 328). If there is a good level of psychological contractual relation between organization and employees, employees think that they get what they deserve from the organization. In other words, positive perception of organizational justice of employees emerges. In this case, employees think that gains arising from the activities performed in organization are distributed equally among them and they maintain their positive attitudes and behaviours towards the organization.

The main purpose of the study is to reveal the effect of psychological contract levels of the medical secretary in a university hospital on organizational justice perceptions. In addition, it is aimed to contribute
to the literature, because of the limited number of studies on both psychological contract and organizational justice. The importance of this study is due to the understanding of psychological contract and organizational justice relationships among employees.

2. CONCEPTUAL FRAMEWORK

2.1. The Concept of Psychological Contract and its Sub-Dimensions

The concept of psychological contract is based on Gouldner's (1960) theory on the norm of reciprocity. In this theory, employees voluntarily exhibit positive behaviours for the benefit of organization in response to the gains provided them by the organization. In this direction, psychological contract in the strict sense is the sum of the expectations of the organization and employee without having any mutual and written basis (Mao et al., 2008: 29). From a different viewpoint, a psychological contract is an agreement which is dependent on an abstract and emotional bond based on unwritten and mutual trust against the responsibilities and expectations between organization and employees (Anderson & Schalk, 1998: 637). In this direction, the main features of the psychological contract are as follows; psychological contract is not a written contract. Contrary to this, they are the contracts which are based on perceptions, existing in the minds of individuals and often ambiguous. There is also a relationship of dependence and mutual obligation between organization and employee in psychological contract. Finally, psychological contract is not static. Accordingly, both individuals and time varies.

Psychological contract is divided into two main dimensions as relational and transactional psychological contract. Relational psychological contracts are agreements which covers long-term relations between organization and employee and both economic and non-economic rewards and in which there is commitment and which based on trust of parties each other. (Topaloğlu & Arastaman, 2016: 28-29). Transactional psychological contracts, expressed as a fair relationship between work and wages, are clearly prescribed, do not cover long periods, are closed-ended and are based on the economic interests that employees will earn in return for their contributions to the organization (Morrison & Robinson, 1997: 228; Rousseau & Wade-Benzoni, 1994: 466). In this direction, transactional psychological contracts are related to economic benefits and can be defined as fair wages paid deservedly as a result of the employee's work (Rousseau & Wade-Benzoni, 1994: 466).

2.2. The Concept of Organizational Justice and its Sub-Dimensions

The concept of organizational justice extends over the Equity Theory of Adams (1965). This theory is based on the principle in which employees compare the gains obtained from the organization with the achievements of both colleagues and employees of other organizations (Nowakowski et al., 2005: 5). Accordingly, organizational justice is the perception of employees to what extent the gains arising from the activities carried out by the employees are equally distributed. In other words, organizational justice is related to the thought of employees about to what extent the outputs and processes of the organization they work for are fair (Greenberg, 1987: 10). In this direction, in the very strict sense, organizational justice is the perception of justice created by the employee in his mind about the practices in organization if it is known that the perception of organizational justice is at good level in an organization, the rules are applied to everyone fair-and-square, the costs and benefits are distributed equally, and the losses of the sufferers due to inequality and discrimination are compensated (Black et al., 2000: 122; Karacaoğlu & Yörü, 2012: 49).

Organizational justice is divided into three main dimensions as distributive, procedural and interactional justice. Distributive justice is related to how employees perceive that the organization distributes proportional shares according to certain standards, certain functional rules and provisions (Cohen, 1987: 20). In this direction, distributive justice is typically related to the allocation of resources (Bies & Shapiro, 1988: 677). Procedural justice is the perception of employees in decision-making processes in the organization and their reactions to decision-making processes. Hence, procedural justice is a tool to control the functioning of the organization and is related to the competence of managers in specific processes (Bies & Shapiro, 1988: 677). Finally, interactional justice is related to how the practices within the organization effect the relationships, behaviours, attitudes, communication between employees and management, and how employees perceive this situation (Scarlicki & Folger, 1997: 436).
2.3. The Relationship between Psychological Contract and Organizational Justice

In today's working conditions, it is not enough for the organizations to protect their material values. In this direction, it is required for organizations to attach importance to the thoughts and perceptions of their employees. However, thanks to the spiritual bond established with employees, organizations may achieve real success. Mutual respect and trust are required for establishing this bond.

Although some obligations in organizations are noted as formal and written employment contracts, mutual trust features unwritten obligations (Anderson & Schalk, 1998: 637). In this direction, employees who feel that the level of psychological contract in an organization is good trust the organization they work for. In this context, they believe that the responsibilities and expectations that occur with the organization are realized. Thus, they establish an abstract and emotional bond with the organization based on trust. In this sense, employees think that organizational justice has come to a higher level with the positive psychological contract level. Thought of employees on that organizational justice is at the highest level is related to the fitting between the organization and the values of the employees. Accordingly, employee who understands that organizational justice is perceived to be positive would be more connected to the organization, so the business motivation increases. In other words, employees' fitting with the organization positively affects their perception of organizational justice. As a result, the employees who find the organization fair are ready to exhibit all kinds of positive attitudes in order to improve the organization better.

3. RESEARCH METHOD

3.1. Purpose and Scope of the Study

The main purpose of study is to investigate the effect of psychological contract levels of medical secretaries on organizational justice perceptions. In this respect, it is aimed to contribute to hospital managements and literature.

3.2. Universe and Sample of the Study

The population of the study consists of medical secretaries working in a university hospital in Konya. The sample of the study consisted of 114 randomly selected employees in the said university.

3.3. Data Collection Method

In this study, questionnaire was used as a data collection technique. In this direction, a questionnaire with some deficient data from 115 questionnaires was not included in the analysis. Analysis has been continued to be performed with 114 questionnaires.

3.4. Scales of the Study

In the first part of the study, socio-demographic data consisting of 6 questions were included. In the second part, the psychological contract scale of Milward and Hokins (1998) consisting of 17 questions was used. In the third part, organizational justice scale of Moorman (1991), consisting of 21 questions, was used. In the last two parts, a 5-point Likert scale was used.

3.5. Conceptual Model and Hypothesis of the Study

In this study, the effect of psychological contract on organizational justice was investigated and the conceptual model and hypotheses of the study were formed. The conceptual model of the study is presented below.

![Conceptual Model of the Study](image)
The hypotheses of the study are as follows;

**H1:** Relational psychological contract has a significant and positive effect on distributive justice.

**H2:** Relational psychological contract has a significant and positive effect on procedural justice.

**H3:** Relational psychological contract has a significant and positive effect on interactional justice.

**H4:** Transactional psychological contract has a significant and positive effect on distributive justice.

**H5:** Transactional psychological contract has a significant and positive effect on procedural justice.

**H6:** Transactional psychological contract has a significant and positive effect on interactional justice.

### 4. FINDINGS AND DISCUSSION

Demographic properties, validity and reliability of the scales, correlation analysis, regression and hierarchical regression analysis and sobel test are included in the study.

#### 4.1. Demographic Findings

Demographic characteristics of the respondents are examined in Table 1.

<table>
<thead>
<tr>
<th>DEMOGRAPHIC INF.</th>
<th>N</th>
<th>%</th>
<th>DEMOGRAPHIC INF.</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENDER</td>
<td></td>
<td></td>
<td>MARITAL STATUS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>18</td>
<td>15.8</td>
<td>Married</td>
<td>73</td>
<td>64</td>
</tr>
<tr>
<td>Female</td>
<td>96</td>
<td>84.2</td>
<td>Single</td>
<td>41</td>
<td>36</td>
</tr>
<tr>
<td>EDUCATIONAL STATUS</td>
<td></td>
<td></td>
<td>EDUCATIONAL STATUS (Continue)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary School</td>
<td>2</td>
<td>1.8</td>
<td>College</td>
<td>15</td>
<td>13.1</td>
</tr>
<tr>
<td>High School</td>
<td>9</td>
<td>7.9</td>
<td>Bachelor’s Degree</td>
<td>77</td>
<td>67.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Master /PhD</td>
<td>11</td>
<td>9.7</td>
</tr>
<tr>
<td>AGE</td>
<td></td>
<td></td>
<td>WORKING PERIOD IN HOSPITAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21-25 years old</td>
<td>39</td>
<td>34.2</td>
<td>Less than 1 year</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>26-30 years old</td>
<td>33</td>
<td>29</td>
<td>Between 1 -3 years</td>
<td>29</td>
<td>25.5</td>
</tr>
<tr>
<td>31-40 years old</td>
<td>31</td>
<td>27.1</td>
<td>Between 4-6 years</td>
<td>24</td>
<td>21.0</td>
</tr>
<tr>
<td>41-45 years old</td>
<td>11</td>
<td>9.7</td>
<td>Between 7-9 years</td>
<td>31</td>
<td>27.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10 years or above</td>
<td>13</td>
<td>11.4</td>
</tr>
</tbody>
</table>

According to the Table 1, 84.2% (96) of the respondents were female and 15.8% (18) of them were male. 66% (73) of the respondents were married and 36% (41) of them were single. In addition to this, 34.2% (39) of the respondents were between 21-25 years old, 29% (33) of them between 26-30 years old, 27% (31) of them between 31-40 years old and 9.7% (11) of them between 41-45 years old. 1.8% (2) of respondents were elementary school graduate, 7.9% (9) of them were high school graduate, 13.1% (15) of them were college graduate, 67.5% (77) of them were bachelor and 9.7% (11) of them were Master's and Ph.D. Graduates. Finally, 15% (17) of the respondents have been working less than 1 year, 25.5% (29) of them between 1-3 years, 21% (24) of them between 4-6 years, 27.1% (31) of them between 7-9 years and 11.4% (13) of them for 10 years or above.

#### 4.2. Analysis of Research

##### 4.2.1. Validity and Reliability Analysis

In the validity and reliability analyses shown in Table 2, Varimax rotation method and principal component analysis were used.

<table>
<thead>
<tr>
<th>PSYCHOLOGICAL CONTRACT</th>
<th>Factors</th>
<th>Eigenvalue</th>
<th>Cronbach’s Alpha</th>
<th>Factor Exp. (%)</th>
<th>Factor Loading (Min.-Max.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relational Psychological Contract</td>
<td>2.216</td>
<td>0.751</td>
<td>30.265</td>
<td>0.549-0.818</td>
<td></td>
</tr>
<tr>
<td>Transactional Psychological Contract</td>
<td>1.155</td>
<td>0.854</td>
<td>24.832</td>
<td>0.702-0.797</td>
<td></td>
</tr>
<tr>
<td>Psychological Contract (Ex. Tot. Var. = %53.112; p=0.000; α=0.787; KMO = 0.787 ; Bartlett’sSph. ( \chi^2 = 824,318 ))</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In Table 2, KMO value related to psychological contract is 0.787 and Bartlett test value is 824.318. This variable is also at (p = .000 < 0.05) significance value. KMO value related to organizational justice is 0.683 and Bartlett test value is 812.242. This variable is also at (p = .000 < 0.05) significance value. In this case, it can be said that the data group came from the multivariate normal distribution. The general reliability coefficient for psychological contract is also 0.787 and the total variance explained is 53,112%. The general reliability coefficient for organizational justice is 0.783 and the total variance explained is 51,528%. Consequently, the reliability coefficients of all factors are above 0.70 and are acceptable for the social sciences. Moreover, the total variance described is at the acceptable level for the social sciences. The eigenvalues in the psychological contract scale were greater than 1 and created two dimensions and the eigenvalues in the organizational justice scale were greater than 1 and created three dimensions. In other words, all the items formed the same dimensions as the original scales. Finally, the factor loadings of the psychological contract and organizational justice variables are 0.40 and this is at acceptable level for the social sciences.

In Table 3, factor analysis was also performed to reaffirm the factor structures of the variables.

In Table 3, the goodness of fit values were examined through the Lisrel 8.80 program. It was found that the models of the psychological contract scale (ΔX2/df =3,429; p<0.001; GFI= 0.92; AGFI= 0.87; CFI= 0.91; IFI= 0.93; RMSEA= 0.08) and organizational justice scale (ΔX2/df= 3.324; p<0.001; GFI= 0.93; AGFI= 0.86; CFI= 0.92; IFI= 0.92; RMSEA= 0.08) provided goodness-of-fit.

4.2.2. Descriptive Statistics and Correlation Analysis related to the Variables

In Table 4, descriptive statistics related to variables and relationships between variables are examined.

As seen in Table 4, all dimensions are above the general mean of 2.5. When we look at the mean and standard deviations, the highest value belongs to the relational psychological contract (3.88) and the lowest value belongs to the transactional psychological contract (2.63). According to the correlation analysis, a positive and low level of relationship has been formed between psychological contract and organizational justice (r = 0.353; p = .000). In addition, it has formed a positive, significant and low level of correlation between relational psychological contract and distributive justice (r = 0.347; p = .000), between relational psychological contract and procedural justice (r = 0.335; p = .000) and between relational psychological contract and interactional justice (r = 0.213; p = .000).
4.2.3. Regression Analysis

In Table 5, the effects of psychological contract sub-dimensions on organizational justice sub-dimensions were analysed.

**Table 5. Regression Analysis related to the Effect of Psychological Contract Sub-Dimensions on Organizational Justice Sub-Dimensions**

<table>
<thead>
<tr>
<th>Model</th>
<th>Dependent Variable</th>
<th>Independent Variable</th>
<th>β</th>
<th>T</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Distributive Justice</td>
<td>Conts.</td>
<td>3.527</td>
<td>4.297</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relational Pscy.Cont.</td>
<td>0.311</td>
<td>4.369</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transactional Pscy.Cont.</td>
<td>0.171</td>
<td>3.265</td>
<td>0.001</td>
</tr>
</tbody>
</table>

F= 34.782; Model (P)= 0.000 ; R²=0.416; Adj.R²= 0.382

<table>
<thead>
<tr>
<th>Model</th>
<th>Dependent Variable</th>
<th>Independent Variable</th>
<th>β</th>
<th>T</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Procedural Justice</td>
<td>Conts.</td>
<td>4.318</td>
<td>2.925</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relational Pscy.Cont.</td>
<td>0.174</td>
<td>3.296</td>
<td>0.001</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transactional Pscy.Cont.</td>
<td>0.78</td>
<td>1.418</td>
<td>0.163</td>
</tr>
</tbody>
</table>

F= 27.832 ; Model (P)= 0.000 ; R²= 0.338; Adj.R²= 0.317

<table>
<thead>
<tr>
<th>Model</th>
<th>Dependent Variable</th>
<th>Independent Variable</th>
<th>β</th>
<th>T</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Interactional Justice</td>
<td>Conts.</td>
<td>2.537</td>
<td>4.216</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relational Pscy.Cont.</td>
<td>0.286</td>
<td>3.164</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Transactional Pscy.Cont.</td>
<td>0.136</td>
<td>1.231</td>
<td>0.219</td>
</tr>
</tbody>
</table>

F= 24.747 ; Model (P)= 0.000 ; R²= 0.327; Adj R²= 0.311

In Table 5, it was found the corrected R²= 0.382 related to the effect of sub-dimensions of psychological contract on distributive justice. In this direction, the sub-dimensions of psychological contract explain 38.2% of the distributive justice. In addition to this, F = 34.782 and sig = .000 indicate that the relationship between the variables is significant. There is also a significant and positive effect of relational psychological contract (β = 0.311, p = ,000) and transactional psychological contract (β = 0.171, p = ,000) on distributive justice. As a result, H1 and H4 hypothesis were accepted.

Furthermore, it was found the corrected R²= 0.317 related to the effect of sub-dimensions of psychological contract on procedural justice. In this direction, the sub-dimensions of psychological contract explains 31.7 % of the procedural justice. In addition to them, F = 27,832 and sig = .000 indicate that the relationship between the variables is significant. Relational psychological contract (β= 0.174, p= .001) has a significant and positive effect on procedural justice. However, transactional psychological contract (β = 0.78, p = 0.163> ,000) has no significant effect on procedural justice. As a result H2 hypothesis was accepted.

Finally, it was found the corrected R²= 0.311 related to the effect of the sub-dimensions of psychological contract on interactional justice. In this direction, the sub-dimensions of psychological contract explains 31,1 % of the interactional justice. In addition to them, F = 24,747 and sig = .000 indicate that the relationship between the variables is significant. Relational psychological contract (β= 0.286, p= 0.001) has also a significant and positive effect on interactional justice. However, transactional psychological contract (β = 0,136, p = 0,219> 0.000) has no significant effect on interactional justice. As a result H3 hypothesis was accepted.

5. CONCLUSION AND RECOMMENDATIONS

Today, as a necessity of intense work conditions, employees need to work harder and contribute to the organization in order to realize the objectives of organization. Employees who contribute to the organization want to be rewarded for their efforts. At this point, it is important for the organization to behave its employees equally during the allocation of resources to them, the fair decisions of the managers and their competence to treat the employees fairly. However, the sensitivity of managers to employees and their sensitivity to give directions, when needed, are completely a necessity for employees.

The main purpose of the study is to investigate the effect of psychological contract levels of the medical secretary in a university hospital on organizational justice perceptions. The study has been applied to 114
employees. The study is important because it explains the relationship between psychological contract levels and their perceptions of organizational justice.

According to the results of the analyses, a positive relationship was found between psychological contract and organizational justice in general. In addition, relational psychological contract and transactional psychological contract have a significant and positive effect on distributive justice. In addition to this, relational psychological contract has a significant and positive effect on procedural justice. Finally, relational psychological contract has a significant and positive effect on interactional justice. When we look at the analysis results in more detail, relational psychological contract has a significant and positive effect on distributive justice. This situation may result from the perception of employees about that the resources in the organization are distributed equally to the deservers as well as their thought about that they are rewarded for their efforts by organization against their works to achieve the objectives of organization.

Transactional psychological contract has a significant and positive effect on distributive justice. This situation may be related to the fact that the employee thinks that the rights and benefits he will receive from the organization are given to him completely. In addition, relational psychological contract has a significant and positive effect on procedural justice. This situation may be related to the fact that the employee thinks that he is rewarded for his efforts which he expected and the managers give his rights, and thus the employee perceives the competencies of the managers positively. Relational psychological contract has also a significant and positive effect on interactional justice. This situation may be related to the fact that the employee thinks that the organization is responding to the employee's efforts to achieve its objectives as well as perceives that there is an explanatory culture and maximum interpersonal sensitivity in the organization.

The similar studies which have been conducted in recent years related to the subject and which are prominent are as follows; Paşamehmetoğlu (2016) examined the relationship between psychological contract and organizational justice. The sample of the study consisted of 187 people working in a five star hotel organization. According to the results of the study, a positive relationship was found between psychological contract and organizational justice. Cihangiroğlu et al. (2015) examined the relationship between psychological contract and organizational justice. The sample of the study consisted of 458 health officers working in a hospital located in Ankara. According to the results of the study, a significant but weak relationship was found between psychological contracts of health officers and their perception of organizational justice. Rodwell and Gulyas (2013) examined the relationship between psychological contract, breaches of psychological contract and organizational justice on 193 nurses working in a big hospital located in Australia. According to the results of the study, there is a positive relationship between psychological contract and organizational justice. As is seen, there are similarities between these studies and ours.

This study contributes to the literature as it is a study examining the psychological contract levels and organizational justice perceptions of medical secretaries working in a university hospital. In future studies, it might be suggested to investigate the relationship between the concept of psychological contract and other concepts which may affect employees' perception of the organization positively. As a result of the study, important information was obtained related to understanding to what extent the employees, who think that the level of psychological contract is positive in an organization, have perception of organizational justice. The basic importance of the study is revealed in this case. As a result, important information emerged to be used in order to increase employees' perceptions of organizational justice. In this direction, the study has provided important findings to the researchers about in which proportion the high level of psychological contract increased the perception of organizational justice.

During the stage of study, there have been some limitations generally related to the hospital procedures. The sample obtained for the study was also limited to medical secretaries working in a university hospital. As a result, it might be suggested to carry out different studies on employees working in different service organizations in future studies.
REFERENCES


