



**Influence of interactional Justice on Performance of
commercial banks in Turkey**

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Abstract

The purpose of the study was to examine the influence of interactional justice on the performance of commercial banks in Turkey. The study adopted the descriptive research design. The data was collected from the managers of the banks and the support staff. The study used questionnaires to gather the information. Besides, the interview guides were used to collect the data. The results of the study showed that interactional justice is positively related to performance. Interactional justice includes the aspect of respect, dignity in one's treatment, courtesy, motivation, encouragement, sharing relevant information with employees and also giving out fair and detailed information to everyone without any form of discrimination. The study noted that establishing justice in the workplace is an effective tool that can be undertaken by companies seeking innovation, imagination and initiative. It has been acknowledged that the prominence of justice in organizations adds to boosting the efficiency degree of people through boosting their commitment and constructing a bridge of trust between staff members and management. Those organization that administers high practice of the interactional justice have high chances of producing significant performance. The study concluded that a unit increase or improvement in interactional justice leads to increased employee performance by 0.1469 units. The study recommended that Turkey's banks need to emphasize much on increasing the interactional justice within the organizations. The banks emphasize much on increasing respect and dignity in one's treatment, showing courtesy to the employees, motivation, encouragement, sharing relevant information with employees and also giving out fair and detailed information that is satisfactory to everyone. High commitment and performance are expected to be achieved when interactional justice is maximized. The interactional justice within the banks needs to be the norm of the day.

Keywords: *Interactional Justice, Performance, commercial banks, Turkey*

1.0 INTRODUCTION

Justice is the degree to how people interact with each other in the working environment (Abuzbaid, 2017). Interactional justice exists when decision-makers treat people with respect and dignity and explain the justification for the management's decisions. According to He, Fehr, Yam, Long and Hao (2017), interactional justice is divided into two parts. The first part is interpersonal justice and the other informational justice. Interpersonal justice can be how an employee is treated by the management and the supervisors in the organization, while informational justice is defined as the explanations provided that convey information about why procedures were used in a certain way or why outcomes were distributed in a particular form (Bahri-Ammari & Bilgihan, 2017). Informational justice illustrates the transparency in the procedures adopted to achieve a specific decision or outcome.

Ali and Saifullah (2014) established that distributive justice, procedural justice, and organizational justice positively and significantly affect job satisfaction and organizational commitment to the employees in banks in Pakistan. A study by Abuzbaid (2017) in Qatar established that satisfied employees increase customer satisfaction because they are more friendly, upbeat, and responsive; they are less likely to turnover, which helps build long-term customer relationships. Bahani (2013) studied the relationship between job satisfaction and Performance management in Malaysian electronic organizations; results showed significant positive relationships on the various factors of job satisfaction and performance management. According to López-Cabarcos, Machado-Lopes-Sampaio-de Pinho and Vázquez-Rodríguez (2015), job satisfaction significantly influenced affective and normative commitment, while distributive justice and interactional justice fact influenced the job satisfaction in Portugal's hotel industry. Additionally, Sia and Tan (2016) revealed that distributive and interactional justice positively affected employees' job satisfaction, while procedural fairness does not have significant importance to the job satisfaction in the hotel set in the Philippines.

1.1 Statement of the problem

The performance of commercial banks is one of the fundamental aspects of expanding economic growth (Alkailani & Aleassa, 2017). Banks act as the intermediary between the depositors and the

borrowers. Besides, the central banks of countries use primarily commercial banks to affect the monetary policy. Thus, commercial banks in any country are very significant in increasing the stability of the economy. However, commercial banks in Turkey have not expanded their market like other banks in the World, such as Barclays, Standard chartered and Absa (Saleem, Yaseen & Wasaya, 2018). Most of the commercial banks from the origin of Turkey only operate within Turkey or only within Europe. This low market shared formed the study's morale to examine whether interactional justices influence performance.

1.4 Research Hypothesis

H₀₁: Interactional justice does not have a significant effect on performance of commercial banks in Turkey.

2.0 LITERATURE REVIEW

Interactional justice is fundamental in a company and makes the employees and employers remain on good terms (SaleemYaseen, A., & Wasaya,2018). The informational justice primarily deals with the descriptions supplied to people to convey why treatments were utilized in a particular way or why outcomes were dispersed in a specific style and enhanced openness (Alkailani & Aleassa, 2017).). In the last decade, new industrial development and an increase in employment opportunities have caused a rise in turnover intentions among staff members in the organizations (Mohamad Nadzli, 2017). Sia, as well as Tan (2016), recommended that workers that are treated with interactional justice at work often tend to show good work habits such as commitment, constant self-improvement, and having the organization's best interests at heart. Furthermore, Baig and Ullah (2017) revealed that interactional justice is fundamental in a company. The lack of this brings about workers being dissatisfied with their tasks by exerting less effort, reduced spirits, increased absence, and leaving the company. Ultimately, Rai (2013) uncovered that viewed interactional justice in a firm is positively associated with high pay satisfaction, job satisfaction, and commitment. On the other hand, the lack of perceived interactional justice leads to low turnover.

In addition, Bahri and Bilgihan (2017) performed research to develop the effects of distributive, step-by-step, and interactional justice on customer retention in the mobile telecom market in Tunisia. The study's findings showed that those firms that depend on justice understanding for method implementation could acquire consumer retention. The research study further recommended the requirement to concentrate on distributive justice to support the employees' fulfillment and commitment. López-Cabarcos, Machado-Lopes-Sampaio-de Pinho, and Vázquez-Rodríguez (2015) conducted a study to examine the impact of business justice as well as work

contentment on business commitment in Portugal's hotel market. A key variable in this context was the influence of workers' perceptions of work environment justness. The study's searching's developed that work contentment substantially affected affective and normative dedication, while distributive justice and interactional justice transformed job contentment.

Better, Sia et al. (2016) researched the influence of business justice on task fulfillment in a resort set in the Philippines. Notably, it checked into the significance of the distributive justice, step-by-step justice as well as interactional justice on the hotel staff members' level of job complete satisfaction when it comes to the fairness of manager/supervisor to personnel connections, pay as well as timetable Architectural Equation Modeling (SEM) was obtained data evaluation. The research study results revealed that distributive and interactional justice positively impacted the employees' job satisfaction, while step-by-step justice does not have a considerable influence. According to Sia and Tan (2016), organizational justice in the workplace is the central aspect impacting staff member work contentment and period.

Ali and Saifullah (2014) researched distributive justice, procedural justice, and business justice as forecasters of task fulfillment and organizational dedication in Pakistan's financial market. The example size for the research was 125, and also information was gathered with surveys. The outcomes of the research study revealed that distributive justice, procedural justice, and organizational justice had a positive and considerable effect on task satisfaction and organizational dedication of the financial industry workers. Additionally, Monteiro, Pereira, Daniel, Silva, and Matos (2017) conducted a research study to establish the impact of organizational reconciliation plans and culture on employees' stress and anxiety and job satisfaction. The research findings showed that organizational reconciliation policies were favorably and substantially associated with work tension feelings and task fulfillment. Furthermore, the perception of encouraging business society, namely by coworkers and managers, has a tremendous influence on settlement capability and job anxiety feelings.

2.5.1 Equity Theory

Adams established the equity concept in the 1960s (Adams, 1963). According to Adams (1963), people compare the initiative they spent and the result they obtained with the initiative others in the same office invested and the impact they got. This circumstance is necessary for the organizational justice assumption of an individual who belongs to an organization. Furthermore, Guerrero, Andersen and Afifi (2007) established that equity theory recognized that refined and variable individual variables impact everyone's assessment and perception of their relationship with their relational partners. This concept suggests that an individual's inspiration is based on Assumptions of respect, self-respect in one's therapy what she or he considers to be reasonable when compared to others (Redmond, 2010).

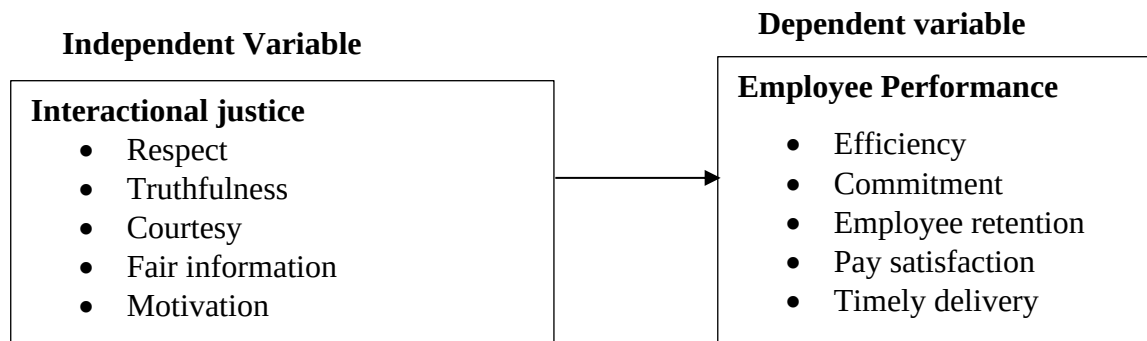
The equity theory established possesses some of the weaknesses. For instance, the theory mainly emphasized that employees get motivated based on salary increment and other factors; when they remove all these from the organization, motivation among the employees will be removed (Redmond, 2010). Additionally, according to Brockner, Greenberg, Brockner Bortz, Davy and Carter (1986), it is difficult to assess one particular practice that will maintain equity amongst all employees, which is a perceived weakness of the theory and the overpayment conditions.

However, the theory is much applicable and majorly deals with social relationships, fairness/unfairness and Politeness (Huppertz, Arenson, & Evans, 1978). Equity theory has been

widely applied to industrial psychologists' business settings to describe the relationship between an employee's motivation and his or her perception of equitable or inequitable treatment. Therefore, the theory was fundamental to the study to support the study objective.

2.3 Conceptual Framework

The results presented in Figure 1 shows the conceptual framework



3.0 RESEARCH METHODOLOGY

The study adopted the descriptive research design. The data was collected from the managers of the banks and the support staff. The study used questionnaires to gather the information. Besides, the interview guides were used to collect the data also.

4.0 RESEARCH FINDINGS

4.1 Correlation Analysis

Correlation analysis illustrates the association between research variables. Notably, it shows the association between interactive justice and performance.

Table 1: Correlation Analysis

Variable	Performance	Interactional justice
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Performance	1.0000	
Interactional justice	0.1750	1.0000

The results presented in Table 1 shows that Interactional justice is positively correlated to performance. The positive association indicated that when the organization's interactional justice increases, the performance level will also increase. Interactional justice is the standard related to how employees associate with each other at work. This is not just identifying exactly how managers treat their staff members; it can also connect to how associates and coworkers communicate with each other. The importance of the correlation analysis is that it shows how the variable associates. A positive association shows when one of the variables increases, the other variable will also increase. On the other side, a negative association implies that the other variable will decrease when one of the variables increases.

4.2 Model of Fitness

Table 2 depicts the model fitness

Table 2: Model of Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.276a	0.261	0.237	0.0248

a Predictor: Interactional justice

The results presented in Table 2 depict that interactional justice is satisfactory in explaining the banks' performance in Turkey. The results are backed up by the coefficient of determination which was 26.1 and implied that the interactional justice explains 26.1% variations of the performance. As leaders engage with workers, interactional justice concerns the leaders' actions and managers as they implement their choices and authority. As a manager, a person is liable to create a positive, productive workplace. This requires communicating in a truthful, reasonable, and also respectful way with workers. When supervisors successfully exercise interactional justice, they are open, consistent, and reasonable. Much time is spent taking into consideration exactly how supervisors carry out justice with their workers. There is a just as crucial variable when companies analyze how workers associate with each other, just as interactional justice influences the manager/employee partnership. It also influences the partnerships colleagues to have with each other.

4.3 Analysis of Variance

Table 3 indicates the analysis of variance

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.485	1	2.285	16.80	.000b

Residual	1.087	8	0.136
Total	3.572	17	

The results depicted in Table 3 show that the overall model was statistically significant. The results imply that interactional justice is a significant predictor in explaining performance. The findings are supported by the F statistics, which is 16.80 and the reported p-value of 0.000, which was less than the conventional probability significance level of 0.05. Organizations need to guarantee that they treat their workers instead of making certain that both results and processes are fair and simple. Organizations can make sure that organizational practices are transparent as well as fair to make sure that staff members continue to be fully committed to the goals of the company

4.4 Regression of Coefficients

The regression of the coefficient estimates the unknown population parameters and describes the relationship between a predictor variable and the response. In the study, the predictor variable was interactional justice, while the response variable was performance. The regression of coefficients is depicted in Table 4

Table 4: Regression of Coefficient

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.0161	0.002		8.050	0.024
Interactional Justice	0.1469	0.071	0.237	2.069	0.038

The results presented in Table 4 shows that interactional justice is positively and significantly related to performance. The results are supported by the calculated t-statistic of 2.069, larger than the critical t-statistic of 1.96. This meant that when the interactional justices within the organization increase or improve by one unit, the employee performance will increase by 0.1469 units when other factors are held constant. This implied that interaction justice is fundamental in increasing employee performance. The interactional justices include the practices of respect, politeness, dignity in one's treatment, courtesy, motivation and encouragement.

5.0 Conclusion

Based on the study's findings, it can be concluded that interactional justice is positively and significantly related to performance. The regression of coefficients showed that a unit increase or improvement in the interactional justice leads to increased performance by 0.1469 units. The study indicated that interactional justice respects dignity in one's treatment, courtesy, motivation, encouragement, sharing relevant information with employees, and giving out fair information and detailed information. Establishing justice in the workplace is an effective tool that can be taken on by companies seeking innovation, imagination, and initiative. It has been acknowledged that the prominence of justice in organizations adds to boosting the efficiency degree of people through

the boost in commitment and constructing a bridge of trust in between staff members and monitoring on the one hand and between the employees themselves. Those organization that administers high practice of the interactional justice have high chances of producing significant performance. The higher the justice within the organization, the higher the commitment of the employees.

6.0 Recommendation

Based on the study's findings, it is recommended that the banks in Turkey need to emphasize much on increasing the interactional justice within the organizations. The banks in Turkey need to emphasize increasing respect and dignity in one's treatment, showing courtesy to the employees, motivation, encouragement, sharing relevant information with employees, and giving out fair and detailed information that is satisfactory to everyone. The importance of increasing interactional justice in the workplace is that it increases commitment. Justice enhancement in the workplace influences employees' dedication and a trust fund in their managers' direction. Furthermore, justice is regarded as an indicator that managers observe the workers' legal rights and personal worths. The employees may have a lack of count on their manager and they may not see themselves as a member of the company in the absence of interactional justice. One of the drivers of employee motivation is when they believe that the compensation is worth the input.

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