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Organizational Embeddedness as a Mediator between Justice and In-Role Performance

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Abstract

Drawing on the conservation of resources (COR) theory, we theorize that organizational justice influences in-role performance by embedding employees into the organization. Using a sample of 236 employee-supervisor dyads from diverse industries in India, we found that organizational embeddedness mediated the relationship between distributive and procedural justice and in-role performance. We further found that the degree of association between the dimensions of organizational justice and the components of organizational embeddedness varied; procedural justice was a stronger predictor of the fit dimension than distributive justice was and distributive justice was a stronger predictor of the sacrifice dimension than procedural justice was. We discuss the theoretical and practical implications of our findings.

Keywords: distributive justice, procedural justice, in-role performance, organizational embeddedness, India

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1. Introduction

Organizational justice has been a consistent predictor of employee attitudes and behaviors (Colquitt & Rodell, 2011). Theories concerning fairness in the workplace have focused on expanding conceptualizations of organizational justice to incorporate both distributive and procedural dimensions (Mcfarlin & Sweeney, 1992). “Distributive justice refers to the perceived fairness of the amounts of compensation employees receive; procedural justice refers to the perceived fairness of the means used to determine those amounts” (Mcfarlin & Sweeney, 1992, p. 626). Justice perceptions have been linked to job or in-role performance (Colquitt, Le Pine, Piccolo, Zapata, & Rich, 2012). Yet, there is a dearth of research examining the psychological pathways through which organizational justice influences work outcomes such as performance (Cole, Bernerth, Walter, & Halt, 2010).

There are several alternative explanations for the relationship between justice and in-role performance. Although social exchange theory is most frequently used as an explanation (e.g., Colquitt and Rodell, 2011), there may be several mechanisms occurring simultaneously between justice and in-role performance. We posit that the conservation of resource COR theory (Hobfoll, 2001) provides an alternative explanation, and we use the construct of organizational embeddedness, or the degree to which employees are embedded in the organization (Sekiguchi, Burton, & Sablynski, 2008), to demonstrate the mechanism. That is, we argue that organizational justice provides resources to employees that lead to organizational embeddedness and ultimately to in-role performance. In short, we are suggesting that organizational embeddedness will serve as an explanatory variable between organizational justice and in-role performance.

Mitchell, Holtom, Lee, Sab and Erez (2001) coined the term “job embeddedness” to provide a comprehensive view of the employer-employee relationship by explaining how employees become psychologically and socially embedded with the organization and with the community in which the organization operates (Ghosh & Gurunathan, 2015). Job embeddedness is a construct which consists of two dimensions—the organization and the community (e.g., organizational embeddedness and community embeddedness, respectively). Each of these dimensions is further associated with three dimensions—links, fit, and sacrifice (Mitchell et al., 2001). Job embeddedness explains more than job satisfaction and organizational commitment with regard to predicting variance in individual turnover intentions, actual turnover, and job performance (Ghosh and Gurunathan, 2015; Harris, Wheeler, & Kacmar, 2011; Sekiguchi et al., 2008).

In our study, we are focusing only on organizational embeddedness, as it predicts in-role performance more strongly than community embeddedness does (Kiazad, Holtom, Hom, & Newman, 2015), particularly when employee relocation is not involved (Harris et al., 2011; Ghosh & Gurunathan, 2015). Additionally, since our research is primarily focused on work-related variables such as organizational justice, we expect it to be related more strongly to organizational embeddedness (e.g., Sekiguchi et al., 2008).

Organizational embeddedness develops as a result of an abundance of resources, and the resources associated with embeddedness tend to emerge over long periods (i.e., links to other people in the organization, higher sacrifice if one leaves). Organizational embeddedness resources are more related to the organization and the workplace (Halbesleben and Wheeler, 2008). Moreover, recent theoretical (Kiazad et al., 2015) and empirical (Harris et al., 2011) studies have provided a explanation for organizational embeddedness as a state of resource

overabundance. The authors proposed that in COR parlance, embedded individuals have more resources, including compensatory embedding resources (feeling valuable to others, status/seniority at work), and can stave off further resource losses (improve job performance to restore self-confidence; avoid dismissal) by investing in more resources (investing in education or training).

We propose that one source of this resource abundance is the implementation of distributive and procedural justice. We have included distributive justice and procedural justice in our study, as research has suggested that, when the objective is to account for global job attitudes and behaviors such as job performance (as in this study), it is appropriate to use the judgment of fair treatment. Fair treatment derives from procedural, process-related, and distributive elements and gives employees some certainty regarding the organization's commitment to help them with the resources they need in the context of work (Aryee, Walumbwa, Mondejar, & Chu, 2013).

In this study, we focus exclusively on in-role performance, because this variable has been the most fundamental and important for achieving organizational goals compared to other performance outcomes. It has been the most frequently examined performance outcome in relation to organizational embeddedness (Harris et al., 2011; Halbesleben & Wheeler, 2008; Lee, Mitchell, Sablinski, Burton & Holtom, 2004; Sekiguchi et al., 2008). We follow these studies in examining in-role performance, which, not surprisingly, has been found to be an outcome of organizational embeddedness.

In-role job performance refers to actions specified and required by an employee's job description and thus mandated, appraised, and rewarded by the employing organization (Janssen & Van Yperen, 2004).

COR theory provides the foundation for our study. The theory proposes that individuals are motivated by the desire to obtain and protect resources, or those things that they personally value, and to allocate those resources in response to the environment. As resources are acquired, they may be motivated to obtain additional resources (Halbesleben & Wheeler, 2008). Additionally, as resources are accumulated and protected, positive outcomes follow (Harris et al., 2011).

As shown in our theoretical model (fig. 1), we predict that the judgment of fair treatment leads to organizational embeddedness, which in turn mediates the relationship between organizational justice and in-role performance. We utilize COR theory to explain how fair treatment impacts in-role performance by creating higher or lower levels of organizational embeddedness. That is, whereas the resources or benefits received as the result of fair treatment inherent in organizational justice leads to organizational embeddedness, the lack of fair treatment does little to embed employees. When organizational embeddedness is high, employees are likely to experience a state of resource abundance, because of higher links, fit, and sacrifice (Wheeler, Harris, & Sablinski, 2010). This resource abundance enables them to work with greater effort, which ultimately leads to higher in-role performance (Kiazad et al., 2015). Therefore, the more employees are embedded in their organization in terms of the work factors, namely, links, fit, and sacrifice (Yao, Lee, Mitchell, Burton, & Sablinski, 2004), the more employees will perform their roles diligently (Lee et al., 2004; Halbesleben & Wheeler, 2008).

The first purpose of our paper is to extend the job embeddedness research by examining the potential mediating role of organizational embeddedness in the context of organizational justice and employee performance. Researchers often find different relationships across the links, fit, and sacrifice aspects of organizational embeddedness and its correlates (Lee, Burch, &

Mitchell, 2014). Hence, the second purpose of this paper is to investigate the effect of justice dimensions on the dimensions of organizational embeddedness. By doing so, we can contribute to the literature comprehensively, as we will unfold the process through which justice impacts organizational embeddedness which in turn influences in-role performance.

Insert Fig 1 about here

2. Theoretical framework and hypotheses

2.1. COR theory

According to COR theory, individuals have a certain number of valued resources (including emotional energy and socio-emotional support) in their possession (Cole et al., 2010) and they strive to obtain, retain, protect, and foster those things that they value; as such, these resources will motivate employee behaviors (Hobfoll, 2001). These resources may be delineated into object resources (material assets), condition resources (i.e., status in the organization), personal resources (i.e., self-esteem), and energy resources (i.e., money or time) (Hobfoll, 2001). COR theory proposes that employees will actively seek not only to conserve their existing resources but also to invest resources to gain additional resources (Harris et al., 2011). The additional resources accumulated will enable them to meet demands (i.e., added domestic duties when spouses travel for work), attain goals (i.e., promotions), recover from resource loss, or protect against future losses (i.e., lost paychecks due to dismissal) (Kiazad et al., 2015). Thus, one might invest in education or training to increase the odds of promotion (resource acquisition) or minimize the odds of layoff (resource protection).

COR theory suggests that those with ample resources are less vulnerable to resource loss and more capable of gain. When individuals perceive inadequate resources, are threatened with

resource loss, or do not gain sufficient resources by investing in resources, negative outcomes occur (Harris et al., 2011). Thus, employees will be motivated to conserve and gain additional resources. Harris et al. (2011) stated that several work-related sources of support can be obtained by employees to add to their existing resources. In this study, we will focus on organizational embeddedness as a state of resource abundance that accumulates for those who experience organizational justice in their organizations.

2.2. COR theory and organizational justice

From a COR perspective, distributive and procedural justice act as prime sources of support from the organization from which resources are accumulated, replenished and protected (Cole et al., 2010). Organizational justice is grounded in social exchange theory (Blau, 1964). The theory explains that when employees perceive fair treatment by the organization and its authorities, it acts as a benefit, and, as a result, they feel a sense of obligation to reciprocate with acts that contribute directly or indirectly to the goals of the organization (Zhang, Lepine, Buckman & Wei, 2014). Distributive justice involves allocating resources (e.g., promotions, pay, recognition, equipment, or any other job-related resources that assist employees in job tasks) in such a way that employees are convinced that resources have been distributed equitably and have been adequately replenished against resources invested (e.g., time and effort) (Campbell, Perry, Maertz, Allen, & Griffeth, 2013). Similarly, procedural justice ensures justice in the process of determining allocation of resources (Campbell et al., 2013). The fair exchange of resources will enable employees to contribute to organizational goals. By the same token, perceptions of injustice will impose severe demands on individuals, causing a depletion of valued resources and preventing them from contributing towards the organizational goals (Cole et al., 2010).

2.2.1. COR theory and distributive justice

Distributive justice is rooted in Adam's (1965) equity theory, which argues that employees consider the input-output ratio and exert more or less effort accordingly, altering their organizational participation (Colquitt et al., 2012); input here refers to time and effort and output refers to rewards such as promotions, pay, recognition, equipment, or any other job-related resources that assist employees in job tasks or maintaining overall well-being.

Employees experiencing distributive justice have the perception that their contribution to the organization in terms of their input of time and effort are being adequately compensated through appropriate rewards and recognition (Biswas, Varma, & Ramaswami, 2013). Hence, they perceive receiving adequate returns on their resource investments. From a COR perspective, this should provide for resource replenishment because expended resources are appropriately regenerated (Cole et al., 2010).

2.2.2. COR theory and procedural justice

Masterson, Lewis, Goldman, and Taylor (2000) support the relationship between procedural justice and organization-related outcomes—namely, organizational citizenship behavior, organizational commitment, intention to quit, and performance. Procedural justice ensures more predictability and promise of access to future resources (Campbell et al., 2013). Further, it suggests that the employee is supported and valued by the organization and its representatives. It induces a feeling of security about the availability of important resources and may even signify an abundance of resources, because valued resources are protected or have been gained as a result of just procedures (Cole et al., 2010).

2.3. The mediating influence of organizational embeddedness

Organizational embeddedness is described by a three-by-two matrix. There are three dimensions called links, fit, and sacrifice, and each of these dimensions are further associated with an individual's relationship to the organization. Fit describes how well people fit into their organization with regard to, for example, personal values, career goals, or plans for the future (Mitchell et al., 2001). Links are formal or informal connections that connect an employee with his or her organization in a social, psychological, and financial web with a number of strands (Mitchell et al., 2001). Sacrifice describes what employees would have to give up or what opportunities they would forego in leaving their place of employment (Mitchell et al., 2001). Although organizational embeddedness is comprised of these three components, the large majority of studies have examined organizational embeddedness at the dimensional level by combining all the three dimensions. We follow these studies by examining organizational embeddedness at the dimensional level, which has been found to predict in-role performance, as well as work attitudes and other on-the-job behaviors (Harris et al., 2011).

COR theoretically explains the components and empirical findings of organizational embeddedness. Organizational embeddedness describes the resources (e.g., links, fit, and sacrifice) that embed an employee within a specific job and organization. That is, an employee accumulates organizational embeddedness to the degree that the employee feels linked to the organization and its members (e.g. compatibility with co-workers, good relationship with supervisor, attachment to projects), perceives a compatibility or comfort with the organization and job (e.g., fitness with the job resulting in utilization of talents and skills, fitness with the company's culture), and feels a strong psychological need to protect and not sacrifice (e.g., good

colleagues, interesting projects, or perks and incentives) the resources accumulated by belonging to the organization (Harris et al., 2011). Furthermore, organizational embeddedness promotes in-role performance because instrumental resources enable employees to fulfill job responsibilities more effectively, enabling them to acquire more resources (e.g., Kiazad et al., 2015). The extant research on organizational embeddedness supports this logic, with Halbesleben and Wheeler (2008) and Harris et al. (2011) finding empirical support for organizational embeddedness being an accumulation of resources that predicted employee in-role performance. Consistent with the COR-based research applied to organizational embeddedness, we propose that the resources exchanged in the context of perceived distributive and procedural justice accumulate in the form of organizational embeddedness.

We posit that the support resources (e.g., good connections with colleagues and supervisors, respect, dignity, good incentives, pay, promotion) that flow from various forms of fair treatment replenish and boost resources into the links, fit and sacrifice dimensions of organizational embeddedness. These resources in organizational embeddedness provide an explanatory mechanism through which organizational justice is related to in-role performance.

To make this argument, we must first establish the relationship between organizational justice and organizational embeddedness. An examination of the extant literature provides support for the notion that organizational justice is related to organizational embeddedness. When employees perceive that outcomes such as performance evaluations, salary increases, bonuses, job assignments, and informal spot rewards are based on equity norms (Colquitt, Le Pine, Piccolo, Zapata, & Rich, 2012), it motivates them to invest in resources that allow them to accumulate further resources and to use those resources to meet demands (e.g., fulfill task performance); and such utilization of talents and skill will increase organizational fit.

Additionally, distributive justice replenishes resources by providing adequate returns on resource investments, and this will supplement or even compensate for low levels of person–organization fit (Yao et al., 2004).

Perceived equity resulting from consistency in the job effort–reward trade off reinforces an employee’s self-esteem, enhances feelings of control over occupational life, and fosters pleasant emotional states which employees will not wish to sacrifice. Distributive justice ensures confidence and predictability in the way future outcomes will be distributed, thereby reducing the need to spend cognitive resources worrying about future outcomes (Campbell et al., 2013). Hence, employees experiencing distributive justice will not wish to forego the above advantages and will work diligently to receive them. Similarly, when employees perceive organizations making performance-based evaluations, it will prompt them “to form job-specific, high-density advice networks, through which individuals share resources such as information, assistance, and guidance related to the completion of their work” (Kiazad et al., 2015, p. 646), resulting in stronger links with coworkers, supervisors, and the organization as a whole.

We argue that procedural justice also promotes the links, fit and sacrifice dimensions of organizational embeddedness. Theoretically, the COR model predicts that employees perceiving procedural justice are provided with a number of resources such as a social support system, self-efficacy, information and access to resources for task accomplishment (Tepper, 2001). Such resources should supplement or even compensate for low levels of organizational fit (e.g., Yao et al., 2004).

Fair procedures provide employees with socio-emotional resources like being valued and respected members of the organization and experiencing harmony and trust in relationships with others. This might enhance the individual’s attachment to the supervisor and organization as a

whole, as they will sense that they are members in good standing (Korsgaard, Schweiger, & Sapienza, 1995). Procedural justice might make people comfortable by linking them psychologically and behaviorally with the organization through its agents such as supervisors and colleagues (Tyler & Blader, 2003).

The fair processes of procedural justice provide participants opportunities to express their views and make decisions (Zhang & Agarwal, 2009), thereby providing intangible or symbolic resources, such as respect (Folger & Konovsky, 1989). Such processes induce a feeling of security about the availability of important resources (Biswas et al., 2013) and fulfill a key psychological need on the part of employees, making it difficult for them to sacrifice the above resources. Thus we suggest that organizational justice provides employees with numerous benefits and resources that are cognitive (i.e., information-sharing, advice-giving, and access to resources necessary to accomplish a task) or affective (i.e., respect, dignity, a social support system, and a sense of self-efficacy) (e.g., Tepper, 2001); these are associated with the cognitive and affective aspects of organizational embeddedness. Based on all of these theoretical arguments, we offer the following hypothesis.

Hypothesis 1 (a). *Organizational embeddedness mediates the relationship between distributive justice and employees' in-role performance.*

Hypothesis 1 (b). *Organizational embeddedness mediates the relationship between procedural justice and employees' in-role performance.*

2.4. The relative contribution of the justice dimension in predicting organizational embeddedness

We suggest that the relative contribution of the justice dimension in predicting organizational embeddedness component varies across its three dimensions. As we discuss

below, we propose that distributive justice is more important in predicting the sacrifice dimension, whereas procedural justice is more important in predicting the fit and link dimensions of organizational embeddedness.

Distributive justice involves the mutually beneficial transfer of valued economic resources between the organization and the employee. This provides employees with an experience of equity with reference to their own input and to others and to job effort-reward consistency (Mcfarlin & Sweeney, 1992). Thus, it increases the satisfaction of the individual with respect to outputs such as pay, promotions, job security, reserved parking spaces, perks, and incentives. All the satisfaction that an employee receives in terms of outcomes adds up to a cumulative benefit received from the organization, which no employee would want to give up (Mcfarlin & Sweeney, 1992). Procedural justice, on the other hand, is a more important influence on socially mediated attitudes and behaviors (Mcfarlin & Sweeney, 1992).

Thus, we predict the following.

Hypothesis 2 (a). *Distributive justice is more strongly related to the sacrifice dimension than procedural justice is.*

We believe that procedural justice will be more strongly pronounced for procedural justice, because procedures define the organization's capacity to treat employees fairly. Thus, procedural justice provides employees with socio-emotional resources such as feedback regarding their status within the organization and treats them with respect and dignity, conveying the message that they are valued in the organizational (Tepper, 2001). Distributive justice, on the other hand, defines the organization's capacity to provide an equity return, which is mostly related to task-accomplishment resources (Tepper, 2001).

Therefore, if employees perceive procedures to be fair, they may view the organization

positively, even if they are currently dissatisfied with personal outcomes such as low pay, as these procedures may be seen by employees as reflecting institutional values. Thus, under the influence of a perception of procedural justice, even employees experiencing low distributive justice tend to value and respect their organization (Mcfarlin & Sweeney, 1992) and contribute to the organization's goals, leading to goal congruence, which strengthens the fit dimension. Thus, we predict the following.

Hypothesis 2(b). *Procedural justice is more strongly related to fit than distributive justice is.*

Cohen-Charash and Spector (2001) proposed that procedural justice concerns are salient when the goal is group harmony, whereas distributive justice concerns are salient when the goal is productivity and efficiency. Additionally, the authors concluded that procedural justice predicts reactions toward the organization whereas distributive justice theory predicts reactions toward outcomes. Providing additional evidence to the above discussion, Mcfarlin and Sweeney (1992) found in their study that procedural justice accounted for more variance in organizational commitment and trust in a supervisor than distributive justice did. Korsgaard et al. (2005) explained that the reason why fair procedures strengthen individuals' relationships with a group, leader, and organization more strongly than distributive justice is that procedural justice serves as a source of socio-emotional resources, such as value and respect, and thus promotes harmony, trust and other positive attitudes resulting into a strong and harmonious relationship with the group, leader, and the organization as a whole. Thus, we predict the following.

Hypothesis 2 (c). *Procedural justice is more strongly related to links than distributive justice is.*

3. Method

3.1. Data

The sample participants for the study were from various industries that included 285 full-time employees and their supervisors working in India. Responses from 49 respondents could not be included because of incomplete data (e.g., missing supervisor or incomplete surveys), leaving a final usable sample of 236 participants and giving us a response rate of 36.7%. The sample included 162 males and 74 females, with an average age of 30.63 (SD = 5.34) years of age. The average tenure for the participants with their current organization was a mean of 4.68 years (SD = 4.34). A wide variety of industries and organizations were represented, including consulting (5.5%), banking (16.1%), manufacturing (22.9%), telecommunications (27.5%), construction (10%), and retail (18%).

For this study, 120 introductory management students collected data as a part of a research experience assignment. They collected data from three to five working adults and their supervisors during the semester. A total of 643 surveys were distributed. Using a modification of snowball sampling, the students gave surveys to the participant, who was asked to give another short survey to his or her supervisor. The supervisors filled in their subordinates' in-role performance measures. The surveys were returned directly to the participant in sealed envelopes. This procedure was made known to the participant and all envelopes remained sealed upon their return to the researchers. Once the survey packet was completed, it was returned to the researchers. To verify respondent participation, we randomly selected 32% of the surveys and contacted the participant and supervisor directly. All verified their participation and confirmed that they had completed the surveys. This method of survey collection has been effectively used by field researchers in organizational settings (e.g., Halbesleben & Bowler, 2007).

3.2. Measures

Procedural justice. Procedural justice was measured using the seven-item scale validated by Colquitt et al. (2012), with all items using response anchors of 1 = “To a very small extent” to 5 = “To a very large extent.” The items were averaged to measure procedural justice. The survey included questions such as, “Have you been able to express your views and feelings during those procedures?” ($\alpha = .87$).

Distributive justice. Distributive justice was measured using the four-item scale validated by Colquitt et al., (2012), with all items using response anchors of 1 = “To a very small extent” to 5 = “To a very large extent.” Items were averaged to form our measure of distributive justice. The survey included questions such as, “Does your pay reflect the effort you have put into your work?” ($\alpha = .92$).

Organizational embeddedness. Twenty-three items were used to measure organizational embeddedness as per Mitchell et al., (2001). It consists of three subscales—links to the organization (“How many coworkers are highly dependent on you?”), fit to the organization (“I feel like I am a good match for my organization.”), and organization-related sacrifice (“The health care benefits provided by this organization are excellent.”). The link items were measured on an open-ended numerical scale (e.g., years at the company, number of coworkers); the fit and sacrifice items were scored on a five-point Likert-type scale from strongly disagree (1) to strongly agree (5). The sub-dimensions were averaged. The Cronbach’s alphas for fit was 0.84, for sacrifice was 0.90 and for links was 0.52. The low Cronbach’s alpha for links is consistent with past literature (Mitchell et al., 2001; Lee et al., 2004). Prior to combining items into subscales (links, fit, and sacrifice) and embeddedness scores, link item scores were standardized. Composite measures were created by averaging the various sub-dimensions ($\alpha = .88$). This

method was followed to maintain consistency with past research. This approach allows us to equally weight the influence of different dimensions of organizational embeddedness (Mitchell et al., 2001).

In-role performance. Supervisors rated their employees' in-role performance using Janssen and Van Yperen's (2004) five-item Likert scale (1) strongly disagree to (5) strongly agree ($\alpha = .77$). Sample questions included, "This subordinate fulfills all responsibilities required by his/her job." The five items were averaged to form our measure of in-role performance

Control variables. To help eliminate potentially spurious relationships between our independent variables, the mediator, and the outcomes in this study, we controlled for subordinate age and gender (e.g., Lee et al., 2004; Mitchell et al., 2001).

4. Results

Table 1 reports the means, standard deviations, internal reliabilities, and correlation coefficients between the dependent, independent, and control variables. We assessed the measures in terms of convergent and discriminant validity using Anderson and Gerbing (1988) and Fornell and Larcker (1981). The results are shown in table 2. The average variance extracted by each latent variable was greater than or equal to 0.50. These results showed that there was evidence of convergent validity (Anderson & Gerbing, 1988; Fornell & Larcker, 1981). There was evidence of discriminant validity, since the shared variances between pairs of variables were not larger than the average variance extracted by each latent variable (Fornell & Larcker, 1981). The measures also proved to be reliable, because each construct's composite reliability was greater than the recommended threshold value of 0.60 (Bagozzi & Yi, 1988).

However, the above result did not hold true for organizational embeddedness. Organizational embeddedness is a formative construct. Links, fit and sacrifice indicators have

formed the construct without any assumptions as to the patterns of intercorrelation between these items. Measures such as factor loading and communality, Cronbach alpha, average variance extracted, and internal consistency assume high intercorrelation among the indicators in question. Hence they are inappropriate for formative indicators such as organizational embeddedness, where no theoretical assumption is made about intercorrelation among items (Coltman, Devinney, Midgley, & Venaik, 2008).

[Table 1 near here]

[Table 2 near here]

To test hypotheses 1(a) and 1(b), we used the bootstrap method (Preacher & Hayes, 2008) to test the mediation role of organizational embeddedness. Bootstrapping has been shown to be a good method for testing significance in models, since it does not make any assumption about the normality of the distribution of the variables tested (Preacher & Hayes, 2008). We generated 5,000 bootstraps based on 236 observations with a 95% bias-corrected confidence interval (CI) and bootstrapped percentile for indirect effects. If a CI does not include the value of zero, that population correlation is judged to be “statistically significant” (Colquitt, Conlon, Wesson, Porter, & Ng, 2001). We requested bootstrap estimates of indirect, direct, and total effects. As shown in table 3, the interval between lower level CI and upper level CI does not include zero, hence we can conclude that both procedural justice and distributive justice is mediated by organization embeddedness (as only the indirect effect is significant). Thus, these results provide support for Hypotheses 1(a) and 1(b).

[Table 3 near here]

We used AMOS 20 to test hypotheses 2(a), 2(b), and 2(c). The regression estimates, as presented in figure 1, allowed us to examine the direct association between the analysis

variables. The level of significance is based on the critical ratio (CR) of the regression estimate (Biswas et al., 2013). CR values ≥ 2.58 indicate a 99% level of significance; CR values ≥ 1.96 but < 2.58 indicate a 95% level of significance. Distributive justice ($\beta = .32$, CR= 3.74) and procedural justice ($\beta = .46$, CR= 5.25) regressed significantly and positively on organizational fit. Similarly, distributive justice ($\beta = .55$, CR= 6.28) and procedural justice ($\beta = .40$, CR= 5.07) regressed significantly and positively on organizational sacrifice. But hypothesis 2(c) was not supported, as both the justice dimensions failed to predict organization links. Further, organizational embeddedness associated significantly and positively with in-role performance, after controlling for gender and age ($\beta = .35$, CR= 5.73). We found distributive justice to be the strongest predictor of organizational sacrifice and procedural justice to be the strongest predictor of organizational fit, but none of the justice dimensions predicted organization links.

To test hypotheses 2(a), 2(b), and 2(c), we performed relative weight analysis as this method can partition R^2 into pseudo-orthogonal portions, where each portion represents the relative contribution of one predictor variable. This method is considered to be preferable to standardized regression weights, as standardized regression weights do not appropriately partition variance when predictors are correlated, so these indices are not suitable for addressing questions regarding relative importance (Tonidandel & LeBreton, 2011). The results of the relative weight analysis is shown in table 4. As shown in the table, both hypotheses 2(a) and 2(b) were supported, as distributive justice had the strongest relationship with sacrifice and procedural justice with organization fit, but hypothesis 2(c) was not supported.

[Table 4 near here]

5. Discussion

This study presents a novel way of thinking about organizational embeddedness, as we used COR theory to explain the psychological path between organizational justice and in-role performance. In essence, support from an organization through organizational justice promotes organizational embeddedness, which in turn improves in-role performance. Drawing on COR theory, organizational justice provides tangible as well as socio-emotional resources which accumulate in the links, fit, and sacrifice dimensions of organizational embeddedness. These resources enable employees to fulfill job responsibilities more effectively, enabling them to acquire more resources.

Past researchers have advocated examining samples from other cultures to determine the generalizability of organizational embeddedness results (e.g., Harris et al., 2011; Mallol, Holtom, & Lee, 2007). We found organizational embeddedness to mediate the relationship between organizational justice and in-role performance. We also found organizational embeddedness to predict in-role performance in an Indian sample. These results helped us to extend Ramesh and Gelfand's (2010) study, in which they found organizational embeddedness to predict turnover in India but did not include performance. Thus, by examining a positive relationship between organizational embeddedness and in-role performance among a variety of industry samples in a non-U.S. country, we contributed to establishing the generalizability of the cumulative organizational embeddedness results.

Second, we disaggregated the components of organizational embeddedness and examined the relative importance of distributive versus procedural justice for each component, which enabled us to have a closer look at the mechanisms between organizational justice, organizational embeddedness, and in-role performance. Our study found that both distributive

justice and procedural justice predicted organizational fit and sacrifice. As hypothesized, distributive justice was found to be the stronger antecedent for organizational sacrifice and procedural justice was the stronger antecedent for organizational fit. This is in line with COR theory; both procedural and distributive justice provided tangible resources, such as pay raises, and intangible or symbolic resources, such as respect (Folger & Konovsky, 1989; Tepper, 2001). Organizational justice served as a source and also replenishment of resources (Cole, 2010). Additionally it has a capability to supplement or even compensate for low levels of resources (e.g., Restubog, Bordia, & Bordia, 2009). But both procedural justice and organizational justice failed to predict the links components of organizational embeddedness. This is perhaps because India is a collectivistic culture, where people develop fewer and more intimate relationships with others around them and people also learn to distinguish between their own in-groups and out-groups (Ramesh & Gelfand, 2010). In this context, the relationships with others developed through procedural justice and distributive justice are weak ties. Weak ties have the advantage of improving information, yet result in a neutral relationship with the links dimension (Zhang, Fried, & Griffeth, 2012). Future research could constructively replicate and extend our model in both collectivistic and individualistic cultures. Future research could demonstrate the mediating role of organizational embeddedness across the two samples. In particular, this would help us to compare how justice can contribute to organizational embeddedness in western and non-western countries.

The findings from this study contribute to the extant literature in a number of ways. First, we found that organizational justice was a predictor of organizational embeddedness. This is important, as it warrants further studies to examine the antecedents of organizational embeddedness (e.g., Harris et al., 2011). A significant contribution was the finding that

organizational embeddedness mediated the relationship between organizational justice and in-role performance. Finally, we found that distributive justice and procedural justice have different degrees of association with different dimensions of organizational embeddedness and that organizational embeddedness is positively associated with in-role performance.

5.1. Implications for practice

The practical implications of procedural and distributive justice are quite straightforward. Since these both influence different dimensions of organizational embeddedness differently, managers need to emphasize the dimensions of justice with regard to which component of organizational embeddedness they want to promote.

The proficiency with which employees carry out the duties specified in their job descriptions is an area of concern for any organization. When organizations engage in practices that allow employees to express their views and feelings, it influences the procedures used for arriving at a decision and implements those procedures consistently. It is also useful to involve workers in the process of devising standards for outcomes and to make these standards widely available. Of course, it follows that feedback should be provided regularly. Workers should be provided the chance to provide their own interpretation of events, including disagreeing with the supervisor, where the judgment of right and wrong is based on evidence. Standards should be accurate, data should be gathered, and decisions should be based on a formal and transparent process. Steps should be taken to provide supervisors training, so as to improve accuracy and keep the process free of bias. This might help employees have clear, unbiased impressions regarding the company's attempts to influence the fit dimension and the sacrifice dimension of organizational embeddedness.

Managers can also maintain equity in outcomes by implementing practices that involve informing employees in advance when they will get an outcome (e.g., appraisal, pay) and what the criteria for those outcomes are, thereby influencing the sacrifice dimension and the fit dimension.

Our findings suggest that Indian managers and executives place a strong emphasis on procedural justice and distributive justice, by scrutinizing their organization and promoting embeddedness within the organization. Managers and executives can take suitable steps to establish distributive justice and procedural justice through fair work norms and compensation in order to increase employee embeddedness in the organization. Additionally, managers would promote organizational embeddedness at the workplace by providing a just environment. Study findings also suggest that, in the absence of justice perceptions, employees may develop low embeddedness at work, leading to low levels of in-role performance. This demonstrates the benefit of obtaining high levels of organizational embeddedness among managerial professionals, as high organizational embeddedness plays a positive role in employee performance.

5.2. Directions for future research

The results of this study suggest a number of avenues for future research. First, it would be interesting to examine how the other dimensions of organizational justice such as, interactional justice, where employees experience frequent interpersonal interactions with supervisors and upper-level managers (Cohen-Charash & Spector, 2001) might be related to different dimensions of organizational embeddedness. Similarly, informational justice which involves engaging in open, trustworthy, and honest communication (Colquitt, 2001) may foster greater interpersonal and organizational resources, such as increased communication, knowledge,

and access, and various forms of social support that reinforce the link, fit, and sacrifice dimensions with the organization.

The second avenue of research could focus on other potential mediators for explaining the underlying mechanisms of the relationship between organizational justice and performance outcomes. Researchers can contrast other explanatory variables in the same study, which will help to determine if our results can be replicated and shed light on the variance between those results as explained by organizational embeddedness in comparison to other possible mediators. Even though our findings suggested that companies implementing organizational justice will motivate employees to perform their in-role performance more diligently, we did not examine whether moderating conditions limit the positive impact of organizational justice. Future research could look at potential moderators of the relationships between organizational justice and organizational embeddedness.

5.3. Limitations and conclusion

In the present study, we conducted our assessment in dependence on supervisors, which reduced the chances of common method variance and increased the validity of this study. At the same time, the data collected for independent variables was from the same source at the same time. Hence, a primary limitation of this study is that the study is cross-sectional and any reference to causation is an interpretation of covariance, as causation is not supported by our methodology. This study was confined to managers and executives in India. To confirm the cogency of our findings, comparative cross-cultural research may be conducted. Future research may also consider multilevel conceptualizations linking the individual-level constructs of the present study to organizational-level variables such as organizational culture and structure and their interactions with organizational justice and job embeddedness in predicting in-role

performance.

Another potential limitation is that, although we proposed that organizational embeddedness would interact more with work-related factors such as organizational justice and employee performance, community embeddedness may also have some influence on employee performance. Thus, it would be interesting to examine the impact of community embeddedness on our research.

This study found that organizational justice was an antecedent of organizational embeddedness, and that organizational embeddedness was an explanatory mechanism that mediated the relationship between organizational justice and employee performance. Thus, it suggests further insights into the ways in which organizational justice can lead to effective employee performance.

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Table 1.

Descriptive statistics, correlations and reliability indices.

| Variable | Mean | SD | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--------------------------------|-------|------|-------|-------|-------|-------|-------|-------|-------|-------|-----|
| 1. Gender | .69 | .45 | | | | | | | | | |
| 2. Age | 30.64 | 5.34 | .03 | | | | | | | | |
| 3. Procedural justice | 3.42 | .81 | .20** | .00 | .87 | | | | | | |
| 4. Distributive justice | 3.35 | 1.08 | .25** | .06 | .58** | .92 | | | | | |
| 5. Fit-organization | 3.98 | .66 | .25** | .07 | .56** | .53** | .84 | | | | |
| 6. Sacrifice-organization | 3.52 | .75 | .28** | .07 | .66** | .73** | .68** | .90 | | | |
| 7. Links-organization | .00 | .54 | .02 | .36** | .12 | .02 | .12 | .05 | .52 | | |
| 8. Organizational embeddedness | 2.50 | .48 | .27** | .20** | .65** | .63** | .85** | .85** | .45** | .88 | |
| 9. In-role performance | 3.67 | .53 | .10 | .06 | .29** | .25** | .35** | .26** | .15 | .35** | .77 |

Note: $N = 236$. $p < .05$; ** $p < .01$. Cronbach alpha or internal consistency reported along the diagonal.

Table 2.
Convergent and discriminant validity of the key variables.

| Variable | Composite reliability (CR) | Average variance square | Square root of average variance extracted |
|--------------------------------|----------------------------|-------------------------|---|
| 1. Procedural justice | .87 | .50 | .70 |
| 2. Distributive justice | .92 | .75 | .87 |
| 3. Organizational embeddedness | .88 | .31 | .56 |
| 4. In-role performance | .76 | .50 | .71 |

Table 3.

Results of mediation analysis predicting in-role performance.

Note. $N=236$; LLCI= lower level confidence interval; ULCI = upper level confidence interval; ** $p < .01$.

| Bootstrapping | Direct effect | Indirect effect | Boot SE | 95% Confidence interval | |
|--|---------------|-----------------|---------|-------------------------|------|
| | | | | LLCI | ULCI |
| Procedural justice → Organizational embeddedness → In-role performance | .11 (ns) | .11** | .03 | .05 | .20 |
| Distributive justice → Organizational embeddedness → In-role performance | .02(ns) | .10** | .03 | .04 | .17 |

Table 4.
Results of relative weight analysis.

| | Raw data | LLCI | ULCI | Relative weight |
|--|----------|------|------|-----------------|
| Sacrifice-organization ($R^2 = .62$) | | | | |
| Distributive justice | .36** | .28 | .44 | .58 |
| Procedural justice | .26** | .19 | .33 | .42 |
| Fit-organization ($R^2 = .38$) | | | | |
| Distributive justice | .17** | .10 | .25 | .46 |
| Procedural justice | .21** | .12 | .30 | .54 |
| Links-organization ($R^2 = .02$) | | | | |
| Distributive justice | 0 (ns) | .00 | .00 | .11 |
| Procedural justice | .02 (ns) | .00 | .04 | .88 |

Note. LLCI: lower level confidence interval; ULCI: upper level confidence interval.

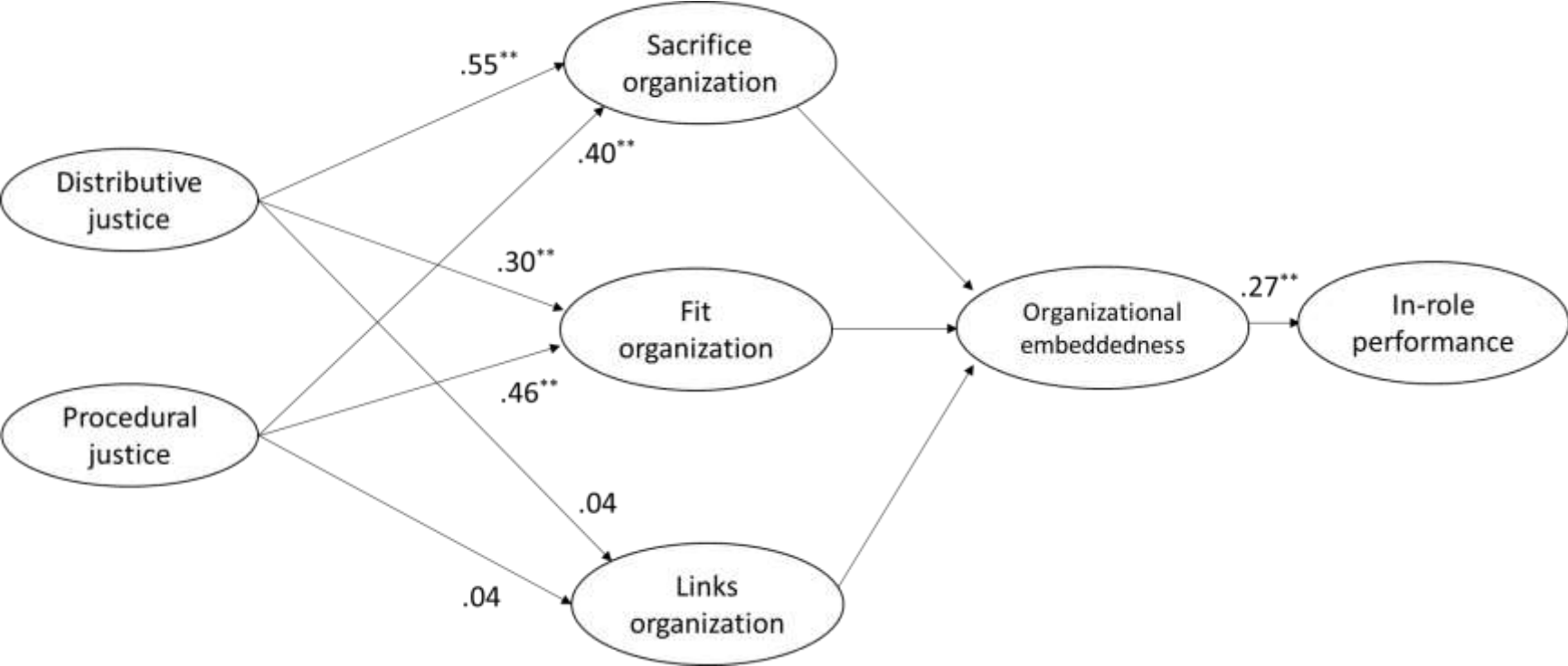


Fig. 1. Conceptual model with path coefficients

Note: * $p < .05$; ** $p < .01$. There are no path coefficients from sacrifice, link and fit organization to organizational embeddedness as we have used the composite measure of organizational embeddedness as a mediator. This was created by averaging the three sub-dimensions of organization embeddedness as we wanted to focus more on the totality of embedding forces.