DISCUSSION

As an exchange relationship, the employment relation may be characterized either as a social or economic exchange (Aryee, Budhwar, & Zhen Xiong, 2002). Social exchange perspective provides a conceptual support for research on work attitudes and employee behaviors (Settoon, Bennett, & Liden, 1996; Wayne, Shore, & Liden, 1997) because unlike the specific gains involved in an economic exchange, the rewards or benefits exchanged are based on mutual support in the relationship (Aryee et al., 2002). Hence, on basis of social exchange theory, this study theorized that, the relationship between an employee and an organization is initiated by fair treatment for the former by the latter.

Further, as noted, in spite of the quadruplet-factor conceptualization of organizational justice (Colquitt, 2001) much of this research has not examined the influence of all four dimensions of justice on work attitudes simultaneously. For example, studies have examined only procedural and interactional justice (Masterson et al., 2000), only procedural justice (Moorman, Blakely, & Niehoff, 1998), or only distributive, procedural and interactional justice (Aryee et al., 2002). Specifically, the literature suggests that fairness perceptions affect employees’ job satisfaction and organizational commitment. However, an explanation of how these influences are caused is presented with only limited variables in the organizational literature. The gap is especially pronounced in terms of identification of the explanatory variables that explain the underlying mechanism. Hence for a more holistic understanding of the exchange relation between employee and organization, an examination on basis of all the four dimensions is required. Further, the ‘open to control’ nature of QWL and PsyCap renders a critical aspect to these variables in the present study’s discussion;
because by means of developing QWL and PsyCap, satisfaction and commitment of employees can be influenced in the pronounced social exchange relationship.

This study further extends the social exchange perspective of employee-organization relationship, to explain it also at the micro level of individual employees’ perception. At this micro level, the study draws insights from the conservation of resources theory and broaden and build theory. Thus on these theoretical underpinnings the present study hypothesized for four independent mediations, namely, mediation of QWL for the influence of organizational justice on job satisfaction (Hypothesis 3c) and organizational commitment (Hypothesis 4b); and mediation of PsyCap for the influence of organizational justice on job satisfaction (Hypothesis 5c) and organizational commitment (Hypothesis 6b). Hence, contribution of our study lies explicitly in testing a theoretical and structural model that positions QWL and PsyCap as mediating the relationship between organizational justice and job satisfaction, organizational commitment.

Besides testing for the four mediation hypothesis, eight direct relationships were also examined, which established, (1) justice as an antecedent of job satisfaction, organizational commitment, QWL, and PsyCap; (2) QWL and PsyCap as antecedents of job satisfaction and organizational commitment. These findings are consistent with the existing literature. Empirical support for hypothesis (H3a) validated our argument for the causal influence of justice on QWL and subsequently the mediation effect. Results support our theoretical argument grounded in the social exchange perspective, and thus contribute to this gap in the literature on the relationship between justice and QWL. This finding is in congruence with scantly available literature (Kriel, 2006).
In terms of the hypothesized mediation effects, which is supported by the data, thus also reaffirms the argument drawn from the COR theory and broaden and build theory. We found that employees’ perception of QWL and PsyCap explains how organizational justice relates to job satisfaction and organizational commitment. Therefore, these two are the underlying mechanisms for the influence of justice on satisfaction and commitment.

This study highlights the importance of QWL as a positive construct. Towards the conclusion of the study this contention is rechecked, as QWL satisfies the four basic criteria suggested for a construct to be labelled as core construct of POB. A caveat here is that, this study does not presents QWL as a ‘capacity’; rather the intention here is to focus on the positive nature and strength of QWL. Unlike PsyCap as a capacity, QWL does not lie within an individual; it is strictly a perceptual aspect. The four criteria are (a) uniqueness of the concept; (b) a valid measure; (c) open to development; and (d) should be capable of performance improvement in the workplace (Luthans, 2002a, b, c). First, QWL as a concept is relatively unique and has potentials to be explored by means of organizational research. Second, QWL has a valid measure (Edwards et al., 2009; Van Laar et al., 2007); this criterion gets an accent from the present study also, as the study attempted and was able to successfully measure QWL of the respondents. Third, the existence of QWL programs itself qualifies that QWL is open to development (Eaton, Gordon, & Keefe, 1992; Fields & Thacker, 1992); rather it is something that is available for development in the organization on a continuous basis. Fourth, in continuation to the aspect that QWL is open to development, this should result into the fact that it shall also lead to performance improvement in the workplace. As this study reports, QWL is an antecedent of job satisfaction and organizational commitment, which further lead
to organizational performance and effectiveness (Becker, Billings, Eveleth, & Gilbert, 1996; Iaffaldano & Muchinsky, 1985; Judge et al., 2001). Therefore QWL as a variable is capable of performance improvement in the workplace.

Let us extend this discussion to compare the role of two mediators in the influence of organizational justice on job satisfaction. It can be identified that, the regression weights for the indirect effect for influence of QWL and PsyCap does not vary greatly; also that both beta values are significant at a comparable significance level. However, it would not be wise to draw any conclusions to compare the strength of the two mediators. Rather it would be greatly important to identify that the two mediators, QWL and PsyCap, operate at different levels. For instance, QWL is concerned with the factors of the broader organizational environment and it is employees’ perception about the availability of such factors; in contrast, PsyCap is the employees’ perception about the core strengths that lie within. Although, PsyCap as strength can be enhanced by certain organizational training programs, but primarily these programs are focused on individual aspect/level; unlike QWL intervention programs, which would be more focused on aspects that relate to organizational levels.

Conclusively, it would be relevant to present reasons as to why this particular study was needed; with implicit logic for what could have been the reasons for absence of such a study in the organizational literature. Evidence for this argument can be traced in a meta-analytic review (Colquitt et al., 2001) of 25-years of organizational justice research; this review contains almost no mention of the underlying influence of the organizational justice mechanism, although they talk significantly of the influence of organizational justice on various work outcomes,
particularly job satisfaction and organizational commitment. Further, there is scant availability of research in the organizational domain that has studied such an underlying influence. For instance, one among the only study available is by Aryee et al., (2002), they studied trust as a mediator. Another meta-analysis which used 190 studies on organizational justice, pertaining only to three factors – distributive, procedural, and interactional (Cohen-Charash & Spector, 2001). It concluded in favour of the need for a separate operationalization of organizational justice; this would thus require that all new four factors of justice be simultaneously examined for their influence on work outcomes. They also found as a result of their meta-analysis that, satisfaction and commitment is predicted by all types justice. Further, as a conclusion this meta-analysis has proposed for a future research on causal relations among fairness perceptions, emotions, and work attitudes. Hence it can be said that the present study is an answer in the direction highlighted by Cohen-Charash & Spector’s (2001) meta-analysis, as the present study particularly used a more recent and advanced structure of organizational justice (Colquitt, 2001).

Contribution and need of this study would also be evident if we glance at the chronological development of QWL as a construct, as this could provide reasons for the emergence of the present study. Interestingly when the concept of QWL was introduced in 1970’s it primarily emerged as a means of addressing the needs and diversity issues in the organization. For instance, Walton (1974) talks about addressing the issue of QWL is important because organizations are coming up with increased diversity, which causes differing needs of individual employees. Since then, QWL as a construct has developed significantly in last four decades. In the first leg of QWL’s construct life cycle, researchers started by defining the phenomena and identifying its factor components [e.g. (Glasier, 1976; Walton, 1974)].
Complementary to this development, at the applied level, organizations were working with QWL programs [e.g., (Gould & Hawkins, 1978; Guest, 1979; Lawler, 1982b)]. In the second stage, researchers became interested in studying the antecedents and outcomes of QWL [e.g., (Abdeen, 2002; Eaton et al., 1992; Efraty & Sirgy, 1990; Fields & Thacker, 1992; Huang et al., 2007; Lawler, 1982b; Shamir & Salomon, 1985)]. And at the third stage, probably when research in this area took a more empirical turn, studies focused on developing measures of QWL [e.g., (Akranavičiūtė & Ruževičius, 2007; Edwards et al., 2009; Sirgy et al., 2001; Van Laar et al., 2007)].

The point of emphasis here is that, every ‘construct’ develops through to its various life-cycle stages (Reichers & Schneider, 1990); and even though if the construct would have been under discussion for a significantly long time, specific developments will take place only when (1) a need for the same is identified; (2) other construct seek this particular construct as an explanatory variable. Similarly, it can be contended that, QWL as a construct was in a relatively nascent stage of its development; where the researchers were interested in its definition, factor structure, antecedents and outcomes. And progressing further from these growing stages, researchers developed valid and organizationally relevant measures of QWL; and probably at an advanced stage of construct life-cycle, studies may identify QWL as intervening variable and also towards identifying the role of other variables as carriers of the influence of QWL. The present study could be seen as a modest step in this direction. In such a scenario, the present study shall emerge as a significant contribution with identification and testing of the two mediators; and organizational justice is also looked at as complete construct, in the sense that all four factors have been studied (distributive, procedural, interpersonal, and informational; Colquitt, 2001).
Similar anatomy can be observed about the second mediator variable, PsyCap. About a decade ago, a new movement called ‘positive psychology’; the most critical thought herein was to redirect the focus of the domain of psychology towards, first, making people’s lives more productive and worthwhile, and second, actualizing human potential (Luthans & Youssef, 2004; Seligman, 1999; Seligman & Csikszentmihalyi, 2000). Importantly, it drove the interest away from a singular emphasis of addressing psychological illness and merely trying to fix what is wrong with the individuals. This ontogeny in the field of psychology further spurred two related developments in organizational research; positive organizational scholarship (POS) and positive organizational behavior (POB). Like their mother domain, both POS and POB are primarily concerned with positivity, with an idea of applied positivity and strength-based management of the work context. POS accentuates positive organizational characteristics that enhance organizational survival (Dutton, Glynn, & Spreitzer, 2006). In contrast, POB applies positively oriented ‘individual’ human resource strengths and psychological capacities for organizational improvement (Luthans & Youssef, 2004; Luthans et al., 2007c). The POB capacities include, hope, optimism, resilience, and self-efficacy; these are collectively referred to as positive psychological capital, or simply PsyCap.

Specifically, as operationalized, PsyCap is a four-factor construct; consisting of hope, optimism, resilience and self-efficacy. As defined, an important aspect of PsyCap and its qualification as a POB (positive organizational behavior) capacity is its conceptualization as being ‘state-like’ in nature (Luthans et al., 2007a; Luthans, Youssef, & Avolio, 2007b; Luthans et al., 2007c). It is also important to note that, in the trait-state continuum, the state-like aspect lies in between the two. While the traits are hard-wired dispositional attributes (e.g., extraversion), the states are momentary
aspects that an individual experiences (e.g., positive or negative mood). Markedly differentiable from trait and state is the state-like phenomena, which is more malleable and open to development (Luthans, Avey, Avolio, & Peterson, 2010). Given this differentiation, the variable of our interest, PsyCap and its four-factors, have been clearly theorized as state-like in nature. Further, in similar direction, the 24-item scale used for measurement of PsyCap also operationalizes the four-factors as measuring a state-like aspect (Luthans et al., 2007a; Luthans et al., 2007b).

This conceptualization of all the four PsyCap capacities as being state-like in nature has important organizational implications. Such a nature of PsyCap renders itself to development by means of organizational training and interventions (Luthans et al., 2006; Luthans & Youssef, 2007). This attribute of PsyCap as being conceptualized as state-like provides it an important distinction over other related or similar sounding constructs and fields, e.g., psychological well-being, positive psychology, positive organizational scholarship. Organizations can develop and enhance PsyCap of its members by means of training, workplace interventions, and proactive management (Luthans et al., 2004; Luthans & Youssef, 2004; Luthans et al., 2007b; Luthans et al., 2007c). In entirety, being state-like in nature renders it the most critical quality for organizational implication, viz., interventions can be developed for enhancing employees’ hope, optimism, resilience, and self-efficacy. Hence, alike traditional forms of capital, psychological capital can be assessed and linked to return on investment and impact on competitive advantage (Luthans & Youssef, 2004). The edge that psychological capital enjoys over other forms of traditional capitals is that the former focuses on development of such capacities that contribute to development of an individual employees; rendering a kind of competitive advantage to the organization which is difficult for the competitors to replicate (Luthans et al., 2010).
Conclusively, it can be identified that, although the core-constructs of PsyCap (hope, optimism, resilience, and self-efficacy) might have existed along with other variables which could be characterized as positive (e.g., satisfaction, extra-role behavior, trust, commitment, psychological well-being); however, it is specifically the ‘state-like’ nature of these four core-constructs of PsyCap that differentiates them from others. Further, as an applied difference, because of the state-like nature PsyCap out rightly results in performance improvement and organizational development. Thus it is the basic nature of PsyCap that segregates it from other available forms of organizational constructs.

Implications

This study is an endeavour at the junction of two domains of OB and POB. Through this an attempt is made to explore the extended and specific applications of PsyCap as a tool for organizational enhancement. Further, by identifying the explanatory role of QWL, we postulate it as a significant POB variable that can be used as a macro tool for organizational interventions; with PsyCap being a micro-level tool. The need for the study was particularly seen as a response to the existing state of literature on the relationship between fairness, satisfaction and commitment. Existing literature has not fully explained the probable causes for the influence of organizational justice on job satisfaction and organizational commitment.

Recent literature identifies five major themes, namely, construct validity, justice judgement process, justice effects, justice applications, and generalizability issues (Colquitt et al., 2005). In context of the research on organizational justice, the present study makes potential contributions particularly to the two areas, justice effects and justice applications. In the tested conceptual and structural model, organizational
justice is treated as the primary causal variable that causes overarching influence on satisfaction and commitment, via QWL and PsyCap. In this sense, the proposed mediator model can advance the current knowledge regarding how organizational justice perceptions translate into causing job satisfaction and organizational commitment.

The study makes two primary contributions to research and practice in the domain of satisfaction and commitment. First, it is argued that the causal influence of justice on satisfaction and commitment can be better explained through the mediating influence of QWL and PsyCap. This is primarily because the two mediating variables act as a bridge between an organizationally controlled factor (organizational justice) and the individual level variables (job satisfaction and organizational commitment). Second, as QWL and PsyCap are pathways for the effect of justice on employee’s satisfaction and commitment, therefore an organization can also control these two variables to enhance the commitment and satisfaction of its employees. Third, a ‘fair perceived’ organization shall be proactive to bring across the required structural changes to enhance employees’ QWL and simultaneously provide training and group level intervention programs to develop PsyCap capacities. These activities will positively contribute in carrying the influence of perceived organizational justice on job satisfaction and organizational commitment; primarily because QWL and PsyCap are mediators for this influence. The presence of QWL and PsyCap as mediators for this influence also imparts a crucial tool in hands of practising managers, essentially because of the ‘open to control’ nature of the intervening variables. Hence, it is believed that the study has significant implications of managers who grapple with problems of low commitment and satisfaction among their employees.
As a contribution to managerial practice, the study of QWL and PsyCap is important because it specifically focuses on the positive interventions paths in an organization. If at all a question arises that why would these variables have not been previously studied as explanations for the influence of justice on satisfaction and commitment; then it could be that, although these constructs might have been available in the literature in some form or other, but previously organizational research was focused on curbing the negativities in work context. Hence the research implications that were made specifically addressed the concern of eliminating weaknesses (e.g., turnover, attrition, stress). But then, during the process of evolving, the research and answer to these negativities reached the saturation limit. Do we stop here? No, fortunately we also have the positive side of the continuum. Thus with the advent of POB movement, it has almost paved a way towards working with more positive constructs to help build effective organizations.

Further, if we specifically take a look at recent research on PsyCap, we shall find that, there is confirming evidence that PsyCap significantly results into desired employee behaviors (and vice-versa), employee attitudes (e.g., job satisfaction and organizational commitment), and employees’ performance (Avey et al., 2010b; Luthans et al., 2007a). Furthermore, research also indicates that PsyCap has organizational implications for combating forms of stress in individual employees’ (Avey et al., 2010b); which in turn results into facilitating positive organizational change (Avey et al., 2008), and mediates the relationship between supportive organizational climate and employee performance (Luthans et al., 2008b). In its present form, a PsyCap Intervention (PCI) training model has been developed and has been preliminarily tested in an on-line exercise (Luthans et al., 2006; Luthans, Avey, & Patera, 2008a).
In unpacking the black box of organizational justice influence mechanism, the study incorporates the role of QWL and PsyCap in the explanation. Specifically, in attempting this different theories have been applied to explain the theoretical model of mediation. For instance, broaden and build theory of positive emotions (Fredrickson, 2004), a perspective which is rarely used in the field of organizational justice, has been adopted in the present study for explaining the mediation of PsyCap. Incorporating this theory enables understanding the influence of organizational justice on job satisfaction and organizational commitment at the micro level of individual perception. Admittedly, some previous researchers have already highlighted the influence of justice on satisfaction and commitment [e.g., (Arnold & Spell, 2006; Curry et al., 1986; Loi et al., 2009; Lowe & Vondanovich, 1995)], and rarely have they looked at the underlying mechanism with limited explanatory variables (e.g., Aryee and Colleagues, 2002 looked at the role of trust). Being different and a step ahead from these studies, the present work has actually focused on QWL and PsyCap, which differently operate among organizational and individual level factors, respectively. Further, given the inherent positive nature of these two explanatory variables, they form significant carriers of the influence of justice on outcome variables. Thus, it is believed that the study makes potential contributions to the current literature of organizational justice.

Limitations and Future Directions

This study is limited by the use of self-reported data. Self-report data, even if collected at different points in time may not completely control common source variance. Therefore, the study has tested a series of nested models to make sure that the scales in our study were distinctive. Besides, certain procedural remedies are also
used, that should have reduced the susceptibility of our data. These remedies were, for instance, strong assurances of respondent confidentiality and use of different questionnaire sections, instructions, and response scales for different measures as recommended by Podsakoff et al. (2003). Also as a future endeavour, it is suggested that the findings of our study can be validated with some qualitative methods as close group interviews. Multi-method studies, though challenging in terms of execution, enable the researcher to posit causal linkages with greater assurance.

This study is also limited by the sample characteristics, as it was conducted amongst employees largely drawn from the Indian service sector companies. The participants were predominantly male, therefore, it cannot be said whether the results would generalize to other contextual settings or to certain other types of organizations. Generalizability of the present findings should therefore be examined in future research for other types of organizations, for mixed gender, and for more heterogeneous samples. This limitation also stands counterbalanced by a sample characteristic that, all the employees sampled were from private organizations in the sector industry. Within such forms of organizations the employment is generally contingent on the output/performance delivered by an employee, because to which the nature of relationship can be categorized as purely economic-exchange employment. This ‘economic-exchange’ nature of relationship completely coincides with our theoretical argument based in the social exchange theory. The theory assumes that social relations are based on an “exchange processes” and are formed by the use of a subjective cost-benefit analysis and the comparison of alternatives (Blau, 1964; Emerson, 1976; Homans, 1958).

As it may be ascribed in general sense, we note that at the face level the two constructs of our study, namely, job satisfaction and job & career satisfaction (one of
the factor of QWL) seem to overlap; and this may be seen as a limitation. However, an in-depth review of theory and definition of these two variables provides the source of difference amongst. First, in attributing the causes of job satisfaction it is contended that, employees visualize a broader organizational environment, and not any particular role in attributing satisfaction with the job (Leigh et al., 1988); and QWL, as argued, is an umbrella construct (Considine & Callus, 2002) that encompasses a wide range of organizational phenomena (Campbell et al., 1976; Davis & Cherns, 1975; Loscocco & Roschelle, 1991; Ostrow, 2002; Walton, 1974) through which members of a work organization are able to satisfy important personal needs through their experiences in the organization (Suttle, 1977; Wagner & Hollenbeck, 1995). Given these definitional linkages, the present study thus argues QWL to be an antecedent of job satisfaction. Second, we draw an excerpt from Van Laar et al.,’s (2007) work; the scale that the present study uses to measure QWL. They contend that, it has generally been agreed that QWL is conceptually similar to general well-being, but differs from job satisfaction which solely represents the workplace domain (Lawler, 1982b; Van Laar et al., 2007). QWL has been seen as incorporating a hierarchy of concepts that not only include work-based factors such as job satisfaction, satisfaction with pay and relationships with work colleagues, but also factors that broadly reflect life satisfaction and general feelings of well being (Danna & Griffin, 1999). Third, at the operational level of these two variables, job & career satisfaction as a factor of QWL is conceptualized and measured as an employee’s perception of the enhancement opportunities provided for his/her development and career progression; for instance, training, on-job-development. On the other hand, job satisfaction is an affective or attitudinal reaction to the job (Spector, 1985). Hence, it can be inferred that, job &
career satisfaction as a factor of QWL is actually an employee’s perception of the attributes that causes job satisfaction.

Further, as previously argued under the theoretical foundations section, the reasons for proposing and testing QWL and PsyCap as mediators is primarily grounded in the social exchange theory, equity theory, broaden & build theory, and conservation of resources theory (see page. 12-14 for detailed argument). This proposition also has objective relevance, in terms that, the seminal work by Baron & Kenny (1986) differentiates between mediator and moderator variable. They say that, “to demonstrate mediation one must establish strong relations between (a) the predictor and the mediating variable and (b) the mediating variable and criterion variable” (Baron & Kenny, 1986: 1177). Also that given the fact that the present study intended to understand the underlying mechanism and hence identified QWL and PsyCap as mediators. Eventually, this also falls in congruence with the argument that, “mediator-oriented research is more interested in the explaining mechanism than in the exogenous variable itself” (Baron & Kenny, 1986: 1178). However, if it is still felt that QWL and PsyCap are moderators instead of mediators for the influence of organizational justice on job satisfaction and organizational commitment, then the future research can be undertaken to theoretically argue and test such a contention.

As concluding statements for the present study, we draw from the observation made by Colquitt et al., (2005) that the field of organizational justice is now a ‘promising young adult’. This observation reflects that the field has developed in the past decades and is growing towards maturity. In this process we do have a significant number of theories to explain various facets of the organizational justice; however, we still do not have complete understanding of some of the critical issues pertaining to
the construct. The reason might be simply that we do not have a holistic, parsimonious, and generalizable model/framework. The present study does not boast that the proposed mediation model is such a holistic framework; instead, the theorizing and testing of QWL and PsyCap as the two carriers of the influence of organizational justice, is a modest and incremental step towards enhancing the understanding of organizational justice phenomena. In this direction, the study began with an argument grounded in the social exchange perspective, reviewed current literature on the key variables, and hypothesized a mediation model. It further tested the theoretical model using available advanced analysis tools, and concluded in support of the hypothesized relations. Though the study suffered from a few limitations, this mediation model potentially advances our knowledge of the influence of justice perceptions on job satisfaction and organizational commitment.