Building on theories of organisational justice

Professor Ikuya Kano *is working with* **Professor Katsunori Kaneko** *to undertake comparative studies of fair organisational management practices. He is hoping to refine the systematic organisational justice theory with an awareness of its practical application*

Professor Ikuya Kano

Professor Katsunori Kaneko

You are based at the University of Hyogo in Japan. What type of research are you involved in?

In our current studies, we have worked to clarify the difference in the sense of fairness of workers in Japan and ASEAN countries. We strive to achieve this by conducting qualitative surveys and interviews with Japanese companies that have expanded into ASEAN countries. Our research has involved a large sample size which gives the research more credence. One of our main aims is to build a more explanatory theoretical framework with a clear awareness of the application of the practice of organisational justice management to human resources management.

What are some of the big knowledge gaps you are helping to fill with your research?

Our research is based on the theory of organisational justice in the fields of organisational behaviour theory and/or industrial and organisational psychology. It can be said that the theory of organisational justice is sufficiently complete as a study of organisational behaviour theory. However, when considering how it applies to human resources management by increasing awareness of some of the problems, we see that there is still work to be done to fill in knowledge gaps. First, there is the issue of the theoretical framework of organisational justice theory itself and second, there is the generalisation of the framework of organisational justice theory. Ultimately, we want to refine the systematic organisational justice theory with an awareness of its practical application.

Can you talk about the importance of collaborators to your studies?

The presence of practitioners is indispensable in the study of social sciences. Also, the existence of researchers with different backgrounds is a valuable experience that teaches us about the culture of any particular country, which is particularly important given our interest in ASEAN countries. Also, local associations related to personnel management help us to conduct our research, bridge to the surveyed companies and check the questionnaire translated into the local languages.

How are you changing the way you do your research to overcome the impacts from COVID-19?

This research will be conducted by two researchers with a three-year plan. We have already obtained the permission to conduct a questionnaire survey to collect data from Japanese companies in the ASEAN region. However, due to the worldwide spread of COVID-19, it has become difficult for myself and my research coordinator, Katsunori Kaneko, to conduct surveys internationally. Then there is the fact that some local companies have been closed as a result of the pandemic. We have begun to consider rescheduling the surveys for some time in the near future.

What are your next steps planned for your research?

The next step for our research is to clarify the universal and variable parts of the framework of organisational justice theory. In other words, it is necessary to distinguish between variables that are strong and hard to change and variables that are affected by national culture and values. Through our future research, we would like to enhance both the generalisation of the theory of organisational justice and its applicability to practice. ▶

Understanding what constitutes fairness

*A team based at the **University of Hyogo** is working to clarify the differences between organisational management practices in Japanese companies across ASEAN countries. The findings will help instruct organisational justice theory and improve the experiences for workers based at companies expanding into ASEAN territories*

When studying notions of fairness in the workplace, it is important to consider the point of views of employees and how what they believe to be fair or unfair might have negative impacts on the company as a whole. For instance, changes to the working hours, paying different wages to people in similar positions, or redundancies, might well affect the motivation of employees, leading to falls in effort, productivity, efficiency and general worker happiness.

There has been a significant amount of research dedicated to understanding employee perceptions of fairness in the workplace. Such research falls under the general banner of organisational justice, where researchers attempt to understand how an employee's attitude and behaviour is affected by the behaviour of an organisation. In many ways, the theory of organisational justice can be said to be complete, in that there has been a wealth of research and investigations into it. Of course, new strands of company behaviour (and resultant changes to employee attitude and behaviour) are cropping up all the time, but these generally fall within existing theory and can be borne out in practice through the knowledge that has already been garnered.

Professor Ikuya Kano from the University of Hyogo is an expert in this field. He explains that something which has been overlooked in the past and which requires more research to understand the nuances of it, is the behaviour of companies that expand into new territories and countries where cultural differences exist, differences which might undermine what a company believes their employees consider to be fair. 'What a group of employees might believe is fair in one country may well not hold if the company expands into new countries,' he notes. Clearly, more work needs to be done to understand whether such differences exist and, if they do, what can be done to address the associated challenges.

LONG-TERM EXPANSION
It is with this in mind that Kano has embarked on a three-year research project related to the theories of organisational justice. Kano is working alongside Katsunori Kaneko and is performing a comparative study between Japanese workers and local workers in ASEAN countries (Singapore, Brunei, Malaysia, Thailand, Philippines, Indonesia, Vietnam, Laos, Myanmar and Cambodia).

One of the main reasons behind the study is the fact that irrespective of how large or small a company is, many Japanese companies have been actively expanding into ASEAN countries for around the last 30 years. However, despite this, many of the human resources management issues that these companies face in this expansion have remained virtually unchanged since they entered these ASEAN countries.

Then there is the fact that the number of Japanese companies expanding into ASEAN countries is steadily increasing 'There is a lot of accumulation of research on the introduction and localisation of Japanese-style management methods in Thailand and ASEAN, where Japanese companies entered the market relatively early, and a host of case studies,' explains Kano. 'In response to this issue, many studies in business administration or human resources management have sought cultural differences extracted from case studies as the cause, but Japanese companies are still suffering from human resource management issues, such as turnover and striking, and no improvement measures have been shown,' he outlines.

FILLING KNOWLEDGE GAPS
There are two specific areas where more knowledge is needed. Firstly, there is the issue of the theoretical framework of organisational justice theory. 'In previous research, the scope of analysis has tended to be limited to the environment surrounding the individual and the implications derived from it are designed to enhance the sense of fairness of the members of an organisation by accurately performing trust-building behaviour of bosses and a process of evaluation,' highlights Kano. However, he believes that the perception of fairness and injustice by employees in a company should not be limited to the evaluation process. 'It is unsuitable to focus the fairness of the members of the organisation only on the design and operation of the evaluation system,' he points out. 'The reason for paying attention to this point is that the correspondence between duties and individuals is not always clear in Japanese companies. Since the theory of organisational justice has developed in Europe and the US, it is premised on clear jobs designed through the process of job analysis and job evaluation.'

Importantly, the foundation of Japanese companies' strengths is tied to the science of job matching, where superior performance in each position is carefully defined and used to determine who is hired. The theory of organisational justice often does not take this into account (given its roots in Europe and the US), so a significant aspect of Japanese companies has been out of the range of this analysis. Kano hopes to address this issue in the course of his research.

There is also an issue with the generalisation of the framework of organisational justice theory. The team have already tackled the first issue, but one of the things that has become clear is that the causative variables impacting the sense of fairness of employees are not always stable. 'It can be said that it changes depending on the structure of duties and the personnel strategy of the company,' observes Kano. 'In other words, there is no doubt about the maturity of an overall framework that explains and predicts the psychology that affects employee performance by the constructs of organisational justice, but it remains a problem in selecting causative variables that affect fairness.'

DIFFERENCES IN FEELINGS
The team has been collecting qualitative and quantitative data and have used the specific relevant analytical methods to make sense of what they have collected. They have visited Japanese and ASEAN companies to interview management about their thoughts on human resources management issues and have evaluated the situation based on the fairness theory by using the data collected. The data also informed the revisions of the questionnaire used to collect better data over time.

Ultimately, the team wants to translate their findings into practical applications that companies can use. 'By quantitative analysis based on the systematic fairness theory conducted in this research, useful theoretical and practical implications can be derived for both the research and practical issues of human resources management,' says Kano. He is hopeful that when they show the difference in the study result and compare it to previous studies for Japan, organisations will be able to recognise the difference in the feelings of fairness between Japanese and local employees in the ASEAN region. ●

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