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Organizational Justice in the Hotel Industry: Revisiting GLOBE from a National Culture Perspective

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Abstract

Purpose - Despite its significance, national culture is often underrepresented in the hospitality industry. Implementing tools such as the Global Leadership and Organizational Behavior Effectiveness (GLOBE), while valuable to a considerable extent, might induce false assumptions about the universality of managerial practices for hotels through purposefully ignoring the in-group variations within each cultural cluster. Because employees’ perceptions are deeply rooted in context-specific value systems, this study challenges the tendency to adopt a globalized approach to leadership and management through investigating potential variations in employees’ perceptions in two countries in the south Asian cluster of the GLOBE.

Design/methodology/approach - Data were collected by using hard-copy and online by convenience-sampling technique from a sample of hotel employees and managers in Iran (392) and India (421). Structural equation modeling using AMOS 22 was adopted to test the hypotheses.

Findings - Both similarities and differences were observed between the Iranian and Indian contexts. The similarities confirm that GLOBE is correct to place them in the same regional cluster but the differences which relate to perceptions of organizational justice are also revealing. While Procedural Justice affects organizational factors that influence employee motivation with the Iranian sample, Distributive Justice has no effect, whereas with the Indian sample these results were the other way around.

Implications – For scholars and practitioners we show that organizational theories and concepts cannot necessarily be transferred from a Western context to other parts of the world without making adjustments for national culture and generalizations cannot even be made within regions of similar culture. For example, this study shows that in Iran organizational justice is perceived differently from how it is perceived in India.
**Originality** - This study extends the literature about the effect of national culture on the hotel employees’ cognitions and behaviours through shedding light on the divergence between countries within the same regional cluster in the GLOBE classification.

**Keywords:** GLOBE, Organizational Justice, Job Satisfaction, Loyalty, Organizational Citizenship Behaviour
Introduction

The national cultures in which organizations are located exert organizational impacts which are often more significant than any other organizational or market forces (Peretz and Fried, 2012). Although national culture has been a recurrent theme in hospitality studies, much of the existing literature is focused on its relationship with organizational performance or its effect on service evaluations (Radojevic et al., 2019) or on issues such as pricing or franchising (Nazarian, et al., 2017). Such a limited view shows, at least in part, why current understanding about the impact of different national cultures on employee perceptions and work-related outputs needs to be extended to aid the provision of high-quality services (Hsu et al., 2019; Radojevic et al., 2019) and effective staff management. Two of the most prominent cross-cultural studies are Hofstede’s cultural dimensions in the 1980’s and House et al.’s Global Leadership and Organizational Behavior Effectiveness (GLOBE) in the 2000’s. While both frameworks have inspired a large amount of research with increasing implications for the hotel industry, neither has so far secured a premier position. To be more specific, scholars often criticize Hofstede for what they consider a simplistic conceptualization of national culture along with a failure to account for the evolutionary nature of culture (Radojevic et al., 2019). Others argue that the regional clustering approach adopted in the GLOBE project, though useful in certain aspects, fails to capture the heterogeneity of various national cultures within each cluster. Thus, more scholarly work is required to ensure clustering countries as culturally homogeneous units would not lead to a “fallacious assumption of cultural uniformity which can risk the generation of results that mask or confound the phenomena under investigation” (Tung and Verbeke, 2016, p. 1266).

Equally important in hotel industry research and practice is the necessity of having satisfied, committed and loyal employees because of a fast changing competitive landscape, growing complexity in consumer behaviours and the high-contact nature of the hospitality industry (Yen and Teng, 2013). Having satisfied, loyal employees who are willing to go beyond what is normally expected plays a significant role for hotels in their success by gaining customer satisfaction, revisit intentions and cost efficiency (Nadiri and Tanova, 2010; Sarwar and Muhammad, 2021). Thus, providing employees with quality support is critical in the development of positive work attitudes and behaviours, which in turn lead to service quality (Ling et al., 2016). Such a viewpoint is conceptualised in service profit chain theory, introduced
by Heskett, Sasser, and Schlesinger, (1997) and Kotter and Heskett (1992), which explores the relationship between positive employee outcomes and firm profitability (Heskett et al., 2008). Only when employees are satisfied, and invest themselves in the organization, can customer satisfaction and firm profitability be realized. This signals the impact of constructive work-related variables in building competitive advantage for the business (Glaveli et al., 2019; Pan, 2015). In contrast, the hotel industry often suffers from considerable rates of work stress, employee burnout and emotional exhaustion (Huertas-Valdivia et al., 2019), which explains why the churn rate is one of the highest among the service industries (Stamolampros et al., 2019). Previous studies confirm the positive impact of Organizational Justice on deviant work behaviours that arise from unfavourable working conditions (Sarwar and Muhammad, 2021). It is, therefore, important to leverage an Organizational Justice climate that facilitates the realization of corporate objectives through fostering desirable employee attitudes and feelings (Nadiri and Tanova, 2010).

The influence of national culture on service encounters has so far been examined from a service quality viewpoint, rather than directly focusing on employees. Such a shortcoming is important in the context of hotels as labour intensive businesses which rely increasingly on excellent human resource management practices to generate employee engagement and dedication to ensure viability and gain optimum performance (Nazarian et al., 2017, 2020; Sarwar and Muhammad, 2021; Zopiatis et al., 2014). With these points in mind, the present study aims to answer the following question: Can country-specific attributes lead to divergent cognitions and behaviours within one cultural cluster in the GLOBE? In doing so, the effects of national culture on certain employees’ perceptions and behaviours in the hotel industry are compared in two countries in the South Asian cluster. Previous studies have either compared factors between countries or clusters. For example, Crede et al. (2019) investigated the generalizability of transformational leadership across 34 countries and found that national culture moderates the relationship between transformational leadership and employee performance. However, this study takes a step further to explore whether different behaviours may arise within a single cluster. Such an approach is supported by implicit leadership theories (ILTs) (Stephan and Pathak, 2016), which explains the role of societal and organizational values on how businesses and individuals behave (Dorfman et al., 2012). Also, this allows researchers to trace potential
incongruences in perceptions of ideal organizational practices in different cultural and societal settings (Mittal and Dorfman, 2012), with specific focus on in-group variations.

Theory and Hypotheses Development

National Culture and GLOBE

Hofstede (2011, p. 3) defines culture as “the collective programming of the mind that distinguishes the members of one group or category from others”. National culture plays a critical role in determining the values of members as the heart of their socialization process (Hofstede, 1980). Culture is multi-layered consisting of national, supranational, organizational, occupational, and even industry levels (Pizam et al., 1997). Yet, according to Hofstede the most fundamental and influential of these is national culture. Based on data collected from IBM subsidiaries in 72 countries, Hofstede developed four dimensions of national culture: Power Distance, Uncertainty Avoidance, Masculinity/ Femininity and Individualism/Collectivism. Although later two more dimensions, Long-Term Orientation and Indulgence, were added, Hofstede’s model is criticized for its limited scope (Hofstede, 2011). The GLOBE Project improved Hofstede’s model by increasing the number of dimensions of national culture to nine, by having two separate scales for each dimension – one for current practice and another for how respondents would like it to be – and by adding further dimensions to measure dimensions of leadership. The Globe Project has been in operation since the 1990s and is still collecting data (GLOBE Project, nd.).

The GLOBE project modified some of Hofstede’s dimensions; for example, the Individualism-Collectivism dimension was divided into In-Group Collectivism (the degree to which members express feelings of pride and loyalty to their community) and Institutional Collectivism (the degree to which organizational practices encourage collective action and collective distribution of rewards). Additionally, GLOBE introduced the dimensions of Performance Orientation (the degree to which a community rewards members for performance excellence) and Humane Orientation (the degree to which a community encourages fairness and kindness). Considering the more detailed nature of the GLOBE scales for national culture, it was selected over Hofstede for this study. Countries are grouped into ten clusters based on their similarities. Both Iran and India belong to the Southern Asian cluster along with Malaysia, Thailand, Philippines and Indonesia (GLOBE Project, nd.). Southern Asian countries appreciate collective goals,
future orientation and rule-based structure (Gupta et al., 2002). In-Group Collectivism scores particularly highly in these cultures where employees prefer to be treated as family members of the organization. Despite similarities, the two countries also differ in certain aspects with Iran and India exhibiting a tendency for people without power to accept the superiority of those with power (high Power Distance) though this is stronger in India. Similar to Hofstede’s cultural dimensions, power distance fosters a sense of acceptance for hierarchy and unequal rights as well as dependence on the manager. While both countries are considered to be collectivist by Hofstede, India scores much higher in Institutional Collectivism compared to Iran. Thus, it can be expected that employees in India are encouraged to value group benefits over personal benefits to strengthen group cohesion. Furthermore, Iran scores higher than India in terms of Assertiveness, which implies a more confrontational approach in individuals’ interactions with others.

Organizational Justice

Organizational justice reflects employees’ perceptions of organizational fairness, and is a major predictor of positive employee attitude and behavioural responses such as Commitment, Trust and OCB (Chan and Lai, 2017; Hsu et al., 2019). In this study, the Organizational Justice model proposed by Dai et al. (2013) was adopted which is comprised of Procedural Justice (the perceived fairness of criteria and policies used to determine outcomes), and Distributive Justice (outcome allocations). Understanding the impact of organizational justice is important because certain employee attitudes and behaviours lay the ground for gaining competitive advantage and achieving higher performance levels. In addition, service-profit chain (Ling et al., 2016) shows that employees are more likely to exhibit favourable behaviours once they perceive they are valued and treated fairly by the organization (Chon and Zoltan, 2019). Such desirable employee outputs cover a wide range, but the present study specifically focuses on how Organizational Justice affects Job Satisfaction, Employee Loyalty and OCB.

Previous studies generally support the impact of organizational justice on positive work-related variables (Shapoval, 2019). A high level of justice in an organization provides employees with a feeling of belonging and wellbeing, which consequently establishes a climate of trust. This, in turn, has a number of benefits such as higher job performance (Hon and Lu Lin, 2010; López-Cabarros et al., 2015) and lower employee turnover intentions (Nazarian et al., 2020; Rupp
Thus, positive perceptions of Organizational Justice prevent cognitive dissonance and reinforces favourable attitudes and behaviours in employees. Additionally, the meta-analysis compiled by Cohen-Charash and Spector (2001) reveals that negative and unsatisfactory outcomes colour perceptions of Distributive and Procedural Justice. Suffering from a high churn rate of employees (Mohsin et al., 2013), hotels rely on creating Job Satisfaction to retain their skilled workforce. Job Satisfaction is defined as “an effective or emotional response to various aspects of the job” (Pawirosumarto et al., 2017, p.134), which leads to improved performance and customer satisfaction (Bayarçelik and Findikli, 2016; Mohsin et al., 2013). This is important in hotels as a high-contact service industry, where the quality of the interaction between the employees and the customers affects the service experience to a great extent. Poor levels of Job Satisfaction mean employees are less motivated to go beyond their predefined rules or even perform their everyday tasks properly, which ultimately results in poor service quality (Stamolampros et al., 2019). Hsu et al. (2019) show that hotel employees’ job satisfaction depends largely on their perceptions of Organisational Justice. Likewise, Yen and Teng (2013) explain that employees are very likely to experience dissatisfaction and resentment if they develop negative perceptions about how they are being treated, which causes lower levels of Job Satisfaction, Commitment and increases deviant work behaviours such as stealth, absence, etc. Similarly, Leung et al. (1996) examine joint venture hotels in China and show that procedural and performance-based Distributive Justice are related to Job Satisfaction. Likewise, a study conducted in Portuguese hotels confirms that Distributive Justice is positively correlated with Job Satisfaction (López-Cabarcos et al., 2015). Thus, it is hypothesized that:

\[ H_1 \]: Procedural Justice positively affects Job Satisfaction.

\[ H_2 \]: Distributive Justice positively affects Job Satisfaction.

A second outcome of organizational justice is Employee Loyalty. Lamberti et al. (2020), citing Guillon and Cezanne (2014), define Employee Loyalty as: “a psychological inclination, a feeling such as identification with, or attachment or a commitment to the organization” (p. 4). A frequently explored problem in an era of high competition and targeted talent theft (Khan et al., 2021, p. 2) in the hotel industry is the high rate of employee turnover. High turnover rates indicate low levels of loyalty within the sector, with subsequent financial and human losses for organizations (Khan et al., 2021). Researchers and practitioners have tried to identify the
tangible and intangible drivers of Employee Loyalty and have found factors ranging from financial incentives to more effective, involvement-based factors such as Organizational Commitment, Job Satisfaction, support of management, pride in the organization, human interactions, self-fulfilment, organizational culture, etc. In fact, research on such non-monetary drivers of Employee Loyalty surpasses economic compensation in recent years (Yao et al., 2019). Previous research confirms the positive impact of Organizational Justice on Employee Loyalty. If employees perceive they are treated fairly, they tend to reciprocate through behaviours such as Commitment and Loyalty (Gupta, 2019). Bayarçelik and Findikli (2016) found that Organizational Justice considerably impacts employees’ Loyalty and intention to leave, task performance and engaging in extra role behaviours. Likewise, Nadiri and Tanova (2010) show that both Distributive and Procedural Justice are related to employee outcomes such as Job Satisfaction and management evaluation, as well as Loyalty and intention to stay. Thus, it is hypothesized that:

\[ H_3: \text{Procedural Justice positively affects Employee Loyalty.} \]

\[ H_4: \text{Distributive Justice positively affects Employee Loyalty.} \]

Organizational Justice has also been found to impact OCB, which is defined as individual behaviours in an organizational environment that extend employees willingness to go beyond formal roles and take extra responsibilities of what agreed in the employment contract (Chon and Zoltan, 2019; Organ, 2018). OCB is a multi-faceted concept consisting of altruism, conscientiousness, interpersonal harmony, identification and maximising organizational resources (Wang and Wong, 2011). According to Lin et al., (2008) during service encounter service quality significantly being influence by OCB because when employees collectively and collaboratively make extra effort to perform their duties, organizational objectives may be exceeded and higher levels of organizational performance/effectiveness are realized (Hemdi et al., 2012; Nazarian et al., 2019, 2020). Previous studies suggest that if employees perceive they are treated fairly by the organization, they tend to exhibit more positive behaviours, and are more likely to engage in OCB (Ariffin et al., 2015; Haldorai et al., 2020). Based on these arguments, it is hypothesized that:

\[ H_5. \text{Procedural Justice has a positive impact on OCB.} \]

\[ H_6. \text{Distributive Justice has a positive impact on OCB.} \]
What makes organizational justice even more critical for hotel managers is the interrelationship between its outcomes. Existing literature confirms the positive relationship between Job Satisfaction and Loyalty in the hotel industry (Abdullah et al., 2010; Hussain, 2012). Organizations should strive to create a satisfied employee base as this ensures employees’ personal dedication to work (Lee et al., 2011). Also, if members feel their needs are properly met, they invest themselves in their duties. In contrast, dissatisfied employees are very likely to leave their jobs because organizational satisfaction is a strong predictor of Employee Loyalty (Karatepe et al., 2006; Mohsin et al., 2013). Finally, Employee Loyalty can enhance the propensity for engaging in extra-role behaviours. Feelings of loyalty and attachment mean subordinates have a stronger sense of obligation towards the organization, thus strengthening their reciprocity and goodwill to fulfil organizational objectives through OCB (Wang and Wong, 2011). Ocampo et al. (2018) show that perceived feelings of care from the organization or its managers result in increased levels of Employee Loyalty, and active engagement in advancing organizational interests. Surprisingly, however, only a few studies (e.g. Wang and Wong, 2011) explore the relationship between Loyalty and OCB in hotels. Therefore, it is hypothesized that:

\[ H_7 \] Job Satisfaction positively impacts Employee Loyalty.

\[ H_8 \]: Job Satisfaction positively impacts OCB.

\[ H_9 \] Employee Loyalty positively impacts OCB.

“Figure 1”
Methodology

Sampling and procedure

The sample was drawn from employees and managers in the hotel industry. The main survey obtained data for additional scales refinement and hypotheses examination (Foroudi, 2019; 2020; Sekaran, 2003). A version of a self-administered questionnaire was prepared using the same constructs. By following suggestions from previous scholars (Ageeva et al., 2018; 2019), translation and back translation technique was used in a non-electronic method (Harpaz et al., 2002). Two bilingual individuals expert in Persian and English and three bilingual professionals in English and Hindi deliberated each item and the alternatives. Based on Harpaz et al. (2002) and Hult et al. (2008) first one expert translated the questionnaire from English to their mother tongue, afterwards the other person translated back to English. The items were discussed in a group of 2 or 3 who were confident in both languages till they reached an arrangement on the language similarity of the item measurements between languages.

The study was conducted in the hotel sectors of Iran and India by employing a convenience-sampling technique (Foroudi, 2019; 2020; Nazarian et al., 2020) over a six month period between February and July 2019. The data were collected using hard-copy and online methods. It helped to increase our research sample size as well as the participants are well-informed and suggest other to participants (Helm, 2011). We collected the data through hard-copy and online questionnaires ensuring that the respondents answer all the questions (Churchill, 1999).

Data collection

In India, 950 questionnaires were sent to participants who were easily accessible hotel employees and managers. We received 421 usable surveys (44% response rate). From 650 questionnaires distributed to employees and managers in the Iranian hotel industry, a total of 392 usable surveys were processed and scrutinised (60% response rate). On the advice of Churchill (1999) and Foroudi et al. (2014), a convenience-sample was used to eliminate any that might jeopardise the validity and generalizability of the scales.

The summary of the demographic characteristics are illustrated in Table 1. It displays that 64.1% of Indian participants, were male and 52% of the Iranian participants were female.
for. 28.1% of Iranian and 29.5% of Indian participants were between the ages of 35-44 and 35.7% of the Iranian and 25.7% of the Indian participants were in the 45-54 age group. The results also demonstrated that a high percentage (Iran: 53.3%; India 25.4%) of the respondents had a master’s degree or above. The majority of the Iranian respondents were middle managers (43.1%) who were working in large size hotels (57.1%). However, the majority of the Indian respondents were junior managers (39.9%) working at medium size hotels (49.2%).

“Table 1”

Measurement

This study employed the established scales from previous studies which recognised to be psychometrically sound (Akarsu et al., 2020; Hair et al., 2006). The scales were designed based on a seven point Likert type ranging from 1 (strongly disagree), to 7 (strongly agree) which related to the underlying perceptions of organizational justice and its components (i) distributive and (ii) procedural justice (Nadiri and Tanova, 2010). Items on Job Satisfaction were also obtained from existing scales (Cellucci and DeVries, 1978; Macdonald and Maclntyre, 1997). Loyalty was measured based on 4 items adopted from Nazarian (2013). Items from the OCB scale (Wang and Wong, 2011) were adopted according to the research setting. Both questionnaires used the same item measurements to certify comparability. The initial items were examined for reliability and validity of the entire sample. The descriptive information for the constructs were shown in Table 2. The result of composite reliability (also called construct level reliability) shown the items have been allocated to the correct constructs and have a good relationship among each other.

The items show all are above the accepted requirements for psychometric reliability examinations (Iran: .806 to .965>.70; India: .838 through .973>.70) for both data sets (Foroudi, 2019; 2020; Hair et al., 2006). Interestingly, although the reliability of the same scale can differ considerably from one sample to another, the reliabilities of all scales are consistent through both data; therefore, any cross-country difference in the associations among the variables cannot be attributed to difference reliabilities.
Results and Analysis

Confirmatory factor analysis (CFA) was employed to assess a theory regarding the association among a set of scales and examine discriminant validity (Foroudi et al., 2014; 2016). Based on the research objectives, 24 items were inspected to assess the construct uni-dimensionality and examination of each sub-set of items for reliability and validity (Gerbing and Anderson, 1988; Foroudi, 2019; Tabachnick and Fidell, 2007). Convergent and discriminant validity were evaluated based on the construct reliabilities. Convergent validity was employed to inspect the homogeneity of the constructs through AVE (average variance extracted). The result (Iran: .588 to .849; India: .634 to .902 >.5) indicate adequate convergent validity (Table 3a and 3b).

Tables 3a and 3b

We used AMOS (analysis of moment structure) to examine the research hypotheses by using two-group examination. According to the suggestion by previous scholars (Byrne, 2001; Hair et al., 2006; Tabachnick and Fidell, 2007), the model fit was assessed for overall fitness which refers to fit indices. Absolute fit indices as well as incremental fit indices were used. RMSEA and CFI suggest adequate distinctive data to assess a model (Hair et al. 2006). The result of the root mean squared approximation of error (RMSEA) were indicate acceptable fit (Iran .065; India .051 <.08). Comparative fit index (CFI) which was considered as an improved version of the normed fit index (NFI) shown as a good fit (Iran .967; India .983 >.90). The results of NFI indicate an acceptable fit (Iran .948 and India .967>.08) (Byrne 2001; Foroudi et al., 2014; 2016). The goodness-of-fit index (GFI) which measures the fitness of a model compared with another model (Iran .916; India .946>.90) was in an acceptable level (Tabachnick and Fidell 2007). In addition, the results of the incremental fit index (IFI), and Tucker-Lewis index (TLI) were greater than the suggested threshold of .90  (Iran .967; India .983 and Iran .960; India .978 respectively) (Hair et al., 2006; Steenkamp and van Trijp, 1991).

Furthermore, the possible non-response bias was addressed by inspecting the difference between 50 early and late participants by using the Mann-Whitney U-test. Based on the results,
the significance value for the research variables was equal or not less than .5 probability value, which is insignificant (Podsakoff *et al.*, 2003; Yu *et al.*, 2019). In addition, there was no statistically key difference among the early and late participants; so, non-response bias was not a concern. The standardised parameter assessments for the hypothesized associations between the research constructs are shown in Table 4. By following Kwan and Chan’s (2011) recommendation, standardized beta coefficients and model estimates were employed to compare the relative influences of the research constructs.

Based on this model, H1.1, which proposes a direct impact of Procedural Justice on Job Satisfaction, the result from the Iranian participants confirmed the relationship ($\gamma=.538$, $t$-value=$6.971$); however, the relationship was rejected from the Indian result ($\gamma=.048$, $t$-value=$1.668$, $p=.095$). The results exhibit that Procedural Justice is meaningfully different from 0 at the .05 significance level which may not be predominantly effective concerning employees’ and managers’ perceptions. The regression path surprisingly displays a significant negative association among these two constructs, which is unanticipated outcome, mainly in light of earlier research. Based on the suggested S_Pooled formula by Kwan and Chan (2011), the comparative analyses between these two groups are statistically significant ($t$-value=$6.122$, $p$-value=$.000$). With regard to research hypothesis H1.2 (Distributive Justice -> Job Satisfaction), the examination found that there is an insignificant relationship for the Iranian participants between Distributive Justice and Job Satisfaction ($\gamma=.053$, $t$-value=$1.435$, $p=.151$). However, the relationship was confirmed by the Indian participants ($\gamma=.336$, $t$-value=$5.715$). The comparative analysis between the groups ($t$-value=$2.856$, $p$-value=$.004$) demonstrates that the differences are statistically significant.

There was similarity between both analyses, and H2.1 (Procedural Justice -> Loyalty) and H2.2 (Distributive Justice -> Loyalty) were both fully supported (H2.1 - Iran: $\gamma=.326$, $t$-value=$4.794$; India $\gamma=.077$, $t$-value=$2.911$; H2.2 - Iran: $\gamma=.066$, $t$-value=$2.084$; India $\gamma=.295$, $t$-value=$5.635$). The comparative analysis (H2.1: $t$-value=$-3.515$, $p$-value=$.000$; H2.2: $t$-value=$-3.691$, $p$-value=$.000$;) show there are significant differences amongst the groups. The hypothesised association among Procedural Justice and OCB was found to be insignificant in the Iranian managers’ perception ($\gamma=.407$, $t$-value=$5.558$). However, the results from the Indian data show that the standardised regression path between the two constructs was different from 0 at the .001 significance level ($\gamma=-.044$, $t$-value=$-1.485$, $p=.138$). Also, the result of the comparative
analysis (t-value=5.865, p-value=.576) illustrate the differences between the groups are insignificant.

For Hypothesis 3.2, the examination of the Iranian data set found that there is an insignificant relationship between the employees’ and managers’ attitudes toward Distributive Justice and OCB (γ=.042, t-value=-1.357, p=.175); however, there was support from Indian employees and managers for this relationship (γ=.317, t-value=4.874). The comparative assessment (t-value=4.877, p-value=.000) demonstrates significant differences between the Indian and Iranian groups.

There was similarity between the analyses of both samples, and H4 (Job Satisfaction -> Loyalty) and H5 (Job Satisfaction-> OCB) were fully supported (H4 - Iran: γ=.468, t-value=9.070; India γ=.417, t-value=7.820; H5 - Iran: γ=.167, t-value=3.142; India γ=.317, t-value=5.346, respectively). Furthermore, the relationships between Loyalty and OCB were statistically fully accepted (H6 - Iran: γ=.289, t-value=4.741; India γ=.152, t-value=2.377). The analysis shows (t-value=.686, p-value=.493; t-value=1.884, p-value=.060; t-value=1.547, p-value=.122) so the differences between the groups are statistically insignificant.

“Table 4”

“Figure 2”

Discussion and Conclusions

Conclusions

This study aimed to understand how differences in the national cultures of countries within the same GLOBE cluster might lead to variations in individuals’ attitudes and work-related outputs by looking at the impacts of Organizational Justice on Job Satisfaction, Employee Loyalty and Organizational Citizenship Behaviour (OCB) in the hotel industries of Iran and India. Although both countries fall within the South Asian cluster, they differ in terms of fundamental aspects such as history, religion, rituals, etc. Despite relative congruence of results, the two countries exhibited clear distinctions in certain aspects. More specifically, of the nine hypotheses tested, five confirmed the existence of meaningful relationships between the constructs under study.
Procedural and Distributive Justice were found to impact Employee Loyalty in both countries (Hypotheses 3 and 4). This is consistent with findings of previous studies such as Vaamonde et al. (2018), Ocampo et al. (2018) and Bayercelik and Findikli (2016), who consider employees’ perceptions of organizational justice to be a strong predictor of desirable attitudes and behaviours including Job Performance, Employee Loyalty, OCB and Job Satisfaction.

In addition, the positive influence of Job Satisfaction on Employee Loyalty (Hypothesis 7) and OCB (Hypothesis 8) were confirmed in both countries. Staff turnover may happen due to low satisfaction among employees, possibly arising from factors such as inappropriate payments, poor relationships with co-workers and supervisors, work stress, long hours, etc. (Mohsin et al., 2013). Such behaviours could be explained through social exchange, in which satisfied employees tend to reciprocate the support and benefits received from the organization or the supervisors (Lee et al., 2011). This, in turn, increases employees’ sense of commitment, loyalty and citizenship behaviours. Employee Loyalty was found to significantly affect OCB (Hypothesis 9). High levels of Employee Loyalty may cause subordinates to exhibit more support and goodwill towards the organization and their colleagues which ultimately results in enhanced propensity for extra-role behaviours (Wang and Wong, 2011).

However, Distributive and Procedural Justice had different impacts on Job Satisfaction and OCB in the two contexts. While Procedural Justice had a statistically meaningful influence on Job Satisfaction in Iran, there was no such influence in India (Hypothesis 1). In contrast, Procedural Justice had no significant impact on OCB in Iran although it positively affected OCB in India (Hypothesis 5). One possible explanation is the differences in the GLOBE national culture dimensions of the two countries. Iran scores higher than India in Performance Orientation, which means Iranian society rewards group members for high performance. Iranian hotel managers are more concerned about developing appraisal procedures, potentially resulting in favourable perceptions of employees. However, such processes do not guarantee the optimal realization of organizational justice in the eyes of the subordinates since an equally important dimension of organizational justice is Distributive Justice, i.e. employees’
perceptions of the fairness of allocation of resources, or the fit between the inputs (efforts) and outputs (rewards) (Nadiri and Tanova, 2010; Shapoval, 2019). Also, Iran scores higher than India on In-Group Collectivism. Iranians tend to develop trust in their supervisors rather than in the organization due to the personal nature of their relationships (Nazarian et al., 2020). Therefore, they frequently consider their managers and the appraisal processes they use as inseparable. If they perceive that their supervisors implement fair performance assessment procedures, they tend to develop a deeper attachment and reciprocate through engaging in extra-role behaviours. In contrast, the insignificant relationship between Distributive Justice and OCB in the Iranian context might be explained using social comparison theory (Festinger, 1954), which indicates that individuals constantly compare themselves with others to devise a clearer evaluation of themselves (Badawy and El-Fekey, 2017; Chen et al., 2018). Considering the more assertive and confrontational spirit of Iranians in the GLOBE index, it could be argued that they have a high degree of assertiveness and a can-do attitude and are competitive (Javidan and Dastmalchian, 2009). Inducing high levels of Job Satisfaction and OCB is difficult because employees constantly compare themselves with their peers or compare their current situation with their past (Chen et al., 2018) in terms of the benefits they receive from the organization. This increases the risk of perceived injustice with consequent side effects such as lower Job Satisfaction and more destructive work behaviours. These differences are in culturally determined values and have their roots in the deeper layers of the historical foundations of these nations. Colonisation affects the culture and social structures of the country that is colonised, which results in the retranslation and re-composition of the colonised culture (Bewaji, 2019). India provides a very good example in this regard. The country had a long history of colonisation by Great Britain, which in turn allowed for the penetration of British values into Indian culture. Such a cultural assimilation can be observed in the closer scores of India than Iran to the UK in dimensions such as Performance Orientation and Institutional Collectivism with significant impacts on the variables under study. In contrast, Iran has not been so invaded by an external power since the Arab conquest over fourteen centuries ago.

**Theoretical Implications**

This study makes a theoretical contribution to the existing literature by adding insight into the way in which national culture affects organizational factors which managers and scholars should be taking into account in the everyday operation of an organization. From a cross-
cultural perspective, this research provides empirical evidence for the impact of national culture on employees’ cognitions as well as work-related outputs. While using the insight from other contexts could in many cases help devise appropriate mechanisms to boost employee outputs, it by no means implies a universality of values. In fact, differences in the scores of each country can at times lead to completely different outcomes for similar practices, as was indicated in this research. Researchers need to be mindful, when applying theories and concepts developed in Western contexts, that these cannot necessarily be applied without making adjustments for differences in national culture. Therefore, this shows that both the universal and contingency paradigms (Holten et al., 2017) should be taken into consideration to ensure “a fit between cultural values and organizational arrangements” (Asrar-ul-Haq and Anwar, 2018, p. 185).

**Practical Implications**

The practical implications in this study are two-fold. From a cross cultural perspective, although the GLOBE regional clusters are useful in extending management approaches in beyond borders within each cluster, managers should also try to be aware of the country’s specific cultural characteristics and it deepens understanding of the different perceptions of the significance of different types of organizational justice. In addition, this study extends the current understanding about the significance of organizational justice for hotel managers.

Managers in the hotel industry are more than ever in need of finding solutions to achieve the high retention rates of employees required, which is the main source of delivering high quality service to customers. Thus, it is very important for hotels to implement strategies that create more job satisfaction, engagement, commitment, and loyalty in their employees (Zopiatis et al., 2014). This is particularly important for the managers of independent hotels to keep in mind since they have to compete with chain hotels which have access to better resources. In this respect, organizational justice is an effective corporate lever with significant impacts on positive employee outcomes, such as Job Satisfaction, Employee Loyalty and OCB, that ultimately improves the quality of customer service and helps hotels leverage the benefits of increased customer satisfaction (Kloutsiniotis and Mihail, 2020).
**Limitations and Future Research**

Like any other study, our findings should be interpreted against a backdrop of inherent limitations. The data was limited to two countries. Future studies could incorporate data from more countries within the specified cluster or even test the degree of heterogeneity among different clusters. Second, our analysis was mostly based on specific dimensions of the GLOBE more related to the constructs under study. Examining other variables might provide a more holistic view on the homogeneity/heterogeneity scale within each cluster. Although the historical background of India was assumed to have a hand in the different patterns of behaviour exhibited by hotel employees in Iran and India, further empirical research is needed to verify the significance of colonisation as well as other country-level differentiators such as religion, ethnicity, etc. In addition, GLOBE has also been criticized on the measurement of values by scholars (Stephan and Pathak, 2016). Therefore, replication of findings through using other tools might lead to new perspectives. Finally, complementing the quantitative data with qualitative inputs provisioned is suggested for a deeper understanding of the topic.

**References**


Table 1: Demographic profile of the participants compared with the main population figures (Iran N=392; India N=421)

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<td>I-work-with-my-supervisor-to-resolve-all-the-challenges-related-to-my-job</td>
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<td>I-work-with-my-supervisor-to-develop-future-plans</td>
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<td>The-supervisor-asks-my-opinions-on-how-to-improve-firm*-performance</td>
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<td>Distributive-Justice</td>
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<td>Generally,-I-feel-that-my-salary-is-fair</td>
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<tr>
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<td>5.10</td>
<td>1.649</td>
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<td><strong>Job-Satisfaction</strong> MacDonal and MacIntyre, 1997 and Nazarian 2013</td>
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<td>In-my-organisation-the-number-of-employee-complaints-about-their-job-experience-received-at-the-organisation-is-decreasing.</td>
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<td>5.51</td>
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<td><strong>Loyalty</strong>&lt;br&gt;Aydin and Ozer 2005</td>
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<tr>
<td>I-am-very-loyal-to-this-company</td>
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<td>I-will-continue-to-stay-at-this-company</td>
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<td>As-an-employee-working-in-this-company-I-would-highly-recommend-this-company-to-my-friends-and-family.</td>
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<td>To me, the-company’s-brand-is-the-same-as-other-company’s-brands</td>
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<td><strong>Organisational-Citizenship-behaviour</strong>&lt;br&gt;Wang and Wong, 2011</td>
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<tr>
<td>I-follow-the-corporate-rules-even-without-supervision</td>
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<td>I-do-not-abuse-the-work-authority-of-others</td>
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<td>I-actively-help-newbies-even-without-being-asked</td>
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<td>I-am-willing-to-spend-time-helping-others-to-resolve-work-related-problems</td>
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<tr>
<td>I-avoid-disputes-other-colleagues</td>
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<td>I-propose-some-constructive-suggestions-to-my-colleagues-to-improve-their-work-efficient</td>
<td>6.03</td>
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<td>In-the-company,-I-pursue-optimal-performance-at-work</td>
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</table>
I often pay attention to my colleagues’ advantages instead of their disadvantages.  

<table>
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<tr>
<th>Item</th>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
<th>MaxR(H)</th>
<th>Loyalty</th>
<th>Procedural</th>
<th>Distributive</th>
<th>Satisfaction</th>
<th>OCB</th>
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<tr>
<td>I do not take extra breaks at work</td>
<td>0.898</td>
<td>0.688</td>
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<td>0.83</td>
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<tr>
<td>I do not waste much time complaining about trifling matters</td>
<td>0.943</td>
<td>0.848</td>
<td>0.062</td>
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</table>

**Table 3a: Discriminant and convergent validity, CR, and AVE (Iran Data)**

**Table 3b: Discriminant and convergent validity, CR, and AVE (India Data)**
<table>
<thead>
<tr>
<th>Relationships</th>
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<th>India</th>
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<td>H6</td>
<td>Loyalty</td>
<td>Organizational-Citizenship-Behavior</td>
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</tbody>
</table>

*** p<.001; ** p<.05; * p<.01
Notes: Path = Relationship-between-independent-variable-on-dependent-variable; β = Standardised-regression-coefficient; S.E. = Standard-error; p = Level-of-significance.
Figure 1: The research conceptual model

Procedural Justice

Distributive Justice

Job Satisfaction

Loyalty

Organizational Citizenship Behavior
Figure 2: The research validated conceptual model

- **Procedural Justice**
  - Iran: 0.538 (0.077)
  - India: 0.077 (2.911)

- **Distributive Justice**
  - Iran: 0.053 (0.037, p = 0.151)
  - India: 0.336 (5.715)

- **Job Satisfaction**
  - Iran: 0.407 (0.073)
  - India: 0.167 (0.053)
  - Iran: 0.468 (0.052)

- **Loyalty**
  - Iran: -0.042 (0.031, p = 0.175)
  - India: 0.317 (4.874)

- **Organizational Citizenship Behaviour**
  - Iran: 0.468 (0.052)
  - India: -0.152 (2.377)