

The relationship between presence of a CKO (Chief Knowledge Officer) and organizational justice perception (case study in state universities in Iran)

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Abstract: This study is primarily conducted to analyze the relationship between organizational justice and presence of a CKO in state universities in Iran. Although a number of studies were donated to organizational justice and Knowledge management separately, to our knowledge there has been a few studies on the relationship between these two keys for organizational success. So authors, with respect to their prior researches, decided to extend the boundaries of management by conducting a study on the relationships between the presence of a CKO and organizational justice, so that it could help organizations understand the value of knowledge management and presence of CKOs.

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Introduction

Researchers have found that perception of organizational justice is related to various behaviors and attitudes of employees. (Witt, 1993, Colquitt et al., 2001). Organizational justice has been the focal point of research for more than 40 years (see Cohen-Char ash and Spector, 2001; Colquitt et al., 2001; Cropanzano and Greenberg, 1997). Although the three forms of organizational justice are related to each other (Adams, 1963, 1965; Deutsch, 1975, 1985), researches show they are independent in their relationship to employees' job attitudes. (Colquitt et al., 2001)

Organizational Justice

The organizational justice through making trust and support in various levels produces a competitive atmosphere and a proper environment for organization entrepreneur. The following 5 factors are considered as the important points in organizational entrepreneurship, which are related to organizational justice too: 1- Top management support, 2- available resources 3- proper and timely using of rewards 4- risk taking and 5- organizational support. If the organization observes these factors, they will result in organizational entrepreneurship. (Rutherford & Holt, 2007:429)

Distributive justice

The first commonly accepted type of justice is referred to as distributive justice. (Zainalipour et al., 2010: 1986) Distributive justice deals with the perceived

fairness of outcomes. (Cohen-Char ash & Spector, 2001:280)

Distributive justice theories include the justice judgment model (Leventhal, 1976, 1980 – cited in Skew, 1993), distributive justice theory (Humans, 1961 – cited in Skew, 1993), allocation preference theory (Leventhal et al., 1980 – cited in Skew, 1993) and equity theory (Adams – 1963; cited in Skew, 1993, p. 186). Distributive justice is found in the comparison of the proportion of acquisitions gained according to the balance between inputs and outputs of each group (Paterson et al., 2002, pp. 393-394). It determines employees' perceptions about payment, promotion and similar results (Kursed & Murat, 2009: 112).

The importance of distributive justice has been emphasized by equity theory (Adams, 1965; Walster, & Berscheid, 1978), which claims that the proportion of investments (e.g., work efforts, capacities) and outcomes (e.g., salary, esteem) should be similar for different people.

The organizational entrepreneurship has a positive effect on results that staff will make. On the other side, if the salary and the consequences of the staff suit their activity, it will increase the organizational entrepreneurship. It's obvious that this issue is relating to distributive justice, which expresses the balance between the input and output (Rutherford & Holt, 2007: 430 - 434). On the other hand, distributive justice (DJ) is evaluated by the fairness and granting the rewarding of the results. The fairer the consequences are, the more the staff effort in

presenting services and products in optimum level will increase. (Kim et al., 2008: 2)

Procedural justice

Procedural justice is generally defined as the fairness of methods, mechanisms and the process used to determine outcomes (Folger and Cropanzano, 1998; Thibaut & Walker, 2003) that leads to the outcome (Zainalipour et al., 2010: 1987). These procedures generally include promotions, performance assessment, rewards and sharing other organizational opportunities. (Cathleen et al., 2010: 9)

If the procedural justice exists in organization, the staff will take part in the decisions, and the organization will support them, eventually the commitment and risk-taking will increase in the staff and their desire for entrepreneurship for promoting and permanency of the organization will rise. (Rutherford & Holt, 2007:431)

Interactional justice

McFarlane and Sweeney (1992), and Sweeney and McFarlane (1993) supported two factor model of organizational justice. In 1986, Byes and Moag proposed the third organizational justice dimension. It is often referred to as interactional justice. They defined interactional justice as the fairness of the interpersonal treatment that one receives at the hands of an authority figure (Zainalipour et al., 2010: 1987). Interactional justice is an important consideration in the workplace because of the effects associated with seemingly fair or unfair treatment (Frey, 1997). Interactional justice can be defined as the way the administration treats the justice receiver and concerns the human aspect of organizational practices (Cathleen et al., 2010: 9) Cohen-Char ash and Specter's (2001) in their research supports the existence of three organizational justice dimensions: distributive justice, procedural justice, and interactional justice was related to various behaviors and attitudes of employees (Zainalipour et al., 2010: 1987). The major difference between procedural justice and interactional justice is the focus of the perceived justice or injustice. With regard to procedural justice, perceptions of injustice are directed toward the organization. However, perceptions of interactional injustice are directed toward the supervisor. (Masterson et al., 2000) it can be said that the more respect shown to the staff and their needs, the more commitment they will show to their job and will try harder to realize the organization's goals and present services and products with better quality. (Rutherford & Holt, 2007:431)

CKOs can help employees correlate better and they could also improve solidarity in an organization (Mirlohi & Neysari, 2012). Basically from their first

three hypotheses one can conclude that a CKO will improve the relationships within an organization. As a CKO tries to disseminate implicit knowledge through employees in an organization, in which process they have to use employees themselves, communications and interactions between employees get more and more intimate. With intimate relations, employees feel free to express their ideas and as we all know this is what procedural justice is all about. Susanna Baldwin (2006) used the term representativeness as a big deal to procedural justice. She suggests that in representativeness "all those whom the outcome will affect have their concerns taken into account". Then it's fair to say a CKO, presence of whom broadcasts intimacy, is indirectly helping to the representativeness. In our first hypothesis we are trying to investigate the relationships between presence of a CKO and procedural justice perception in organizations. With a CKO's intervention, processes leading to an outcome may be perceived as more fair. As a CKO's task binds them to implement reward plans and incentives (M.R Solomon, 1994) which represent procedures in an organization, employees probably perceive this as justice in procedures. When a CEO's attention to reward plans gets as much as hiring a CKO what can be perceived except justice?

The CKO's job is to ensure that the company profits from the effective use of knowledge resources (Mirlohi and Neysari (2012)). When employees perceive that they are being effectively used and their value is clear in an organization they start to think that they are being treated fair and as a result they perceive organizational justice.

Methodology:

Since this study is about to evaluate the relationship between different kinds of organizational justice and CKO's role in perception of those kind we've used an applied study. Participants were 186 employees in state universities in Iran. Amongst all there was 103 men (approximately 55%) and 83 women (approximately 45%). They were chosen randomly from two different state universities one of which using a chief knowledge officer (CKO) as a key role. The number of employees from each university was chosen equally, 93 (50%) from each. After the employees were chosen from different departments randomly (both senior and junior employees were in) an introduction session was hold to explain about the objectives and main purpose of the study during which session organizational justice was explained completely.

Then questionnaires were distributed and explained about and questions were answered. Then participants started to answer the questions.

Likert's 5-point scale was used as the measurement basis. In this study participants expressed their idea in the range between "very high" to "very low". To quantify the answers, they were adjusted as below: very low=2, low=2, medium=3, high=4 and very high=5.

To test the hypotheses Independent sample T test was used, so that employees were put in two groups based on whether or not there is a CKO in their universities and the difference between justice perceptions between these two groups was analyzed. If justice perception is higher in the group with a CKO in all 3 levels which were specified in the hypotheses, we conclude that presence of a CKO affects justice perception.

All calculations were done using SPSS software and after the calculations the criterion to approve or disapprove the hypotheses was SIG. if $SIG < 0.05$, then the means of two groups are different and H_1 is approved. In addition, maximums and minimums were used to identify the group with a higher justice perception. If the maximum and the minimum are both positive then the difference between means is positive and first group's mean is bigger than the second group's. If the maximum and the minimum are both negative then the difference between means is negative and second group's mean is bigger. If one of them is negative and the other one is positive then it cannot be judged and one could say two means are equal.

Data analysis

1. Evaluation of the first hypothesis:

"Distributive justice perception is higher in state universities in Iran in which there is a CKO role"

H_0 : distributive justice perception is equal in both universities ($\mu_1 = \mu_2$)

H_1 : distributive justice perception is different in two universities ($\mu_1 \neq \mu_2$)

Information processed by SPSS software is summarized in tables 1 in end of article.

To compare the level of distributive justice perception in two universities first we study the status of variances in the two of them. We do so using the Levine test and regarding the Sig in the second row which has to be more than 0.05. With the Sig being more than 0.05 we conclude that the variances in the universities are different and there is not a significant difference between those variances. So regarding the fact that variances are almost equal, we must use the column which is obtained we the assumption that variances are equal. Therefore, looking at the first column in which Sig is more than 0.05 H_0 is rejected and H_1 is approved. It shows that the mean of distributive justice level is unequal in these two universities. As you can see in table 1 upper and lower limits are both positive. It means that the average of distributive justice in the

university with a CKO role is higher than the one without it.

2. Evaluation of the second hypothesis:

"Procedural justice perception is higher in state universities in Iran in which there is a CKO role"

H_0 : procedural justice perception is equal in both universities ($\mu_1 = \mu_2$)

H_1 : procedural justice perception is different in two universities ($\mu_1 \neq \mu_2$)

Information processed by SPSS software is summarized in table 2 1 in end of article.

To compare the level of procedural justice perception in two universities first we study the status of variances in the two of them. We do so using the Levine test and regarding the Sig in the second row which has to be more than 0.05. With the Sig being more than 0.05 we conclude that the variances in the universities are different and there is not a significant difference between those variances. So regarding the fact that variances are almost equal, we must use the column which is obtained we the assumption that variances are equal. Therefore, looking at the first column in which Sig is more than 0.05 H_0 is rejected and H_1 is approved. It shows that the mean of procedural justice level is unequal in these two universities. As you can see in table 2 upper and lower limits are both positive. It means that the average of procedural justice in the university with a CKO role is higher than the one without it.

3. Evaluation of the third hypothesis:

"Interactional justice perception is higher in state universities in Iran in which there is a CKO role"

H_0 : interactional justice perception is equal in both universities ($\mu_1 = \mu_2$)

H_1 : interactional justice perception is different in two universities ($\mu_1 \neq \mu_2$)

Information processed by SPSS software is summarized in tables 3 in end of article.

To compare the level of interactional justice perception in two universities first we study the status of variances in the two of them. We do so using the Levine test and regarding the Sig in the second row which has to be more than 0.05. With the Sig being more than 0.05 we conclude that the variances in the universities are different and there is not a significant difference between those variances. So regarding the fact that variances are almost equal, we must use the column which is obtained we the assumption that variances are equal. Therefore, looking at the first column in which Sig is more than 0.05 H_0 is rejected and H_1 is approved. It shows that the mean of interactional justice level is unequal in these two universities. As you can see in

table 2 upper and lower limits are both positive. It means that the average of interactional justice in the university with a CKO role is higher than the one without it.

4. Evaluation of the third hypothesis:

"Organizational justice perception is higher in state universities in Iran in which there is a CKO role"

H₀: Organizational justice perception is equal in both universities ($\mu_1 = \mu_2$)

H₁: Organizational justice perception is different in two universities ($\mu_1 \neq \mu_2$)

Information processed by SPSS software is summarized in tables 4 in end of article.

To compare the level of justice perception in two universities first we study the status of variances in the

two of them. We do so using the Levine test and regarding the Sig in the second row which has to be more than 0.05. With the Sig being more than 0.05 we conclude that the variances in the universities are different and there is not a significant difference between those variances. So regarding the fact that variances are almost equal, we must use the column which is obtained we the assumption that variances are equal. Therefore, looking at the first column in which Sig is more than 0.05 H₀ is rejected and H₁ is approved. It shows that the mean of justice level is unequal in these two universities. As you can see in table 2 upper and lower limits are both positive. It means that the average of justice in the university with a CKO role is higher than the one without it.

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Table1: The difference between distributive justice perceptions regarding the presence of a CKO

	Distributive justice perception	
	Equal variances assumed	Equal variances not assumed
Levine's Test for Equality of Variances	F .070	Sig. .792
t-test for Equality of Means	t .225	.221
	df 184	96.570
	Sig. (2-tailed) .032	.026
	Mean Difference .2053	.2053
	Std. Error Difference .09136	.09292
	95% Confidence Interval of Lower the Difference .15983	.16390
	Upper .20090	.20497

Table2: The difference between procedural justice perceptions regarding the presence of a CKO

	Procedural justice perception	
	Equal variances assumed	Equal variances not assumed
Levine's Test for Equality of Variances	F .070	Sig. .792
t-test for Equality of Means	t .228	.223
	df 184	96.570
	Sig. (2-tailed) .032	.026
	Mean Difference .2078	.2078
	Std. Error Difference .08166	.089359
	95% Confidence Interval of Lower the Difference .20231	.20958
	Upper .26003	.26854

Table 3: The difference between interactional justice perceptions regarding the presence of a CKO

	Interactional justice perception	
	Equal variances assumed	Equal variances not assumed
Levine's Test for Equality of Variances	F .070 Sig. .792	
t-test for Equality of Means	t .230 df 184 Sig. (2-tailed) .032 Mean Difference .2056 Std. Error Difference .08376 95% Confidence Interval of Lower the Difference .19785 Upper .20925	.227 96.570 .026 .2056 .08481 .20114 .21593

Table 4: The difference between organizational justice perceptions regarding the presence of a CKO

	Interactional justice perception	
	Equal variances assumed	Equal variances not assumed
Levine's Test for Equality of Variances	F .070 Sig. .792	
t-test for Equality of Means	t .301 df 184 Sig. (2-tailed) .032 Mean Difference .3002 Std. Error Difference .09524 95% Confidence Interval Lower of the Difference .20156 Upper .21037	.297 96.570 .026 .3002 .096238 .21012 .21593

Discussion

Here we want to give a quotation from the book "MACHAIVELLI THE PRINCE" translated by George Bull (page 52). "... the populace is by nature fickle; it is easy to persuade them of something, but difficult to confirm them in that persuasion. Therefore one should rightly arrange matters so that when they no longer believe they can be made to believe by force. Moses, Cyrus the great, Theseus and Romulus would not have been able to have their ordinances obeyed for long if they had been unarmed..."

Take employees in an organization as the populace Machiavelli says. The thing about being fickle, easy to persuade but hard to confirm in persuasion is exactly the case for employees too. So since carrying gun is illegal in most organizations, what is that weapon should be used to make the employees stay on their belief? What is that force?

To confirm any change within an organization there should be a force, an encouragement, and what better encouragement do we know than perception of justice?

Using a CKO which is currently undermined in counties like Iran could be vital, so here authors suggest that managers should think more about investing on a role this critical.

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