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ORGANIZATIONAL JUSTICE, DIVERSITY, AND ORGANIZATIONAL PERFORMANCE IN THE PUBLIC SECTOR: MORE ROBUST EVIDENCE OF THE MEDIATING ROLE OF MOTIVATION*

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Abstract. The purpose of this study is to examine how organizational justice and diversity management influence organizational performance in the public sector. In contrast to the dominating view that organizational factors lead to increased levels of organizational performance, this article includes public service motivation and extrinsic motivation for observing the mediating role of the dynamics of employees' motivation on organizational performance. This paper develops a hypothesis proposing that motivation mediates the relationship between organizational justice and perceived performance. Data come from the 2010 U.S. Merit Systems Protection Board survey. Principal component factor analysis and structural equation modeling are used to estimate the effects of public service motivation and extrinsic motivation on the relationship between organizational justice, diversity management, and organizational performance. Public service motivation is a positive mediator in the relationship between organizational justice and diversity management, and organizational performance, while extrinsic motivation is a negative mediator. Total effects of the structural equation modeling are still larger than direct effects. These findings suggest that public service motivation and extrinsic motivation, associated with fairness in public organization setting, increase organizational performance.

Keywords: Organizational performance, organizational justice, diversity management, public service motivation, extrinsic motivation.

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Introduction

Scholars have explored the relationship between organizational justice and diversity efforts which are tenets in managing the complexity of organizational culture and organizational performance in the public sector (Brewer and Seldon, 2000; Rainey and Steinbauer, 1999). The earliest studies of organizational behavior focused on the partial relationship between organizational environment and organizational performance or employees' motivation and performance (Choi, 2011). Previous studies provided mixed and limited results, indicating that Human Resource (HR) study needs a comprehensive framework to explore the relationships between employees' motivation and their organizational environment (e.g., Selden and Sowa, 2004). Furthermore, many scholars have examined the dimensions of justice – mostly distributive justice – and perceived fairness of the decision outcome as a motivational consequence (Zapata-Phelan et al., 2009). The workforce in the public sector has become increasingly diverse, raising concerns and challenges to be addressed by HR studies.

Despite widespread recognition of the important influence of organizational justice and diversity management on organizational performance, the conceptual rationale for the relationship has received little attention from scholars recently (Colquitt et al., 2005). The disparity between the attention paid to the theories and their practical importance may be resolved by examining theories of employees' motivation, that affected by the organizational environment and also contributes to organizational performance (Brewer and Seldon, 2000; Choi, 2011). Organizational culture may affect behavior and predict work outcomes. Latham and Pinder (2005) elucidate that motivation initiates task-related behavior that leads to an increase in outcome affecting its form, direction, intensity and duration.

Contemporary organizational behavior models, however, suggest that a good match between personal attributes and the nature of an organization produces a high level of organizational performance. Numerous recent studies have found that the relationship between the organizational environment and performance is mediated by motivation with achievement-related behavior (Kuvaas, 2006; Barrick and Stewart, 2002; Zapata-Phelan et al., 2009; Quratulain and Khan, 2015). Therefore, a critical question remains unanswered: What is the interactive impact of personal factors on the relationship between organizational environments and performance?

Many scholars have proposed that organizational justice can be scrutinized using the Social Exchange Theory (SET) to understand the dynamics of the workplace (Cropanzano and Mitchell, 2005). SET, the most influential concept in organizational behavioral theory, is associated with organizational justice and per-

formance, and organizational justice and employees' motivation because reciprocal exchange interactions between individuals and organizations could explain why employees' extrinsic motivation and public service motivation (PSM) trigger organizational performance (Mostafa, Gould-Williams, and Bottomley, 2015). Since extrinsic motivation and PSM stimulate the relationship between organizational justice and performance, SET theory can be used to explain the relationship in this study (see Figure 1).

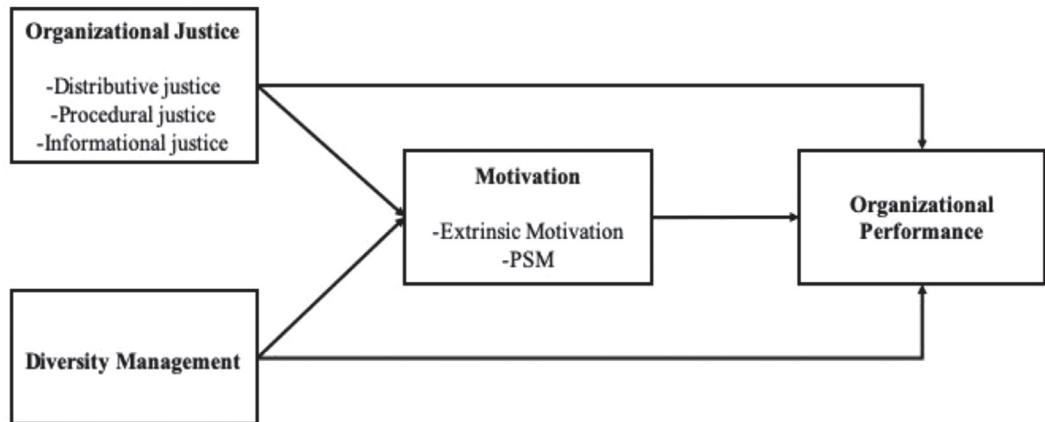


Figure 1. A conceptual framework: organizational justice, diversity management, motivation, and organizational performance

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In this regard, the purpose of this study is to fill this gap by expanding the attention of prior studies toward motivation by examining its mediating effects on the relationship between three dimensions of organizational justice and organizational performance, and between diversity management efforts and organizational performance. Specifically, this study parses out the effect of motivation on organizational performance by recognizing the role of extrinsic motivation and public service motivation. Moreover, this study focuses not only on various dimensions of justice but also diversity management efforts that have strong relationships with organizational performance based on a review of the literature (e.g., Pitts and Towne, 2015)

Performance in the public sector

The concept of performance, especially in the public sector, is difficult to define and measure since it includes subjective and multidimensional concepts that are difficult to measure in the public sector. Although criticism of self-reported and perceptual measures of performance have increased over the past three decades, a strong correlation between perceptual performance data and objective measures of organizational performance can be found. Therefore, considerable research on organizational performance has recently investigated employees' perception of performance to measure organizational performance.

Scholars have paid attention to performance as influenced by both individual attributes and the organizational environment under the assumption in organizational psychology that the organization and individuals have an interdependent and complementary relationship (Brewer and Selden, 2000). For example, Brewer and Selden (2000) provide a measure of organizational performance based on the perception of employees. They identify five key agency-level factors affecting organizational performance – organizational culture, human capital and capacity, agency support, leadership and supervision, and red tape – while they provide four key individual – level elements that affect organizational performance in the public sector – a structure of the task, task motivation, public service motivation, and individual performance. Some studies of organizational performance in public organizations have examined organizational-level factors, such as organizational communication networks, norms, and rules, while others observe individual-level factors, such as turnover intention, motivation, job satisfaction, and public service motivation (e.g., Rainey and Steinbauer, 1999). In addition, recent scholars in the area of performance focused on an individual's knowledge, perceptions, beliefs, attitudes, and opinions of results because performance in the public sector is associated with HR practices in the workplace, such as job satisfaction, commitment, effort, and employee's motivation (Gould-Williams, 2003). Therefore, this paper identifies two types of factors that affect organizational performance: organizational justice and diversity management efforts as organizational environment factors and motivational features as individual attribute factors.

Organizational justice, diversity management, and performance

Organizational justice can be defined as “the ways in which employees determine if they have been treated fairly in their workplace and the ways in which these determinations influence other work-related variables” (Moorman, 1991, p. 845). The concept of organizational justice in relation to performance has been studied since Adams' equity theory drew great attention of organizational scientists (e.g., Greenberg, 1986). Organizational justice is the most important predictor in studies of organizational behavior because it includes the working conditions of employees affecting their behavior, motivation, and even their performance (Brewer and Seldon, 2000). For example, a higher level of the four types of organizational justice leads to higher job satisfaction and trust in supervisor, but the lower turnover intention of employees in the U.S. federal government (Choi, 2011).

The dimensions of organizational justice have been identified: distributive justice, procedural justice, and interactional justice. Interactional justice is captured by two subfactors: informational justice and interpersonal justice (Folger and Cropanzano, 1998). Distributive, procedural, informational, and interpersonal justice are conceptually distinct, as recent findings have demonstrated that they are meaningful determinants of employee perceptions of outcomes (Alexander and Ruderman, 1987; Choi, 2011). Distributive justice refers to the “degree to which all people are treated the same under a policy, regardless of race, ethnicity, gender, age, or other demographic characteristic” (Uhl-Bien et al., 2013, p. 13). Procedural justice refers to the fairness of procedures, including the methods, mechanisms, and processes, that are used to decide outcome allocations (Folger

and Cropanzano, 1998) while interactional justice is defined as the fairness of interpersonal communication based on rules of propriety and respect by authorities.

A distributive justice with fair and equitable manners tends to assure the achievement of the objective (Colquitt et al., 2013). Many findings indicate that distributive justice is strongly related to the comparison of inputs and outcomes (Scott et al., 2007; Colquitt et al., 2005). For example, several studies have found that workers have reduced performance and little effort when they perceive the outcome distribution as unfair (Scott et al., 2007). In addition, many studies confirm the positive relationship between the collective perception of procedural justice and work attitudes, such as job satisfaction and commitment to their organization. The studies by Greenberg (1986) and Alexander and Ruderman (1987) found that if employees perceive procedural fairness and equitable rewards for good performance, they perceive that their performance is fairly assessed.

Naumann and Bennett (2000) observed that supervisors tend to rate work-group performance higher within procedural justice climates. Thibaut and Walker (1975) also found that fairness perceptions increase when individuals can make contributions that affect important decisions in their organization. Therefore, when employees are involved in decision-making processes and have an impact on decisional outcomes, their perception of fairness of outcomes and processes increases. Regarding interactional justice, stakeholders' relationships encourage organizational performance, which increases network ties with resource exchange for collaboration, role making for flexibility, and organizational behavior for cooperation. This process leads to improving not only interpersonal justice but also system trust, improving organizational performance (Gould-Williams, 2003). Furthermore, Otto and Mamatoglu (2015) observed that subordinates are motivated when supportive supervisors provide the necessary information and respectful treatment, contributing to the fulfillment of organizational goals. Informational justice refers to fairness perceptions of the adequacy of providing information promptly and credible explanations for decisions at work. Informational justice is a significant factor of organization-related outcomes and studies have found the positive relationships between informational justice and job satisfaction or affective commitment. These previous literatures indicate that fair procedures and reciprocal interpersonal relationships have a positive influence over work performance (Moorman, 1991).

Hypothesis 1a. The three dimensions of organizational justice – distributive, procedural, and informational – are directly and positively related to organizational performance. That is, employees who report higher levels of distributive, procedural, and informational justice will be more likely to show positive organizational performance.

Diversity management has been identified as a “new paradigm” to address the demographic diversity in the workforce, and as one of the most important predictors of work motivation and organizational performance. Diversity management refers to “a general set of human resource policies aimed at making workplaces more tolerant and inclusive of people from historically underrepresented groups, such as racial minorities and women” (Oberfield, 2014, p. 778). The goal of diversity management is to decrease the possible different treatment of employees due to different cultural assumptions, religious beliefs, and racial discrimination, and increase the positive

effects of supporting equal opportunities for the underrepresented groups, generating positive spillover effects in the workplace such as mitigating prejudice and tensions between employees, and enhancing organizational problem-solving capacities and competitive advantage (Oberfield, 2014; Pitts and Towne, 2015).

Previous studies have argued that diversity management leads to increased performance or produces negative outcomes. Pitts and Towne (2015) note that the consequence of managing diversity based on race, ethnicity, gender, education, or function is “making sure all groups of employees had what they needed in order to succeed at work” (p. 374). Given the increasingly diverse workforce in the public sector, empirical studies have found that diversity management has become a driver of government performance and organizational effectiveness by adopting a more active pragmatic management policy (Pitts and Towne, 2015). For example, managerial commitment to diversity has a positive influence on the performance of low-income student pass rates more than other students by mitigating the unsatisfactory effects of social capital.

Hypothesis 1b. Diversity management efforts are directly and positively related to organizational performance.

Extrinsic motivation, public service motivation (PSM), and performance

Motivation theories distinguish two types of motivation: intrinsic and extrinsic. Intrinsic motivation comes from within oneself, while extrinsic motivation involves external factors, such as rewards and punishments. Many organizational behavior theories, such as expectancy theory, equity theory, the attitude-performance model, self-determination theory, and self-regulatory theory, emphasize the role of motivation as a human resource to promote task performance as well as organizational effectiveness, because motivation in the workplace produces high levels of energy, concentration, creativity, and job satisfaction that affect performance.

As individuals are motivated or demotivated with adjustments in their salary and promotion, performance may link to extrinsic motivation in the public sector. Employees tend to compare their rewards, including salary, promotions, and bonuses, with those of their coworkers performing similar tasks (Scott et al., 2007). Motivation as an individual attribute, which results from the interaction of employees’ characteristics and organizational environment, determines the work effort that influences the employees’ productivity and creates a positive or negative relationship with performance (Barrick and Stewart, 2002; Latham and Pinder, 2005; Kuvaas, 2006; Zapata-Phelan et al., 2009). According to a 40-year meta-analysis conducted by Cerasoli et al. (2014), a great number of studies have explored the relationship between motivation and performance based on individual needs, values, reward preferences, and goals explaining how motivation drives the direction and intensity of outcome (Uhl-Bien et al., 2013; Kuvaas, 2006). These studies applying equity theory have found that perception of the fairness of rewards is associated with enhancing organizational commitment and job satisfaction, as well as facilitating positive work outcomes.

Furthermore, employees’ characteristics may be affected by the organization (Posner and Schmidt, 1996). Employees, especially in the public sector, place

a higher value on the achievement and work-related rewards of a public agency than their private-sector counterparts (Posner and Schmidt, 1996). In this perspective, scholars pay attention to the concept of Public Service Motivation (PSM), which refers to “an individual’s predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations” (Perry and Wise, 1990, p. 368). PSM is more associated with an attribute of public service workers who desire to serve the public. Therefore, employees with PSM make a greater effort to serve the public for overall public interests or their organizations by choosing careers in the government sector despite potential monetary benefits in the private sector. Most previous findings have explored how PSM plays a significant role in certain settings, such as the military, unions, health care services, education, social work, job performance, and performance information. Many studies have found that employees in the public sector place a lower value on financial rewards and a higher value on helping others or rendering public service than their private-sector counterparts.

Hypothesis 2a. Three dimensions of organizational justice – distributive, procedural, and informational – are directly and positively related to extrinsic motivation. That is, employees who report higher levels of distributive, procedural, and informational justice will be more likely to show positive extrinsic motivation.

Hypothesis 2b. Diversity management efforts are directly and positively related to extrinsic motivation. That is, individuals who report higher levels of diversity management efforts will be more likely to show positive extrinsic motivation.

Hypothesis 3a. Three dimensions of organizational justice – distributive, procedural, and informational – are directly and positively related to PSM. That is, employees who report higher levels of distributive, procedural, and informational justice will be more likely to show positive PSM.

Hypothesis 3b. Diversity management efforts are directly and positively related to PSM. That is, individuals who report higher levels of diversity management efforts will be more likely to show positive PSM.

Hypothesis 4a. PSM is directly and positively related to organizational performance.

Hypothesis 4b. Extrinsic motivation is directly and positively related to organizational performance.

Motivations as mediating effects

Many scholars have conducted studies on motivation and its mediating effects. For example, Kuvaas (2006) examined that intrinsic motivation has mediating effects between performance appraisal satisfaction and work performance. Barrick and Stewart (2002) tested that motivation mediates the relationship between personality traits and performance. In addition, scholars have also examined the relationship between PSM and workplace policies, procedures, and performance. Some studies suggest that PSM may strengthen the relationship between organizational justice and organizational performance, while others maintain that PSM is not associated with performance. Quratulain and Khan (2015) examined that the role of PSM exacerbates the tolerance level of red tape in a bureaucratic organization. Moreover, Mostafa et al. (2015) examined PSM and found that it partially

mediates the relationship between high-performance HR practices and employees' affective commitment and organizational citizenship behaviors. Schwarz et al. (2016) observed that PSM mediates the relationship between servant leadership and job performance. Ugaddan and Park (2017) confirmed that PSM mediates the relationship between the quality of leadership and employee engagement in public sector organizations. Since motivation with mediating effects between organizational justice and performance has inconsistent results (Quratulain and Khan, 2015), this study may remain meaningful in terms of investigating the mediating effects of two different motivations on the relationships between organizational environment and organizational performance.

Hypothesis 5a. The relationship between organizational justice and organizational performance is mediated by extrinsic motivation.

Hypothesis 5b. The relationship between organizational justice and organizational performance is mediated by PSM.

Methodology

In order to test these hypotheses, this study used data from the 2010 Merit Principles Survey, a government-wide survey of federal employees conducted by the U.S. Merit Systems Protection Board (MSPB). The 2010 MSPB survey focused on a wide range of workplace issues, including demographic information, motivation, pay and rewards, fairness, performance appraisal, prohibited personnel practices, and whistleblower protection issues. Although the data is old, the analysis is still relevant to explain because the latest data does not contain distributive, procedural and informational justice or PSM which are key variables in this study. The survey was administered to 71,970 employees in 18 cabinet departments and 6 independent federal agencies. The number of respondents totaled 42,020 participants (with 58.4% response rate). After dropping the observations of missing data, the final number of observations was 12,553. The variables were five-point scales ranging from "strongly disagree" to "strongly agree".

In the Principal-Component Analysis (CFA) with Varimax rotation, 36 items were factor analyzed, and seven factors were derived – organizational performance, distributive justice, procedural justice, informational justice, diversity management, public service motivation, and extrinsic motivation. In validating the reliability of the measuring tool, Cronbach's alpha was used ranged from .738 to .888, which exceeded the required threshold of $>.70$. Second, the SEM method was used to understand more complex causal relationships that include latent variables. The SEM, as a confirmatory technique, reveals coupled relationships and a mediating relationship with direct effects and indirect paths on organizational performance, validating a proposed causal model. For the CFA comparing alternative measurement models, the four-factor model—organizational justice, diversity management, PSM, and extrinsic motivation was used in this study with maximum likelihood (see Appendix 1). Third, the mediation analysis was implemented with two variables: PSM and extrinsic motivation. The mediating effects between (a) organizational justice and organizational performance, and (b) diversity management and organizational performance were tested.

Measurement of predictor variables of organizational performance

Organizational justice. This variable is characterized by three dimensions: distributive, procedural, and informational justice. The items measuring organizational justice are related to the items used by Choi (2011) and Ugandan and Park (2019). Distributive justice was measured with the seven items which were used in Choi's work that asked respondents about their perceptions of their fairness of treatment regarding career advancement, awards, training, performance appraisals, job assignments, discipline, and pay (Cronbach $\alpha = .808$). Procedural justice was measured with the six items from Ugandan and Park's research that asked about respondents' views on procedure fairness (Cronbach $\alpha = .888$). Informational justice was measured with the three items used in Ugandan and Park's work that asked respondents about performance feedback information from others and their supervisors (Cronbach $\alpha = .864$).

Diversity management. This variable was measured using eight items that asked respondents about their views on their work unit's antidiscrimination efforts for underrepresented groups regarding race, age, religion, sex, national origin, disability, marital status, and political affiliation (Cronbach $\alpha = .841$).

Measurement of mediating variables

PSM. This variable was measured with five items modified from both Perry's works, and Ugandan and Park's (2019) study that asked respondents' value on the achievement for the society and public (Cronbach $\alpha = .738$).

Extrinsic motivation. Extrinsic motivation is measured with six items used in the work of Ugandan and Park (2019), in which respondents were asked about their perception of external motivators, such as salary, promotion, and bonuses (Cronbach $\alpha = .882$).

Multiple regression results

The descriptive statistics and correlation between the variables included in the model are reported in Appendix 2. The results of the multiple regression confirmed research hypotheses 1a and 1b. Organizational justice – distributive ($\beta = .034, p = 0.001$), procedural justice ($\beta = .146, p = 0.001$), and informational justice ($\beta = .192, p = 0.001$) – was positively associated with organizational performance. Diversity management was found to be positively related to organizational performance ($\beta = .032, p = 0.001$). Individual attribute variables were positively associated with organizational performance ($\beta = .204, p = 0.001$; $\beta = .104, p = 0.001$ respectively). Regarding the relationship between extrinsic motivation and organizational environments, distributive justice ($\beta = .002, p = 0.01$), procedural justice ($\beta = .008, p = 0.01$), and diversity management ($\beta = .0002, p = 0.01$) were positively associated with extrinsic motivation, while informational justice ($\beta = -.003, p = 0.01$) was negatively related to extrinsic motivation. Thus, research hypotheses 2a and 2b were partially supported. Concerning the relationship between PSM and other independent factors, distributive and informational justice were not statistically significant while procedural justice and diversity management were positively related to PSM ($\beta = .025, p = 0.01$; $\beta = .004, p = 0.01$ respectively). Thus, research hypotheses 3a and 3b were partially supported.

CFA and SEM model results

The results of CFA confirmed the research model – organizational justice, diversity management, PSM, and extrinsic motivation – with a great comparative fit index (CFI)=0.954, (CFI analyzes the model fit, indicating a CFI value of .95 or higher is accepted (Hu and Bentler, 1999)); excellent standardized root mean square residual (SRMR)=0.059 (SRMR value of .08 or less is considered excellent); and excellent root mean square error approximation (RMSEA)=0.046 (RMSEA value of >.06 is considered excellent; Hu and Bentler, 1999), with all significant standardized loadings at $p < 0.01$.

SEM was used to test the hypothesized relationships between the independent and dependent variables by discovering the overall model fit and the estimates of all parameters. The hypotheses, concerning relationships among the variables, were tested by comparing two substantive models. First, a hypothesized model was tested that included all hypothesized paths between the organizational environments and the mediator variables, the direct paths from organizational justice and diversity management to performance, paths from organizational justice and diversity management to the individual attribute variables, and paths from individual attribute to performance. The fitness of the hypothesized model was as follows: $X^2 = 59827.44$, comparative fit index (CFI) =.954, Tucker Lewis Index (TLI) =.949, and root mean square error approximation (RMSEA) =.046, $p < 0.01$. Second, model 1 that combined distributive, procedural, and informational justice into one factor was tested. The results were $X^2 = 84564.48$, comparative fit index (CFI) =.904, Tucker Lewis Index (TLI) =.874, and root mean square error approximation (RMSEA) =.102. Third, model 2 was tested that eliminated the path between diversity management effort and PSM. The results were $X^2 = 87622.66$, comparative fit index (CFI) =.891, Tucker Lewis Index (TLI) =.856, and root mean square error approximation (RMSEA) =.109. Two substantive models were both nested within model 1, allowing the use of chi-square difference tests to compare models. The comparison of the models provided insignificant results, indicating the hypothesized model of mediation fit the data acceptably.

Total, direct, and indirect effects on organizational performance

Figure 2 represents the hypothesized model with mediation, specifying paths from organizational justice to PSM and extrinsic motivation, and from PSM and extrinsic motivation to organizational performance. The standardized relative strengths of the direct and indirect paths between the variables were calculated. The results showed that distributive justice was positively associated with PSM ($\beta = .14$, $p < 0.01$), extrinsic motivation ($\beta = .89$, $p < 0.01$), and organizational performance ($\beta = .07$, $p < 0.01$). Procedural justice was found to be positively related to PSM ($\beta = .69$, $p < 0.01$) and organizational performance ($\beta = .02$, $p < 0.01$). Informational justice was positively associated with extrinsic motivation ($\beta = .78$, $p < 0.01$), and organizational performance ($\beta = .61$, $p < 0.05$). Diversity management was positively related to PSM ($\beta = .03$, $p < 0.01$), extrinsic motivation ($\beta = .18$, $p < 0.01$), and organizational performance ($\beta = .06$, $p < 0.01$). PSM was pos-

itively associated with organizational performance ($\beta=.11, p<0.05$) while extrinsic motivation was negatively related to organizational performance ($\beta=-.006$). Thus, research hypothesis 4a was supported while 4b was rejected.

The mediating effects of PSM in the relationships were significantly related between: (a) distributive justice and organizational performance ($\beta=.02, p<0.01$), (b) procedural justice and organizational performance ($\beta=.08, p<0.01$), (c) informational justice and organizational performance ($\beta=.001$), and diversity management and organizational performance ($\beta=.003, p<0.01$). The mediating effects of extrinsic motivation in the relationships were negatively related: (a) between distributive justice and organizational performance ($\beta=-.005$), (b) procedural justice and organizational performance ($\beta=-.005$), (c) informational justice and organizational performance ($\beta=-.004$), and diversity management and organizational performance ($\beta=-.001$). Regarding control variable, supervisory status was significantly associated with organizational performance ($\beta=.09, p<0.05$).

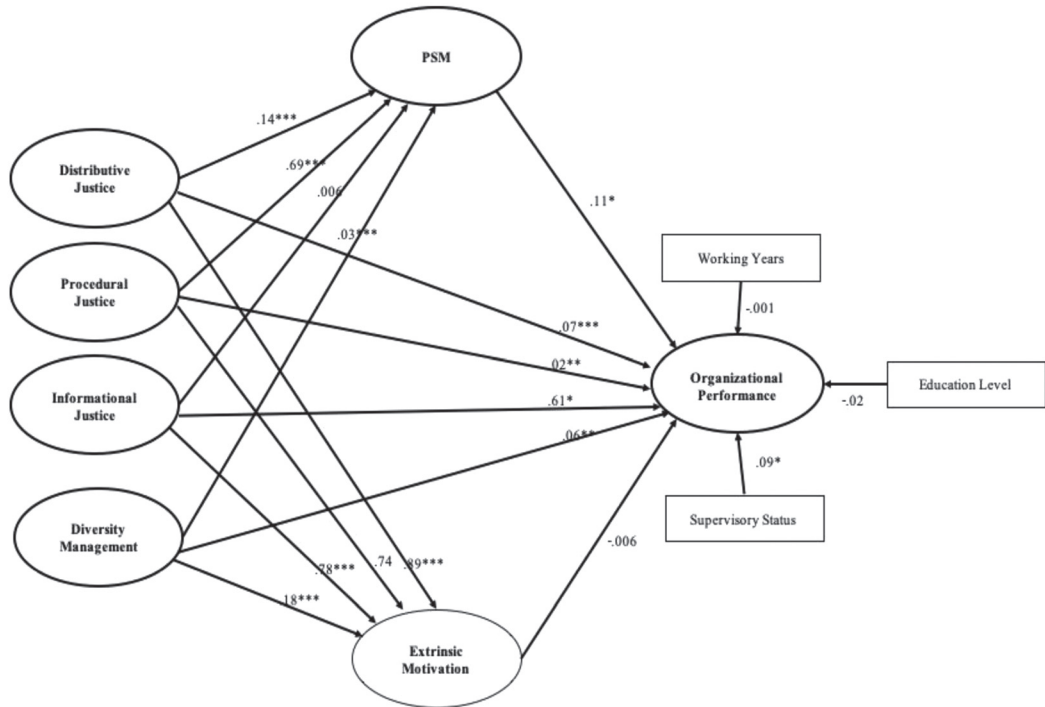


Figure 2. Standardized direct and indirect effects on organizational performance

Notes: * $p < .05$, ** $p < .01$, *** $p = .001$ two tails.

Table provides the total effects of the relationship between organizational environments, individual attribute variables, and performance. The total effects of organizational performance increased when distributive, procedural, informational justice, and diversity management efforts were mediated by PSM and extrinsic motivation. Thus, research hypotheses 5a and 5b were supported.

Table 1

Total effects of SEM

Variables	Public Service Motivation			Extrinsic Motivation			Organizational Performance		
	Direct Effect	Indirect Effect	Total Effect	Direct Effect	Indirect Effect	Total Effect	Direct Effect	Indirect Effect	Total Effect
Distributive Justice	.14	-	.14	.89	-	.89	.074	.010	.084
Procedural Justice	.69		.69	.74		.74	.020	.072	.092
Informational Justice	.006	-	.006	.78	-	.78	.606	.001	.607
Diversity Management	.03		.03	.18		.18	.057	.002	.059
Public Service Motivation	-	-	-	-	-	-	.110	-	.110
Extrinsic Motivation	-	-	-	-	-	-	-.006	-	-.006

Sources: Completed by the author.

Conclusion

Public organizations and public-sector employees have been plagued by bureaucratic red tape since the 1980s. They have been trying to increase their performance to achieve organizational goals through improved managerial practices (Austen and Zacny, 2015). Scholars have found powerful predictors of performance by paying sufficient attention to the dynamics between individual attributes and the organizational environments within the context of the public sector. Organizational justice and diversity management efforts are the most important HR practices because perceptions of fair treatment may encourage employees' behaviors to improve task performance. This study clarifies the effects of three types of organizational justice, diversity management efforts, PSM, and extrinsic motivation on organizational performance.

This study has provided strong evidence that employees' perceptions of organizational justice, such as distributive, procedural, and informational, are powerful predictors of organizational goals (e.g., Colquitt et al., 2013). Furthermore, this study examined the effect of PSM and extrinsic motivation on organizational performance and found that PSM strongly intensifies the positive relationship between organizational justice, diversity management, and organizational performance.

Positive organizational justice may play a significant role in promoting organizational performance. Social Exchange Theory (SET) maintains that reciprocal exchange interactions between individuals and organizations may enhance organizational performance since organizations and individuals have an interdependent and complementary relationship (Brewer and Selden, 2000). When employees who have a high level of PSM perceive the fairness and respect of the organiza-

tional setting and processes, they may perceive that their organization performs well. Even though employees have focused on their performance in the public sector, it is important to develop various dimensions of organizational justice and diversity management efforts.

This study analyzes the relationships between organizational justice, diversity management, PSM, and extrinsic motivation to organizational performance using the 2010 MSPB survey. Multiple regression, CFA, and SEM were used to test the relationship. The findings indicate that organizational justice and diversity management with PSM mediating effects are positively associated with organizational performance. This finding supports previous studies conducted by Rainey (2009) and Gould-Williams (2003) that demonstrate that positive attitudes and higher performance ratings are associated with a high level of PSM. Individuals with high autonomy and discretion in decision making in high-involvement and high fair treatment systems tend to support and facilitate organizational performance (Gould-Williams, 2003). This implies that employees' perceptions of a high level of consistent procedures and efforts for improving equality in training opportunities and job assignments may be associated with positive attitudes towards organizational performance.

This study contributes to the literature by addressing to the dynamics between individual attributes and organizational justice in the public sector. First, even though organizational behavior research is considered to represent a cross-level approach that examines phenomena at the individual, group, and organizational levels, few multi-level studies have employed it. This is problematic for organizational behavior research because the individual employee who typically contributes to the activities of the entire organization plays a key role in both practice and theory (Austen and Zacny, 2015). Therefore, understanding both the organizational environment and individual attribute factors in management studies, especially in the areas of organizational behavior, performance management, and human resource should be considered instrumental for enhancing an employee's motivation and an organization's performance (Selden and Sowa, 2004). Thus, while the importance of considering both individual and organizational-level factors in the study of organizational behavior has been emphasized in performance research, which speaks of this concept as the simultaneity of individual and collective actions, little effort has been made to examine the relationships between the two. This study attempted to assess the linkage at both levels in relation to organizational performance, as the interactions between organizational justice and individual attributes. Second, with the potentially significant impact of organizational performance and HR studies, the question of the dynamics between the organizational environment and individual attributes was examined. Regarding the mediating effects, organizational justice is, directly and indirectly, related to organizational performance. Organizational performance shows the largest total effect when distributive and procedural justice are mediated by PSM. Conversely, informational justice is not significantly associated with PSM and extrinsic motivation but is significantly related to organizational performance. These results provide insights into the role of PSM and extrinsic motivation. A direct relationship between informational justice and organizational performance is significant and higher than total effects of informational justice on organizational performance, which includes mediation variables.

This study has several limitations. First, PSM was measured by the diverse perspectives of employees' motivation, developed by James Perry (Perry and Wise, 1990). Due to the limited amount of data, this study could not fully capture the characteristics of PSM to predict organizational performance. Thus, future research should include the diverse perspectives of PSM to accurately measure PSM. Second, this study comprehensively relies on subjective performance measures to assess the perception of the level of the organizational justice, organizational performance, and extrinsic motivation in their organization. Even though the importance of organizational performance study is widely recognized, a methodological issue in organizational performance research exists due to using the survey questionnaire as a method for data collection (Lee, Benoit-Bryan, and Johnson, 2012). Most organizational studies have employed survey data, which could have built-in problems, such as socially desirable responses, poor instrumentation, and weak construct validity of the survey. It is nearly impossible to detect and reduce these threats unless survey instruments are thoroughly validated and widely used. Thus, there is a need for researchers to consider common source bias. Future research needs to use objective measures to resolve whether subjective measures of performance are valid.

This study, on the other hand, has practical implications. Many leaders only pay attention to the factors directly affecting performance. Cappelli and Sherer (1991) argued that "what is unique about behavior in organizations was presumably that being in the organization – the context of the organization – somehow shapes behavior, and it is impossible to explore that uniqueness without an explicit consideration of the context" (p. 97). That is, managers should focus on the organizational contexts to achieve positive outcomes. Most importantly managers should provide fair and equitable environments to public employees so that public employees feel they are respected in their organization. Furthermore, government managers should have a better understanding of the importance of employees in public organizations, supporting people-centered management. Future research should consider explicating the relationship between individual-level factors and organizational performance.

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