

ROLE OF ORGANIZATIONAL JUSTICE IN FACILITATING LMX AND ITS IMPACT ON PSYCHOLOGICAL WELL-BEING AND CREATIVITY OF EMPLOYEES

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ABSTRACT

It is a well-established fact that psychological wellbeing and creativity plays an important role in improving the employees' performance, which resultantly translates into organizational higher productivity. Psychological wellbeing and creativity of employees is one of the crucial challenges which is faced by organizations. Previous studies have not clearly highlighted impact of fair treatment on mental wellbeing and creativity of employees along with mediating role of LMX. On the basis of Social Exchange Theory and Theory of Relative deprivation, this study examines the direct relationship between organizational justice, psychological wellbeing and creativity, as well as inspects the mediation of leader member exchange between said constructs. Data of 375 employees from educational and banking sector has been collected through online survey facility. The Structural Equation Modeling (SEM) results confirm the impact of justice on psychological wellbeing and creativity of Employees. Results also highlight that there is partial mediation of LMX in the said relationship. Furthermore practical implications for managers, limitations, and future directions are also discussed.

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1. INTRODUCTION

In the era of high competition and higher velocity of change in the business world, companies continuously work on uplifting employees morale by providing a peaceful environment at workplace (Francis and Ming-Li, 2019). For this purpose justice plays a vital role in shaping employee behavior and perception about organizational members. It has been observed that organizational justice is a key model and can act as basic source of outcomes for employees and organization (Xiaofuet al., 2018). Organizational behavior research highlights that fairness of supervisors are strongest indicators of effective and efficient work behaviors and emotions of employees (Wolf and Lawson, 2020). Particularly, employees who believe that their immediate supervisors show organizational justice must possess higher levels of commitment and productivity and have less turnover intention (Rousseau, 2005). Justice refer as an act or behavior which is considered right from

ethical point of view, religion, concepts of fairness, equity and law for both employee and organization (Pekurinen et al., 2017). While organizational justice deals with the ways in which employees perceive whether they are treated with justice and the actions which are responsible for effecting other job related activities (Moorman, 1991). Justice at workplace is often for employee's wellbeing and for organizations profits as well (Swalhi et al., 2017). Zhang et al. (2014) suggested that lack of organizational justice is responsible for creating stress and to job performance.

Organizations are mostly responsible for creating stressful environment for employees at workplace, meanwhile employees create exchange relationships with their organizations and immediate supervisors (Zhang et al. 2014). Studies show strong link between justice and workplace stress. It is generally believed that when employees perceive they have been rewarded justly and fairly for their efforts in organization they will ultimately show better performance and will be more satisfied (Janssen, 2001). While when employees are treated unfairly it proves to be a psychological stressor and has negative effects on employee's physical and mental wellbeing which can turn into negative behaviors (Judge & Colquitt, 2004; Vermunt & Steensma, 2001, 2005). Justice can be thought to be directly a perception from supervisor actions which can lead to employee's performance and organizational outcomes (Van Knippenberg et al., 2007; Long, 2016). So it could be analyzed that a fair leader can lead to create a psychosocial working environment and can protect psychological wellbeing of subordinates (Nielsen, et al. 2018). Employees may show series of negative behavioral reactions due to injustice at workplace e.g. theft, resignations, negative word of mouth, poor performance, damage and negative behavior (Fox et al., 2001; Lilly, 2017).

Justice is linked with positive organizational behavior of employees (Xiaofu et al., 2018). It defines the feelings and perceptions of employees regarding equality in work setting (Greenberg, 1990; Asadullah et al., 2017). It is observed that organizational justice has three basic types e.g. distributive, procedural and interactional justice (Greenberg, 1987). Distributive justice means equal distribution and allocation of resources among employees e.g. salaries and bonuses, while procedural justice concentrates on the fairness and equality of the methods and procedures that have been used to distribute the outcomes. Interactional justice means that supervisors being helpful to subordinates with knowledge and information about job-related decisions and being interpersonal to employees and taking care of their needs (Greenberg, 1993; Niehoff and Moorman, 1993). Interactional justice is important in influencing how employees react to decisions made by the management (Greenberg, 1993). Therefore, interactional justice emphasizes on showing informal and interpersonal behavior of supervisors with the employees in an organization (Cohen-Charash and Spector, 2001).

Leader member exchange along with organizational justice can create positive behavior of employees and can play a role in their effective performance (Elizabath et al., 2018). LMX refers to building a pleasant and informal relationship with mutual trust and respect between organizational leaders and their subordinates (Gerstner and Day, 1997). Social Exchange theory supports this relationship by claiming that employees create emotional connections with their supervisors, coworkers and eventually with the organizations apart from the monetary concerns which only focus on the materialistic resources (Rupp and Cropanzano, 2002). Masterson et al. (2000) proposed that organizational justice may be seen as organizations involvement in exchange relationships that are created from both the employees and managers. Moreover a recent study of organizational justice on SME's propose that simple and practical processes, trust, clear communication, relationships between departments, subordinates and superiors will reduce turnover ratio and cause a comfortable peaceful environment in the workplace (Hadi et al., 2020).

Today's business market is dynamic and organizations get a competitive edge on the basis of creativity and innovations created by employees (West, Hirst, Richter, and Shipton, 2004). Creativity is the establishment of exclusive and unique ideas about products, processes, strategies and services of the organization (Amabile, 1996; Shalley and Gilson, 2004). The nature of LMX seems to be well-matched with creative actions and it is thought to be an essential part of the connection between leader and employee (Graen & Scandura, 1987). While Psychological Wellbeing means when employees can work effectively and efficiently and can have a pleasant ratio between work and family life (Diener et al., 2002). It can also be termed as psychological wellbeing which is most important to live a healthy balanced life. It has also been defined as —an individual's feelings of being healthy, satisfied and even happy about his or her life (Rainey, 1995). Psychological well-being at work has two elements, firstly to which extent employees perceive positive emotions and the secondly how much that perception matters for them to work efficiently (Luthans, 2002). So Psychological well-being can be termed into many other aspects with respect to job, e.g., job satisfaction, positive feelings at work, feelings of liveliness and sense of growth at work (Taneva, 2016). Carol Ryff (1995) claimed that to be psychologically well it is important to be free of stress and mental problems, this concept is highlighted by giving a complex 6 dimensional model of psychological well-being e.g. self-sufficiency, purpose in life, positive relationships,

personal growth, environmental mastery and self-acceptance.

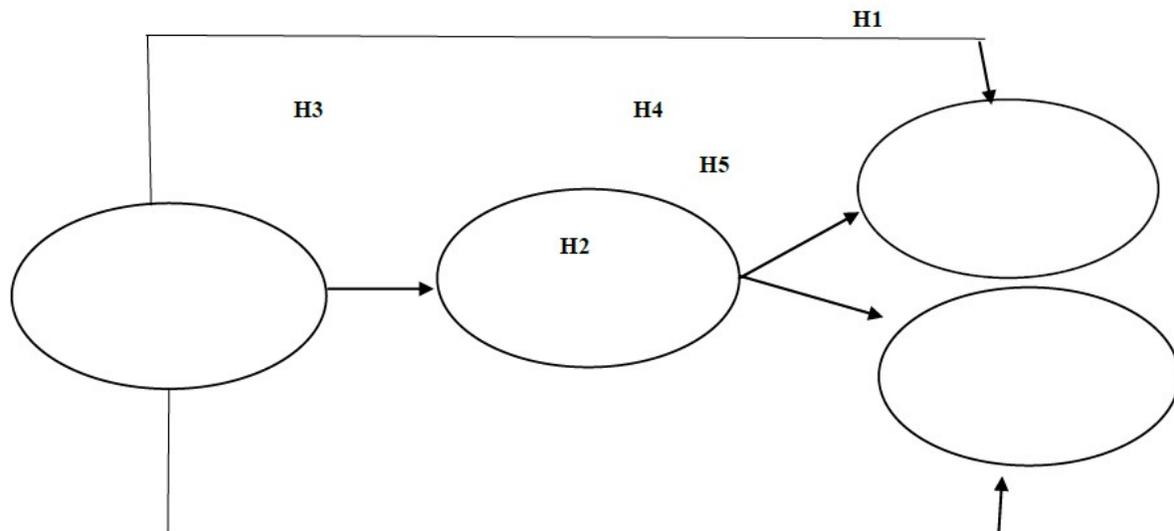
There are many gaps related to organizational justice with respect to organizations. Employees may depict to unfair treatment with series of negative reactions. Theft, withdrawal, resistance, poor performance, destruction, interruption, and low positive behavior (Fox et al., 2001; Lilly, 2017). Organizational justice has also been examined on many criminal justice employee work behaviors by using different measuring strategies and through the help of different sample characteristics. So managers must know how much organizational justice is important and how much does it matter in shaping employees behaviors (Wolf and Lawson, 2020). Lack of organizational justice can create poor performance, stress, depression and mental sickness (Ylipaavalniemi, 2005). Justice on workplace can create perceptions of fairness and equality which leads to psychological wellbeing of employees, which is also called as Psychological Capital (PsyCap). It has six main components e.g. Autonomy, Tenacity, Positive Relationships, Personal growth, Environmental mastery and Self-acceptance. It is thus claimed that there is needed to study the concept with other factors e.g. Leader Member relationship (Francis and Ming-Li, 2019).

Findings from a research on SME's showed that SMEs must improve distributive, procedural, and interactional justice during the process of formulation of policies and right after the implementation, because it has positive impact on job satisfaction, Ethical conduct, fair decision, Affective communication, retention and Commitment (Hadi et.al, 2020). There is a great need for social support, organizational justice and safety of employees to reduce pressures, violence and depression at workplace (Anderson et al., 2019).

Theoretical background and research model

We draw this fig mainly from Social Exchange theory (Sparrowe and Liden, 1997) to recommend a link between Organizational Justice on Psychological Wellbeing and Creativity of Employees and also the mediating role of LMX in this relationship.

Figure 1: Research model



2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

The direct relationship of Organizational Justice and Psychological Well-being of employees.

Organizational justice means perceptions of employees by which they can rationally assess difference between their efforts made in organization and outcomes given in response (JS, 1965). While Psychological well-being can be defined as an individual's insights of being satisfied, mentally healthy and happy about life. In support Self Determination Theory (SDT) recommends that psychological wellbeing is a function of satisfaction of basic psychological needs (Ryan and Deci, 2001).

It can be proposed that perception of justice at workplace plays a major role in shaping employees behavior

and helps to improve healthy relationships with others (Rani, Garg and Rastogi, 2012). Justice at workplace can act as an important analyst not only for employee's mental wellbeing but also for positive psychological health of managers. It has been shown that perceptions of fairness and equality from upper management have direct relation with positive performance and a negative link with psychological discomforts of employees (Mameli et al., 2018). Employees who perceive that they are connected to a supportive, fair and pleasant organization are seen to perform efficiently and effectively, thus can act as strong obstacle for psychological stress symptoms (McGraw et al., 2008). So, it is thus hypothesized, organization justice has significant impact on Psychological wellbeing of employees, which may be stated as under:

H1: Organization Justice has positive impact on Psychological wellbeing of employee.

The direct relationship of Organizational Justice and Creativity of employees.

Organizational justice referred as perceptions of an individual about fairness within the organization (Fabio and Palazzeschi, 2012). Organizational justice is a component of psychological investigation that focuses on perceptions of justice from management and workplace (Byrne and Cropanzano, 2001). While creativity can be termed as creation of unique and innovative ideas for development of organizational products, processes, strategies and services (Amabile, 1983). In today's competitive business world, creativity is one of the basic element growth and updating of business and organization (Gupta and Singh, 2014).

Trust of employees on organizational policies and management decisions creates overall experiences and perceptions about justice (Ozyilmaz et al., 2018). High quality justice and trustful relationship can create regularity and punctuality in employees thus it also lower the rate of absenteeism and can promote creativity of employees (Ozturk and Karatepe, 2018). It has been accepted that innovative work behaviors in organizations are not only the results of individual capacities and characteristics, but are also prominent results of social and emotional stimulus by the organization and its fair decisions (Amabile and Pillemer, 2012). Hence it is hypothesized that Organizational justice has significant impact on Creativity of employees, stated as under:

H2: Organization Justice has positive impact on Creativity of Employees

The direct relationship of Organizational Justice and Leader Member Exchange

Justice perceptions of leader have strong impact on performance of the employees (Rupp et al., 2014; Colquitt et al., 2013). Leader and employee relationships in a firm are usually measured as social exchange and are differentiated from other types of relationships for having hopes of long term, dependent relations that ultimately create trust, give-and-take intentions, and mutual strong bonding (Blau, 1964; Cropanzano and Mitchell, 2005). Research on Justice is based on social exchange theory (Colquitt et al., 2013; Gouldner, 1960; Rupp and Cropanzano, 2002). Two main things are necessary for describing LMX from Social Exchange Theory perspective. Firstly, SE theory explains the nature of this relationship that is about give-and-take and self-motivated thus withdraw from this exchange process is very difficult (Blau, 1964). Secondly, SE theory states another factor which contribute in LMX is the —Justice from leader to followers (Cropanzano, Prehar, and Chen, 2002; Masterson, Lewis, Goldman, and Taylor, 2000). Difference in reward distribution strategy clearly states that LMX along with distributive justice shows an important effect on employee manager relationship (Scandura, 1999; Yukl, 2007). Distributive justice explains the equality of profitable results in terms of cash (Adams, 1965). Distributive justice is also termed as fairness of rewards and it is difficult for developing LMX relations when managers have complete hold and authority on distribution of rewards (Erdogan, Liden, and Raimor, 2006). So it is expected that strong leader member exchange bond leads to higher perceptions of distributive justice (Erdogan and Bauer, 2010). It can also be said that relationship between OJ and LMX is high when member perceive that the distribution of the outcomes to be fair among the organization members. So they will have high standards of trust and respect for their leaders and ultimately will develop high quality of LMX. This reasoning suggests that justice is one of main sources create a bond with LMX relationships. Hence it is hypothesized that organizational justice has positive impact on leader member exchange in an organization. Employees develop a mutual relationship with their immediate supervisor and thus produce useful outcomes for the organization and for them.

H3: Organization Justice has positive impact on Leader Member Exchange relationship.

Leader Member Exchange mediates the relationship between Organizational justice and Psychological

Well-being of employees.

Generally, the workers in an organization used to face role conflicts because their official duties clash with their personal activities even in their non-working time which create conflict in professional and personal life (Greenhaus and Beutell, 1985). These conflicts have negative effects on psychological wellbeing of employees (Allen, Herst, Bruck, and Sutton, 2000; Matthews, Wayne, and Ford, 2014). As Social Exchange Theory has evolved many other theories two of them are most important and most influential e.g. leader-member exchange (LMX) and psychological contract theory (PCT). Leader-member exchange is a type of contract in which leaders and subordinates create a mutual relationship which is beneficial and influential for both of them (Graen, 1976; Graen and Cashman, 1995). High level of LMX cause many positive and useful results for the subordinate for example higher satisfaction with job, dedication, positive psychological wellbeing and lower turnover intentions (Epitropaki and Martin, 2005; Gerstner and Day, 1997).

Many studies focused well-being from a negative point of view e.g. anxiety, frustration, sadness, and stress. While in current study positive wellbeing will be examined by describing wellbeing as a source of positive useful outcomes for organization and for themselves. It is stated that work family conflict is negatively associated to psychological wellbeing and it can be affected by mediating role of LMX. SE theory helps to understand this concept and has capability to join LMX and psychological wellbeing with the support of reciprocal theory. So it can be hypothesized that LMX has significant impact on psychological well-being of employees in an organization.

H4: LMX positively mediate the relationship Between Organizational Justice and Psychological wellbeing of employees.

Leader Member Exchange mediates the relationship between OJ and Creativity

In today's tough business situations creative and innovative task orientation is very much important and it plays a vital role for organizational wellbeing and survival (Herrmann and Felfe, 2013). Creativity states —the creation of innovative and useful ideas by an individual (Amabile, 1988). It can be further explained as the ability of an individual to produce something unique, innovative and trending for capturing all the attentions of potential buyers and sellers in the market (Rank, Pace, and Frese, 2004). Past studies focused on attributes of creativity which may include personal traits and supervisory support for the member (Herrmann and Felfe, 2012; Wang, Tsai, and Tsai, 2014).

This relationship is proved to be more valuable for leader member exchange (LMX) and ultimately responsible for encouraging creativity of employees (Agarwal et al., 2012; Volmer, Spurk, and Niessen, 2012). Thus positive link between member and supervisor and individual's own personality traits can develop and retain the creativity in tasks. As LMX is basically constructed on social exchange theory, so higher level of LMX relations can be defined as mutual trust, devotion and mutual respect. Similarly, lower levels of LMX relationships are termed as lower levels of trust, respect and loyalty with the immediate supervisor and organization (Morrow et al., 2005). Employees who create high quality relations with their bosses are more willing to perform effectively and show creativity in their tasks and activities while employees who fail to build these type of links lose chance to get desired outcomes for personal and organizational growth (Volmer, Spurk, and Niessen, 2012). Additionally, employees who belong to an inspiring working environment along with good LMX bond with their supervisors show creativity and innovativeness in their job related activities (Scott and Bruce, 1994).

Thus, it can be hypothesized that if employees of an organization have leader member exchange with their supervisor they will show creativity and can produce innovative outcomes for the organization.

H5: LMX significantly mediate the relationship between organizational justice and Creativity of employee.

3. METHODOLOGY

Research design and study setting

In this study quantitative research approach was used to empirically test study hypothesis. Data was collected through a survey. Data has been collected from two different sectors of Lahore Pakistan namely education and banking. Target population were employees of these organizations with sample size (N=375). Total number of items of our survey tool were 43. We distributed 500 questionnaires in different organizations.

From 500 we received 375 filled questionnaires. Respondents age group recorded in this study shows that, 41.9 percent (N=157) were in 31-40 years_ age group, 13.9percent (N=52) were having 41-50 years_ age group, 2.9 percent (11) were having 51-60 years_ age group and remaining 2.1 percent (N=8) were having above 60 years_ age group. Respondents were also described in gender, thus 43.2 percent (N=162) were male and 55.5 percent (N=208) were females. The respondent's marital status was also asked because married individuals have dual responsibilities, so 27.2 percent (N=102) individuals were single, 70.4percent (N=264) were married, and .5 percent (N=2) were separated.

Measures

Organizational Justice

Organizational justice was measured by adapting 13 items from (Francis and Ming-Li, 2019). The sample item was, I will receive a formal acknowledgment from my organization if I perform well. These Items were rated by using a five point Like rt scale that ranged from strongly disagree (1) to —strongly agree (5).

Leader Member Exchange

Leader Member Exchange was measured by adopting 7 items from (Graen and Uhl-Bien, 1995). The sample item was —how well does your leader understand your job problems and needs? These Items were rated by using a scale which has different ranking for each item. Scale for first item was rated on 5 responses (1) Rarely to (5) Very Often, second was rated from (1) Not a bit to (5) A great deal, third item was rated from (1) Not at all to (5) Fully, fourth and fifth item were ranked from (1) None to (5) Very high, sixth was rated from (1) Strongly disagree to (5) Strongly agree and seventh item was ranked from (1) Extremely ineffective to (5) Average. The scale had been used most frequently for measuring LMX from organizational point of view.

Items 22 included in this scale give a clear picture of Leader member exchange relationship and thus are precise.

Psychological Well-being

Psychological Well-being was measured by adopting 14 items from (Tennant, 2007). Sample item was — I've been dealing with problems well. These items were ranked by using five point Like rt scales that ranged from

—None of the Time (1) to —All the Time (5). The scale had been prompted in many studies related to mindfulness and well-being of employees in contrast of workplace violence and stress. Moreover, this the shortest scale to measure both Hedonic and Eudemonic wellbeing of employees.

Creativity

Creativity of employees was measured by adopting 9 item scale by Ettlíe & O_Keefe (1982). The sample item was —I can try out new ideas and unique ways to solve problems. These Items were rated by using a scale that ranged from —strongly disagree (1) to —Never (1) to Very Often (5). The scale was revised from creative performance which was evaluated from employer point of view. Here in this scale employees will be able to evaluate their own perceptions from creativity point of view.

Control variables

We introduced demographic variables such as gender, age, and tenure as control variables to rule out the possibility of such variables affecting the links among the variables of interest.

4. RESULTS ANALYSIS

Descriptive statistics, common method variance, and reliability and validity test

Table 1 presents descriptive statistics, reliability and correlation test results. We used the Harman single factor test (Podsakoff et al., 2003) for this study. All scale items were loaded into a single underlying variable that explains 34.036% of the total variance, which is below the 50% threshold, indicating that there is no common bias error (Mattila & Enz, 2002). All items of scale shows good internal consistency, as Cronbach's alpha is greater than 0.70 (Fornell & Larcker, 1981; Nunnally & Bernstein, 1994). Multicollinearity is not an issue as the correlation among study variables is less than 0.70 (Tabachnick & Fidell, 1996).

Table1: Descriptive Statistics and Correlations

M	SD	1	2	3	4	5	6	7	8	9	10	
Gen	1.56	0.49	-									
Age	2.85	0.94	-.120*	-								
MS	1.73	0.45	-0.04	.299*	-							
Qual	2.70	0.66	0.080	.143*	0.033	-						
Inc.	3.19	1.11	-.280*	.310*	.212*	.333*	-					
Exp.	3.29	0.81	-.125*	.345*	.276*	.102*	.345*	-				
OJ	2.92	0.78	-0.091	.122*	-0.086	0.072	0.099	.135*	(.894)			
LMX	2.88	0.70	0.017	.176*	0.071	.221*	.172*	.131*	.479*	(.736)		
PW	3.09	0.80	-.163*	.178*	-0.040	.155*	.256*	.134*	.682*	.563*	(.908)	
CR	3.05	0.92	-.137*	.216*	-0.028	.218*	.309*	.166*	.602*	.520*	.751*	(.909)

According to Anderson and Gerbing (1988), the measurement model is a prerequisite to testing the structural model. In this study, proposed 4-factor model results indicate good fit values ($\chi^2 = 567.772$, $df = 288$, $\chi^2/df = 1.971$, $RMSEA = 0.057$, $CFI = 0.92$, $NNFI = 0.91$) that meet the criteria of suggested standard values ($\chi^2/df < 3$, $RMSEA < 0.08$, $CFI > 0.95$, $NNFI > 0.95$) (Bagozzi & Yi, 1988; Browne & Cudeck, 1993; Hu & Bentler, 1999). Additionally, a comparative fit index (CFI) and a non-normed fit index (NNFI) value should be ≥ 0.90 to be acceptable (Cheung & Rensvold, 2002). As shown in Table 2, a single-factor model provides a poor fit ($\chi^2 = 2180.390$, $df = 299$, $\chi^2/df = 7.292$, $RMSEA = 0.145$, $CFI = 0.423$, $NNFI = 0.373$). Hence, we retained the proposed 4-factor model as it indicates the best fit values.

Confirmatory factor analysis results

Variables	χ^2	Df	Ratio χ^2 / df	CFI	NNFI	RMSEA
(OJ, LMX, CR, PW)						
1-factor model ^a	2516.735	860	2.926	0.761	0.749	0.072
2-factor model ^b	2342.046	859	2.726	0.786	0.775	0.068
3-factor model ^c	1993.882	859	2.321	0.836	0.828	0.059
4-factor model ^d	2063.891	859	2.403	0.826	0.817	0.061
5-factor model ^e	1612.395	854	1.888	0.900	0.900	0.049

a. OJ, LMX, CR and PW all combined as one-factor
 b. OJ, LMX and CR in a single factor, PW in a single factor
 c. OJ in a single factor, and LMX, CR and PW in a single factor
 d. OJ & LMX in a single factor, and CR & PW in a single factor
 e. OJ in a single factor, LMX in a single factor, CR in a single factor, and PW in a single factor

Data analysis

For analysis we used the Statistical Package of social sciences (SPSS 22) and Analysis of a Moment Structures (AMOS 22) to test our study hypotheses through Structural Equation Modeling (SEM). We tested the mediation effect through the direct and indirect path (Iacobucci et al., 2007) by using the bootstrapping technique (with 10,000 bootstrap samples and CI of 95%). The results show that the model has satisfied the criteria of good fit

$$(\chi^2 = 1628.760, df = 852, \chi^2/df = 1.912, RMSEA= 0.049, CFI=0.900, NNFI=0.900).$$

5. RESEARCH RESULTS

Table 4 shows the results of our analyses aimed at testing the hypotheses. It seems that organizational justice is positively linked to Psychological wellbeing of and the relation is statistically significant ($\beta= 0.516$ $p>0.05$), which properly support Hypothesis 1. Results of this study support Hypothesis 2 organizational justice positively linked to creativity of employees ($\beta= 0.563$, $p<0.05$). Results also give support to Hypothesis 3: OJ is positively related LMX ($\beta=0.539$, $p<0.05$). Results also support Hypothesis 4, LMX has a mediating impact on the relationship between OJ and Psychological wellbeing of employees ($\beta=0.551$, $p<0.05$). While Hypothesis 5, LMX mediates relationship between OJ and Creativity of employees shows partial mediation ($\beta= -0.706$, $p<0.01$).

Table 4: Structural model results

Hypotheses	Hypothesized Paths	(β)	t-value	P-value
H1	OJ→PW	.516	6.609	***
H2	OJ→CR	.563	6.002	***
H ₄	OJ→LMX	.539	6.576	***
H5	LMX→PW	.551	5.940	***
H	LMX→CR	-.706	5.940	***

OJ=Organizational justice, CR=Creativity, PW=Psychological wellbeing, LMX=Leader member exchange

Table 5 (OJ-LMX-PW) Direct and indirect path coefficient of mediation

Bootstrap BCa 95% CI				
	Estimate	Lower	Upper	P
Direct effect of organizational justice	.516	.083	.750	.15
Indirect effect of LMX	.297	.169	.750	.00

BCa: bias-corrected and accelerated bootstrapping confidence intervals. Estimate based on 10,000 bootstrap samples.

Table 5 (OJ-LMX-CR) Direct and indirect path coefficient of mediation

Bootstrap BCa 95% CI				
	Estimate	Lower	Upper	P
Direct effect of organizational justice	.563	-.036	.851	.15
Indirect effect of LMX	.381	.196	1.050	.00

BCa: bias-corrected and accelerated bootstrapping confidence intervals. Estimate based on 10,000 bootstrap samples.

6. DISCUSSION

Organizational justice is associated with mutual relationship between an employee and organization. There are three main measurements of organizational justice namely distributive, procedural and interactional justice. There are many positive effects of OJ on wellbeing of employees i.e. Commitment, satisfaction, trust, mental wellbeing and creative performance. OJ also creates trust, confidence, team work and positive behavior. Results of our hypotheses shows that OJ is certainly an important factor in shaping employees positive thoughts for their job and for organization's ultimate goals. It plays a dynamic role for making employees feel comfortable, satisfied and being treated with equality. Perceptions of justice enhance employee's mental wellbeing and play a vital role for their work-life balance. When employee will be mentally fit, they will be more passionate to take challenges whole heartedly and confidently on workplace as well as in personal lives.

Psychologically wellbeing on workplace act as catalyst for making employees work effectively and efficiently. In this way employees are more open and enthusiastic to work on new projects and show their Creativity and innovative work behavior. Creativity basically comes from a healthy mindset and when an employee perceives fairness on workplace, employee will get positive thoughts and less stress in daily tasks and activities. It was hypothesized that LMX act as mediator between OJ, Psychological wellbeing and Creativity of employees. When justice is not being served in any organization employees got victim of stress, bullying and burnout on workplace and thus feelings of being treated unfairly leads to mental destruction for employees. In these scenarios employees can't work effectively and can't produce creative idea. Ultimately these situations will damage the wellbeing of organization as well. Data Analyses of 375 employees representing 15 organizations of different sectors shown that higher levels of organizational justice can highly impact psychological wellbeing and creativity of employees. By using Structural Equation Modeling (SEM) H1 shows positive significant relationship and it has been accepted that Organizational Justice has positive impact on Psychological wellbeing of employees. H2 also shows positive relationship between variables and hence it is verified that Organizational Justice has significant impact on creativity of employees.

In this study H3 also got support and highlights positive relationship between OJ and LMX, depicting that Organizational justice has positive effect on Leader-Member-Exchange relationship between a supervisor and subordinate. Hypotheses got support in this study depicting organizational justice along with its three dimensions has significant/ positive effect on It eventually depicts that employees perceiving higher levels of justice are appeared to be mentally fit and can work creatively on their job thus can produce fruitful results for the organization as well. This is basically a reciprocal concept and the study hypothesis were also build on Theory of reciprocity.

When employees perceive standards for promotion/demotion, transmission, firing, incentive, and punishments to be just, they seem to accept organizational decisions and policies more happily. Those who cultivate strong bonds with organization become much devoted, satisfied and loyal with organization. While the results of mediation between OJ, LMX on creativity and psychological wellbeing of employees show partial mediation effect. H4 and H5 have been partially accepted. Results show has LMX partially mediate the relationship between OJ and Psychological Wellbeing of employees, thus H3 got the partial acceptance. Likewise results shows that LMX partially mediate the relationship between OJ and Creativity of employees, which means H5 also got partial acceptance in this study.

Theoretical and practical implications

Results of the current study recommend many practices that organizations and managers should implement to encourage employees wellbeing and growth of the company. There should be fair distribution of resources and outcomes. All the procedures and methods must be fair enough to follow merits for each activity. Rewards and penalties must be fair so that no one feels unfair treatment. Moreover, managers must try to explain clearly the reasons and justification behind disciplinary action policies. The current set of study adds knowledge to the literature. The study gives a new outlook about justice in organization along with mediating role LMX and its impact on psychological wellbeing and creativity of employees on workplace. Moreover, the study also confirms past results by showing that organizational justice has a positive impact on psychological wellbeing and creativity of employees.

Limitations and future directions

This study has some limitation. Self-reported data has been collected from employees of 15 different fields and organizations. We accept the probability that employees may have exaggerated or deflated some of the responses. This is a key reason for biasness which may affect the interpretations in this study. Moreover, due to limited resources maximum data has not been collected for analyzing the concept. Another limitation in this study was that Organizational Justice is a sensitive topic for all the organizations and perceptions of justice may differ in different scenarios, quantitative study may not justify the benefits and damages which can be drawn from this concept.

Further this study has been conducted on different sectors and has targeted various types of employees from different organizations. Due to limited approach, on creativity data has been collected from employees, they self-reported their perceptions of creativity which may be unfavorable or cause biasness in this study. The study ensures secrecy of respondents while giving their responses it may cause common method variance that may damage consistency of the acquired results. Future research should work precisely on a specific sector and evaluate findings from both quantitative and qualitative means. Future research may also work on dyadic relations and data on creative performance must be collected from supervisors to avoid biasness. It should also be discovered that how other hidden factors such as involvement in the decision-making process, job stress, and contextual traits may impact employee's perceptions of fairness, jobs satisfaction and commitment in the workplace.

Results also suggested that justice alone is not enough for employees to create successful working relationships or to encourage the members in extra-role activities. Since improvement of interpersonal relationship can impact employees' attitudes and performances, practitioners and management should give more importance on the overall organizational communication rather than depending supervisors to act as organizational messengers and they should raise a positive workplace to encourage discretionary behaviors.

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