Organizational Justice and Socialization in a Franchising Context: Factors Influencing Hourly Workers’ Intent to Stay

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Abstract
The fast food industry has significant presence in the areas of employability, economic generation, and human resource capability. With over 240,000 locations in the U.S. and billions in sales, it is one of the world’s most accessible employers and is often categorized as a small business enterprise due to clusters of locations and startups being owned by entrepreneurial franchisees. Businesses grapple with employee retention particularly in this sector. This study identifies links among demographic variables, ratings of organizational justice, and organizational socialization as predictors for hourly fast food workers’ intentions to stay with their employers. Hourly employees (n=821) in 61 restaurants were surveyed and analyzed using ordinary least squares and multilevel statistical methods. Older workers, primary wage earners, and those who rated distributive and interactional justice relatively high had greater intentions to stay with their employer. Given high turnover in the restaurant and particularly the fast food industry, this work will be of interest to small business restaurant owners and fast food franchise owners.

Keywords: Organizational Justice; Organizational Socialization; Intent to Stay

Introduction
The fast food industry occupies a significant presence in the areas of employability, economic generation, and human resource capability. With over 240,000 locations in the United States and sales of over $206.3 billion in 2016 (Statista, 2016), the quick service food industry is one of the world’s most accessible employers. Often comprised of fast food franchise chains (e.g., McDonald’s, Burger King, Wendy’s, Taco Bell, KFC), these restaurant operations focus on high

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volume, high speed, and low cost. While development in product design and technology has created strategic advantages, with close to 14.7 million employees (National Restaurant Association, 2016), this remains an industry driven by its people. Notwithstanding, stigmatized with a reputation for minimum-wage jobs, less than desirable conditions, and limited opportunities for growth, the fast food industry continues to struggle with an annual turnover rate upwards of 110% (Sullivan, 2016).

There is little debate amongst human resource professionals that it is much more productive and less costly to retain the current workforce than to recruit, select, and train new employees. A paucity of empirical research, however, remains with respect to hourly workers (Hoisch, 2001; DiPietro et al., 2007). In one of the more recent studies of employees in a leisure and hospitality industry in general, however, Hausknecht, Rodda, and Howard (2009) identified 12 crucial retention factors. Analyzing data by employee position, they found hourly workers’ decision to stay was motivated more by extrinsic rewards (e.g. pay, flexible work hours) than relational factors such as advancement opportunities, job satisfaction, organizational justice, organizational prestige, and organizational commitment. As job level increased, relational factors took on more importance for employees in this study of the hospitality industry. The Hausknecht et al. study provided useful insight on why employees stay in the role and offered a solid theoretical base upon which to drill down into the small business realm of quick service restaurants. While Hausknecht et al.’s (2009) study examined organizational justice, the role of organizational socialization was not considered. Notwithstanding, in smaller franchisee-based business units who routinely employ between 15–45 employees, organizational socialization processes could play an important role in retaining hourly employees, as could organizational justice, and employee demographics, as identified previously. The role of extrinsic rewards for hourly employees in the Hausknecht et al (2009) study could be slightly overstated, especially in light of the potential role of socialization processes in place within unique, smaller units (McGeehan, 2015; White, 2013). Scholars in the hospitality sector routinely call for empirical research to identify both the visible and invisible factors that influence retention (such as the role of socialization), as greater understanding of these predictors for hourly employee intent to stay could enhance satisfaction and reduce turnover (Kim & Jogaratnam, 2010; Koutroumanis, Alexakis, & Dastoor; 2015). Unfortunately, this line of research remains scarcely documented and little explored.

The purpose of this study was to explore the potential relationship direction of organizational justice, organizational socialization, and demographic characteristics with intent to stay amongst quick service hourly workers. We expand the study Hausknecht et al.’s (2009) by including visible and invisible factors and focusing on the experience of hourly workers who make up the majority of all new hires within the hospitality sector. This work unfolds in four main sections. First, we detail the literature around individual demographic characteristics, organizational justice, and organizational socialization alongside intent to stay and situate our hypotheses within that literature. Second, we detail the methodology and results of the study, followed by a discussion and implications of our findings.

**Literature Review**

Organizational justice and organizational socialization provide a useful lens to examine employees’ intent to stay and could suggest another perspective to retain valuable hourly employees (Hausknecht et al. 2009). We first review literature that speaks to the importance of
individual demographic factors and those characteristics influence on retention. We then highlight the scholarship around organizational justice and organizational socialization in the hospitality field.

Demographic Characteristics
While early research indicated that demographic variables could influence employees’ intentions to quit (March & Simon, 1958; Martin, 1979), more recent studies have shown that such variables have only modest impact on turnover (Griffeth, Hom, & Gaertner, 2000; Morrell, 2016). A frequent argument in the quick service industry is that the majority of fast food workers are teenagers making spending money or saving for college; however, this assumption does not match recent research reports. Mainstream media indicate that roughly 2.3 million non-managerial employees at the 10 largest fast-food companies, representing approximately 68% of all hourly workers, are actually the primary wage earners in their family (White, 2013). Additional reports have suggested that 70% are women over the age of 20, more than two-thirds are the primary wage earner, and 26% are raising a child (McGeehan, 2015). Being the primary wage earner is a potentially game-changing, yet understudied demographic variable, and it is plausible to expect primary wage earners would be more concerned about job security, and therefore, have a higher intent to stay in their role. In work by DiPietro et al. (2007), sufficient pay kept hourly workers from seeking other viable employment. A key finding in work by DiPietro et al.’s (2007) included the number of gaps between what hourly employees valued and what they actually experienced in their jobs. Paired with being a primary wage earner, pay becomes a potentially powerful motivator with an employee’s intent to stay.

Studies in the hospitality arena have, however, focused more acutely on managers as opposed to hourly employees (Milman & Dickson, 2014). A study of managerial intent to stay by Severt, Xie, & DiPietro (2007) in a foodservice environment proposed a model, whereby individual factors (job status, service length, age education level, and position), and organizational factors (job characteristics, intrinsic motivation, perceived formalization, participative decision-making, and psychological stress) influenced intent to stay. With respect to those individual factors, Severt et al. (2007) and DiPietro (2017) found that older managers, those with more education, and those with longer length of service were more likely to stay. Because hourly workers represent a woefully understudied population in parallel to research on managers, we wondered what individual variables could be associated with hourly workers’ intent to stay in quick service restaurants. Grounded in the work of Niehoff and Moorman (1997) and Chao, O’Leary-Kelly, Wolf, Klein, and Gardner (1994), we consider the roles of organizational justice and organizational socialization, in addition to individual demographic variables.

Organizational Justice
Organizational justice has been the subject of much research since Greenberg (1987) first described the concept as an “individual’s perception of, and reaction to fairness in an organization” (p.10). Often referred to as “work-place justice” or fairness, organizational justice focuses on how employees perceive they are treated by peer employees, policies, as well as management (Colquitt, Conlon, Wesson, Porter, & Ng, 2001). This multi-dimensional construct has been defined in the literature as consisting of three components: distributive justice, procedural justice, and interactional justice (Colquitt et al., 2001; Carrell & Dittrich, 1978).
Distributive justice (Homans, 1961) refers to the perceived fairness of outcomes such as pay selection or promotion decisions (Cohen-Charash & Spector, 2001; Colquitt, Greenberg, & Zapata-Phelan, 2005). Procedural justice contrasts with distributive justice (i.e., the actual fairness of the outcomes) by focusing on the process by which allocations are made (Cohen-Charash & Spector, 2001). The perceived fairness of the process by which outcomes are achieved is critical to the process of perceived justice. Interactional justice refers to the relationship between the supervisor and employee; it relates to the aspects of the communication process (Cohen-Charash & Spector, 2001).

Prior studies have linked distributive justice to job satisfaction (Moorman, 1991), intent to stay, and evaluation of supervision (Fields, Pang, & Chiu, 2000). In the hospitality industry, a study of hotel employees found distributive justice to be less critical than procedural justice (Fulford, 2005), a finding very much in line with previous research (Greenberg, 1987; Moorman, 1991; Eib et al., 2017). In Nadiri and Tanova’s study of hotel employees (2010), however, while procedural justice was predictive of turnover, it was not as salient as distributive and interactional justice, leaving some question as to which of the three justice domains was most crucial for hourly workers. In a recent study of restaurant employees in Korea, Lee et al. (2015) also found distributive justice to play a critical role in building affective trust in the supervisor. Specifically, Lee et al. (2015) indicated that employees who perceived fair treatment from their supervisors were more likely to reciprocate that treatment – an indication of the development of trust – and distributive justice was critical in the development of affective based trust in supervisors. Lee et al. (2015)’s finding is linked to the idea that when employees perceive equity between their efforts and outcomes, they are likely to develop trusting relationships with their employers. Conversely, employees who do not believe outcomes match their devotion to their jobs tend to lack trust in their work-based relationships with supervisors. These conflicting findings regarding which dimensions of justice are most salient suggest additional research is needed to help provide clarity to those practices most influential to employees’ perceptions of justice. In our review of the literature, only one study could be located that examined organizational justice and franchise workers. Mishra, Mishra, and Grubb’s (2015), study of fast food hourly workers examined different dimensions of organizational justice and the influence on intent to stay. Mishra et al.’s (2015) research suggested that trust played a key role in perceptions of organizational justice and retention. Connected to previous research, the authors found the relationship between different dimensions of organizational justice and commitment was moderated by employees’ trust in management. Significant relationships were indicated between procedural justice and normative commitment, distributive justice and normative commitment, distributive justice and affective commitment, and interactional justice and affective commitment. Grounded in this work, it seems possible that organizations could significantly influence turnover through organizational justice efforts such as putting fair, transparent, and consistent business practices into place, including equitable reward systems that include all levels of employees, not just managers.

Organizational Socialization
Defined as the process of “learning the ropes,” or being taught what is important in the workplace, the construct of organizational socialization affects employee loyalty, commitment, productivity, job satisfaction, trust, organizational commitment, person-organization fit and lower intent to quit (Kammeyer-Mueller, Wanberg, Glomb, & Ahlburg, 2005; Kramer & Tyler, 1995; Ostroff & Kozlowski, 1992; Schein, 1998; Vazifehdust & Khosrozadeh, 2014). Given the unstable social
structure of the fast food industry with extreme rates of turnover (e.g., 110%; Sullivan, 2016), organizational socialization is relevant to work environments.

The process of socialization occurs when an individual leaves a familiar environment and enters a new company, whether another part of the business or another organization altogether. The concept of organizational socialization “focuses clearly on the interaction between a stable social system and the new members who enter it. The concept refers to the process by which a new member learns the value system, the norms, and the required behavior patterns of the society, organization, or group which he is entering” (Schein, 1988, p. 54).

Numerous scholars have researched the concept of socialization in a variety of settings and contexts complimentary of the setting for the current study (Saks & Ashforth, 1997; Goldstein, 1989; Falcione & Wilson, 1988; Lester, 1987; Bufquin et al., 2017). In their study of hourly employees at theme parks locations, for example, Milman and Dickson (2014) found five variables to predict likelihood to stay, one of which was positive socialization experiences through introductory training classes. Introductory orientations and training have been reliably found to be a main process of socialization for newcomers in organizations (Saks, 1996; Goldstein, 1989), and may also be perceived by employees as a form of organizational justice and organizational commitment (Milman & Dickson, 2014).

Organizational socialization also refers to the relationships that employees have at work and how those relationships affect employees. In this context, Louis (1980) defined “learning the ropes” as “a process by which an individual comes to appreciate the values, abilities, expected behaviors, and social knowledge essential for assuming an organizational role and for participating as an organizational member” (p. 229). This definition expanded the role of organizational socialization from learning the actual job to understanding the extent to which an employee is socialized within the organization, making it a much broader, more inclusive construct. To support this expansion, Chao et al., (1994) surveyed working professionals to determine the effect of socialization on career outcome roles and found that socialization changes were influential to changes in career outcomes. This work substantively added to the human resource field by expanding on the traditional definition of socialization from how newcomers learn to a more expanded notion of what socialization means to an established employee (Chao et al., 1994). Current studies such as Fang, Duffy, and Shaw (2011) and Korte & Lin (2013) also highlight the role of organizational socialization in regards to learning tactics, effective career mobilization, and networking.

Nearly half of all new fast food hires in entry-level jobs leave within one year (Dike, 2012). Grounded in the organizational justice and organizational literature, an employee’s first few days on the job are critical for successful socialization into the organization. Due to the expanded influence of socialization from a new employee to a broader-based organizational level indicator – including the social relationships with work groups – it seemed reasonable that positively perceived levels of organizational socialization would share some relationship with an employee’s intent to stay. That is, being considered one of the gang would positively influence an employee’s decision to stay. While well-grounded conceptually, the expanded understanding of organizational socialization has been little explored empirically within the fast food industry.
Within the context of the reviewed literature, this study was guided by two broad research questions:

(1) For hourly U.S. fast food employees, what is the relationship between (a) age, (b) sex, (c) job tenure, (d) level of education, and (e) primary wage earner status to the outcome variable intent to stay on the job?

(2) For hourly U.S. fast food same restaurant chain employees, after controlling for demographic variables, what is the relationship between the predictors (a) distributive justice, (b) procedural justice, (c) interactional justice, and (d) organizational socialization to the outcome variable intent to stay on the job?

Methodology

Participants in this study were all hourly employees who worked at fast food restaurants in a 4,000+ franchise chain in the United States (US). Following Dillman’s Tailored Design methodology (Dillman, Smyth, & Christian, 2009), the survey was sent to 100 fast food restaurants. A stratified sampling process was used (Howell, 1999) to ensure that participating restaurants would be geographically dispersed.

The sampling unit for the study was the restaurant. Two variables were used to sample from the population of U.S. restaurants: (a) restaurant ownership status (two levels: franchise-owned or company-owned), and (b) geographic region representing the U.S. (seven levels for franchise-owned, six levels for company-owned).

The process for selecting franchise-owned restaurants was as follows. First, a list was created of all the franchise owners within each of seven regions. Second, several franchise owners were randomly selected within each region, in proportion to the number of restaurants in that region. For example, the region with the highest number of restaurants yielded five franchise owners and the region with the smallest number of restaurants yielded two owners. The third step of the process required the owner to select at least two restaurants for participation—those deemed to be most representative of the restaurants owned by the franchisee. The end result was a geographically representative sample of restaurants, ranging from 11 restaurants in the most populous region to 4 in the least populous region, for a total of 50 franchise-owned restaurants.

Company-owned restaurants were selected in the following way. First, lists were created of the restaurants in each of six regions. Second, restaurants were systematically selected within each list, in proportion to the number of restaurants in the region. After randomly selecting a starting point, every nth restaurant was selected, where n represented the number of restaurants sufficient to represent the region. The end result was a geographically representative sample of restaurants, ranging from 16 restaurants in the most populous region to 6 in the least populous region, for a total of 50 company-owned restaurants.

The variable restaurant ownership status was used as a predictor variable in subsequent statistical analyses since it was a major consideration in selection of restaurants. Furthermore, ownership status was considered a potentially relevant variable in terms of the organizational attitude variables measured in the study.
All hourly employees at these franchise restaurants had the opportunity to voluntarily participate in the confidential anonymous study during their regularly scheduled work time although there was no requirement for participation. To ensure equal access, paper surveys were used to ensure coverage as not all locations have computer access available for hourly employees. The survey was provided in both English and Spanish, and a professional translator fluent in both English and Spanish languages translated the Spanish version from the original English version. The researchers in this study had no direct contact with participants at any time during the study.

The franchise restaurants in this study averaged 18 persons who were hourly team members. Thirty surveys (20 in English and 10 in Spanish), were sent to each restaurant. A total of 76 restaurants returned their packets representing 935 respondents. On average it was reported that it took approximately 10 minutes to complete the survey. In sum, 935 employees elected to voluntarily participate in this study, representing a 76% response rate at the restaurant level and an estimated individual employee response rate of 51.9%.

**Measurement of Key Variables**

The survey instrument used in this study included questions adapted from previous studies. Each scale used was a self-reported measure that required respondents to answer questions about their perceptions of work, their work culture, and future intentions. All measures were scored using a 5-point Likert continuum from 1 (strongly disagree) to 5 (strongly agree). Results of each scale were calculated by averaging the responses to the items. The major constructs measured were: (a) organizational justice, (b) organizational socialization, and (c) intent to stay.

Organizational justice was measured using Niehoff and Moorman’s (1993) Organizational Justice Scale, which included three subtypes of justice: distributive justice, procedural justice, and interactional justice. Distributive justice was measured with a five-item scale measuring perceived fairness in the workplace. One item was: “I think my level of pay is fair.” Procedural justice was adapted from a five-item scale dealing with procedures used by managers in arriving at decisions. An example was this item: “Job decisions are made by the general manager in an unbiased manner.” The last dimension of organizational justice—interactional justice—was measured by a five-item scale having items that assessed how employees felt they were treated by their manager. An example response was “When decisions are made about my job, my general manager treats me with kindness and consideration.”

The Organizational Socialization measure was a seven-item scale adapted from Chao et al. (1994). The Chao et al. scale (1994) was specific to the expanded conceptualization of organizational socialization and required respondents to think about not only their socialization to work-based customs and norms, but also the relationship to their work group and co-workers. Consistent with the literature on organizational socialization, we were not interested in the power dynamic or interplay of socialization with a supervisor, as that was sufficiently measured by the organizational justice scale deployed; rather, in line with the original intent by Chao et al (1994) as well as Schneider, González-Romá, Ostroff, and West (2016) and Zhu, Tatachari, and Chattopadhyay (2016), the focus of this variable more carefully considered the broad organizational level indicator of organizational socialization. Example items from the study included questions related to co-workers (i.e., “I do consider my co-workers as my friends”) as well as customs and norms (i.e., “I know the organization’s long-held traditions”).

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Intent to stay (ITS) was measured using items from Hoisch’s (2001) two-item scale and Kraut’s (1975) single item question (ITS-1): “If you have your way, will you be working for Fast Foods one year from now?”

Analysis of the three-item scale resulted in a Cronbach alpha reliability coefficient of .59. We judged this to be lower than acceptable for using the scales average as the dependent variable. We revised our measurement approach to use the same items, but in a different configuration than originally planned since there was previously established a predictive linkage between an employee’s intention to stay and actual turnover (Kraut, 1975); this made the item very relevant for the goals of the study. The two remaining items measuring intent to stay (ITS-1 and ITS-2) had a Cronbach alpha coefficient of .70 when used together, providing evidence sufficient to justify averaging them to create a secondary measure of intent to stay (Nunnally & Bernstein, 1994). This measure was somewhat more indirect than the one-item measure since the items addressed either past behavior (person considered quitting) or current opinion (person believed better jobs are available) rather than the likelihood of future employment with the company. However, the items were clearly relevant to the employees' state of mind regarding intention to stay or to leave. Furthermore, the intent to stay (one-item and two-item scales), were themselves positively related to one another (r = .26). Hence, for this analysis we opted for the two-item measure due to scale validity concerns with a one-item measure. See Table 1 for complete details.

<table>
<thead>
<tr>
<th>Variable</th>
<th># of Items</th>
<th>Cronbach α</th>
<th>Mean</th>
<th>S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributive Justice</td>
<td>5</td>
<td>.82</td>
<td>3.67</td>
<td>.79</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>5</td>
<td>.87</td>
<td>3.77</td>
<td>.82</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>5</td>
<td>.91</td>
<td>4.03</td>
<td>.81</td>
</tr>
<tr>
<td>Org. Socialization</td>
<td>7</td>
<td>.82</td>
<td>4.01</td>
<td>.66</td>
</tr>
<tr>
<td>Intent to Stay (3-items)</td>
<td>3</td>
<td>.59</td>
<td>3.81</td>
<td>1.15</td>
</tr>
<tr>
<td>Intent to Stay (2-items)</td>
<td>2</td>
<td>.70</td>
<td>3.36</td>
<td>1.14</td>
</tr>
</tbody>
</table>

*Notes. N = 935.*

**Results**

Individuals in the study were not completely independent of one another since respondents were employed in fast food restaurants, the latter of which represented naturally occurring clusters of subjects. As a consequence, statistical techniques that allow the modeling of clustered data were employed. The research questions for the study were addressed using multilevel analyses (Raudenbush & Bryk, 2002), with data from employees (level 1) nested within the restaurants (level 2) where they worked. However, data were also analyzed with ordinary least squares (OLS) regression of level 1 responses. This was done for two reasons. First, while multilevel modeling resulted in a number of level 1 variables showing significant between-restaurant variance, attempts at modeling this variance with level 2 variables were generally unsuccessful. Thus, the restaurant level was overshadowed in importance by the individual level data. Secondly, multilevel models showed similar results as OLS models. The latter can be communicated in a straightforward manner, so were used as the main vehicle of reporting. Concerns regarding group level effects were examined using multi-level analysis. A one-way random analysis of variance (ANOVA)
revealed that about 6% of the variance in the dependent variable was between restaurants (intraclass correlation coefficient = .057). Since this analysis did not significantly change the findings and the variance explained was low, the unit level analysis is presented for ease of interpretation.

Analyses were restricted to 61 fast food restaurants having at least 9 respondents. The total number of respondents from the 61 participating fast food restaurants was 821. The average number of respondents per restaurant was 13.5, with numbers of participating employees ranging from 9 to 27. The ownership status of restaurants was well-balanced: 31 were company-owned and 30 were franchise owned.

We first explored the data using descriptive statistics and correlational analysis of variables at the person level. Following these analyses, ordinary least squares (OLS) were used to address the research hypotheses of the study and as noted above the group level effects did not change significantly, therefore we are focusing on the employee level analysis.

Table 1 additionally shows means, standard deviations for person-level demographic variables. Using these data, a profile emerges of the typical participant in the study. Most respondents were close to 26 years of age and were more likely to be female than male. The largest percentage of participants had been employed at their restaurant for one to five years. Most respondents had a high school diploma or its equivalent. Slightly less than half of the respondents (48%) reported being the primary wage earner in their families. The sample was almost evenly divided between employees in franchise-owned restaurants and those in company-owned restaurants.

Intercorrelations for the person-level data are shown in Table 2. Regarding attitudinal variables data confirms that all three forms of organizational justice were significant predictors of intent to stay.

### Table 2: Intercorrelations

<table>
<thead>
<tr>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Intent to Stay (2 item)</td>
<td>—</td>
<td>.03</td>
<td>.04</td>
<td>-.06</td>
<td>-.06</td>
<td>-.01</td>
<td>-.03</td>
</tr>
<tr>
<td>2. Age</td>
<td>—</td>
<td>.04</td>
<td>.44**</td>
<td>.13**</td>
<td>.39**</td>
<td>.02</td>
<td></td>
</tr>
<tr>
<td>3. Gender&lt;sup&gt;a&lt;/sup&gt;</td>
<td>—</td>
<td>.01</td>
<td>.05</td>
<td>.02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Years experience</td>
<td>—</td>
<td>.10**</td>
<td>.18**</td>
<td>-.04</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Education</td>
<td>—</td>
<td>.09*</td>
<td>-.01</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Primary wage earner&lt;sup&gt;b&lt;/sup&gt;</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.06</td>
<td></td>
</tr>
<tr>
<td>7. Restaurant ownership&lt;sup&gt;c&lt;/sup&gt;</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Gender was coded: male = 0, female = 1.

<sup>b</sup> Primary wage earner was coded: no = 0, yes = 1.

<sup>c</sup> Ownership was coded: Franchise-owned = 0, Company-owned = 1.

* p < .05. **p < .01.

n=821
Outcome variable: Intent to stay measured as a two-item average

Data from individual respondents. Regression with OLS was performed with the two-item intent to stay as the dependent variable. Predictor variables were added in three steps: (a) five demographic variables, (b) the dichotomous variable *company-owned restaurant* (coded 1)/ *franchise-owned restaurant* (coded 0), and (c) four organizational attitude variables. In the first OLS model, 1% of the variance in the dependent variable was accounted for by the demographic variables, $F(5, 628) = 2.43, p < .035$. Less years of experience was a significant predictor, with age marginally ($p < .10$) significant. In the second step of modeling, the work environment variable *company owned* was added. Employees in company-owned restaurants had higher scores on intent to stay, after controlling for demographic variables. In the last step of modeling, the OLS regression contained all variables—demographic, work environment, and attitudinal. The addition of the four attitudinal variables significantly incremented the explained variance by 5%, $F(4, 623) = 9.57, p < .001$.

As can be seen in Table 3, there were four significant predictors. Scores on intent to stay with the employer were higher for respondents with less job experience ($B = -.019, p < .05$), with a higher rating of distributive justice ($B = .193, p < .02$), a lower rating of procedural justice ($B = -.199, p < .04$), and a higher rating of interactional justice ($B = .377, p < .001$).

**Table 3: Regression Summary for intent to stay (DV)**

<table>
<thead>
<tr>
<th>Variable</th>
<th>$B$</th>
<th>$SE$</th>
<th>$\beta$</th>
<th>$p$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>.009</td>
<td>.005</td>
<td>.085</td>
<td>.068</td>
</tr>
<tr>
<td>Gender</td>
<td>.108</td>
<td>.087</td>
<td>.048</td>
<td>.215</td>
</tr>
<tr>
<td>Years experience</td>
<td>-.091</td>
<td>.045</td>
<td>-.090</td>
<td>.042</td>
</tr>
<tr>
<td>Education level</td>
<td>-.054</td>
<td>.050</td>
<td>-.042</td>
<td>.278</td>
</tr>
<tr>
<td>Primary wage earner status</td>
<td>-.055</td>
<td>.094</td>
<td>-.025</td>
<td>.555</td>
</tr>
<tr>
<td>Company-owned restaurant</td>
<td>-.016</td>
<td>.087</td>
<td>-.007</td>
<td>.852</td>
</tr>
<tr>
<td>Distributive justice</td>
<td>.193</td>
<td>.078</td>
<td>.136</td>
<td>.013</td>
</tr>
<tr>
<td>Procedural justice</td>
<td>-.199</td>
<td>.094</td>
<td>-.138</td>
<td>.035</td>
</tr>
<tr>
<td>Interactional justice</td>
<td>.377</td>
<td>.087</td>
<td>.264</td>
<td>&lt;.001</td>
</tr>
<tr>
<td>Organizational socialization</td>
<td>-.136</td>
<td>.084</td>
<td>-.072</td>
<td>.106</td>
</tr>
</tbody>
</table>

*Note. Results for analysis of variance of final regression model: $F(10, 623) = 5.11, p < .001$. Adjusted $R^2 = .06$.*

**Discussion and Implications**

The purpose of this study was to investigate possible factors related to hourly employees’ intention to stay with the fast food restaurant where they were currently employed. While prior studies offer insight into variables influencing turnover, we were interested in whether organizational justice, organizational socialization, and select demographic variables related to hourly workers’ intent to stay. Organizational justice was studied as a multi-faceted variable that included procedural justice, distributive justice and interactional justice. Empirical findings have been mixed with
respect to which organizational justice dimensions are more likely to explain turnover. In some studies, procedural justice has been found to be more predictive of organizational citizenship behavior than distributive and interactional justice (Moorman et al 1998; Moorman, 1991; Lind & Tyler, 1988). Our findings, however, found all three types of justice to be stronger predictors of turnover intentions.

Results suggested that the demographic variable of age was a marginally significant predictor of intent to stay. This aligns with previous studies, where the older a person reportedly is, the more likely he or she is to stay at their job (Bannister & Griffeth, 1986; Mobley, Horner, and Hollingsworth, 1978; Severt et al., 2007). Surprisingly, those with longer tenure would seem to have a higher intent to stay; however, that was not the case. In fact, those with shorter tenure indicated higher intent to stay, contradicting Severt et al. (2007) finding with respect to tenure amongst university foodservice workers. This could be explained by fast food workers’ dissatisfaction over time with lack of career mobility, and dissatisfaction with wages. Those new in their job as hourly workers may have less interest in going through the job change process again anytime soon.

**Research and Theoretical Implications**

Our findings support the literature that there is benefit in measuring organizational justice across multiple dimensions (Lee et al., 2015). Our findings also support recent empirical research that has uncovered the importance of all three forms of justice – distributive, procedural, and interactional—as key indicators for retention. Given the breadth and wide application of the fast food quick service industry in the US today, it stands to reason that improving perceptions of distributive justice could have significant positive implications for the industry, the economy by-and-large, as well as for each individual employee who depends on the industry to provide for their family. While our findings indicate that organizational socialization had no impact, further research might focus additional efforts toward better understanding of this variable in relation to hourly workers’ intent to stay.

**Limitations and Suggestions for Future Research**

As with all research, limitations need to be considered from this study. First, the research was conducted in one fast food restaurant chain, which may delimit generalizations since individuals at other quick serve fast food restaurant chains may respond differently. Second, this survey was also dependent upon self-reports, which could be biased. It has been suggested that some respondents will try to respond in a way that is consistent with the other questions already answered (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). As organizations continue to wrestle with turnover, substantial research should be carried out in other restaurant quick serve fast food chains, as well as other settings in order to fully understand the impact of organizational justice’s and organizational socialization’s impact on employee retention.

The research reported here was correlational, which establishes whether variables are related, but it does not necessarily establish a causal connection. We found evidence that hourly employees who perceived distributive justice, procedural justice, and interactional justice in the workplace were those most likely to stay rather than leave. However, only experimental research could establish whether improving perceptions of organizational justice causes an increased likelihood of intent to stay on the job. Nevertheless, we believe a valuable first step was taken in determining
that organizational justice—defined in terms of distributive justice (fairness), procedural justice (process), and interactional justice (positive worker/manager relationships)—had outcomes beneficial to the organization.

In recent years, the fast-food industry has become a flash-point of conflicts about income inequality in the U.S. These conflicts have included debates about: (a) whether the current U.S. minimum wage is high enough to support a family, (b) whether workers in fast-food restaurants should expect their wages to be sufficient to support a family, and (c) the role of government in providing income targets to be met by private employers. These are complex questions that involve economics, sociology, and public policy and are beyond the scope of this study. However, such issues lay in the background of the research we performed and give research in this area a special relevance.

In summary, the current study supports the belief that workers’ perception of justice (which encompasses fair compensation) is a significant factor predicting their intention to stay on the job. Employers would be wise to consider such factors in making strategies and policies for hiring and retention of hourly employees in the fast food restaurant sector—and possibly other employment sectors in the U.S.

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