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# Justice, Dissatisfaction, and Public Confidence in the E-Governance

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## **Justice, Dissatisfaction, and Public Confidence in the E-Governance**

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## Justice, Dissatisfaction, and Public Confidence in the E-Governance

### ABSTRACT

*Studies of technology acceptance, public satisfaction, and public confidence have been applied to the field of public administration. However, the relationship of perceived fairness, or justice, to dissatisfaction with electronic adoption in e-governance has been must less examined. The purpose of the study is to investigate the relationships between perceived justice, dissatisfaction, willingness to complain, satisfaction with complaint handling, and public confidence in the context of e-governance. Using factor analysis, regression analysis, t-testing, and ANOVA, we found that perceptions of justice varied depending on gender, age, education level, and socioeconomic status. Overall, procedural and interactional justice, but not distributive justice, were positively associated with dissatisfaction, and the effects of interactional justice were stronger than those of procedural justice. Public confidence was negatively associated with willingness to complain and positively associated with satisfaction with complaint handling. The results also showed that distributive justice was related to satisfaction with complaint handling when complaints were handled offline, but not online. The findings of this study have theoretical and managerial implications for satisfaction and justice theory in the context of e-governance.*

**Keywords:** Justice, Dissatisfaction, Complaining Behavior, Public Confidence, and E-Governance.

### I. INTRODUCTION

Why does fairness, or justice, matter in the public sector? To what extent do perceptions of justice and citizen dissatisfaction affect public confidence in the public sector? How do we measure perceptions of justice, particularly public confidence, in the context of electronic governance? Finally, what policy implications arise from the investigation of such matters? The present research explored these questions through an empirical investigation in an attempt to inform and improve public service. Coursey and Norris (2008) has addressed governance roles by exploring the factors

that contribute to high-quality government, including procedures, capacity, and output. With the adoption of technology innovative environment, electronic governance, or e-governance provides electronically enabled services to maximize citizen-centered practices of governance (Malkia Anttiroiko, and Savolainen 2004). The diverse use of e-transformations in governance (Malkia Anttiroiko, and Savolainen 2004), generated by improved technologies (Steuer 1992), is increasingly prevalent in all spheres of citizen's daily lives, including governmental processes, infrastructures, and frameworks (Norris 2008) with increased perception on technology-oriented strategies for reaching the new hybrid citizens (Wind, Mahajan, and Gunther 2002). However, citizen perceptions of fairness, satisfaction, and loyalty in the context of virtualized government services have not been fully explored.

The concept of justice has been widely applied to fields such as employees' attitudes in organizational settings (e.g., job satisfaction, trust in management and leadership, and organizational commitment; Blodgett, Granbois, and Walters 1993) and perceptions of customer fairness in the private sectors. Justice has been defined as the perceived fairness of treatment received from an organization and the behavioral reaction to such perceptions (Choi 2011; Aryee, Budhwar, and Chen 2002). The concept of fairness or justice is a multidimensional construct that involves the subjective evaluation of outcomes in comparison to perceived inputs, or contributions, and the corresponding ratios of other such considerations (Blodgett, Hill, and Tax 1997; Choi 2011; Adams 1965). Perceived justice is supported theoretically by attribution theory (Folks 1984), disconfirmation theory (Oliver and Swan 1989b), and equity theory (Adams 1965). Perceptions of justice caused by conflicts or disputes classified into several dimensions (Blodgett, Granbois, and Walters 1993; Adams 1965). The first dimension, distributive justice, is the perceived fairness of the outcome or decision (Homans 1961). The second dimension, procedural justice, is the perceived fairness of the procedures used in arriving at that outcome (Thibaut and Walker 1975; Lind and Tyler 1988). The third dimension, interactional justice, is the perceived fairness of treatment

throughout the conflict resolution process (Bies and Moag 1986; Bies and Shapiro 1987). These dimensions of justice have been applied to investigation of conflicts and perceptions of unfairness, which often have a negative effect on satisfaction. Previous studies have explored how perceived justice dimensions affect dissatisfaction and service recovery by considering the different types of dissatisfaction (Blodgett, Hill, and Tax 1997; Tax Brown and Chandrashekar 1998)Gustafsson 2009).

Several studies have explored citizen-oriented management in e-governance, including the use of technology to develop citizen-centric services, increase efficiency, and improve service delivery in public administrative management (Chhabra and Kumar 2009; Nandan 2009). However, how citizen perceptions of the fairness of outcomes arising from services on the Internet have not been explored. In the context of e-governance, the theoretical and practical concepts of satisfaction and dissatisfaction, complaining behavior, loyalty, and public confidence, which are important for customer-centric management, have also been less examined. Few studies have explored the negative aspects of satisfaction, including dissatisfaction and management of complaints, in the field of public administrative management. The purpose of the present study is to investigate-governance in the public sector within the framework of justice theory, specifically the relationships between perceived justice, dissatisfaction, willingness to complain, complaint behavior, satisfaction with the handling of complaints, and public confidence.

## **II. LITERATURE REVIEW & THEORETICAL BACKGROUND**

The topic of e-governance has been explored through studies of virtualized environments based on profit-oriented firms. Adoption of virtualized environment, also referred to as computer-mediated communication, (Hiltz and Turoff 1993), began in the 1980s in various fields, such as education, commerce, and government. Further application of virtualized environments in government organizations has led to virtual states, whereby organizations establish electronic government presences by applying the concept of enactment theory, government theory, and

socio-technical systems theory (Norris 2003). Moon (2002) suggested that information technology has become one of the core elements of managerial reform and that e-governance may figure prominently in the future. All levels of government have adopted e-governance as a strategic tool for enhancing the quality of external services and streamlining internal operations (Ho 2002, cited in Kim, Lee, and Kim 2008). E-governance has been applied in various ways , such as offering public information, services, and promotional tools for government policies based on web-based collaborative filtering system.

Theories and models that support the adoption of technology for e-governance include the diffusion of innovation theory (Rogers 1962), the technology acceptance model (Davis 1989), sociotechnical systems theory (Norris 2003), and a highlighted integrated approach for online service systems (Moon 2002). The theoretical background of technology adoption in the context of e-governance and customer satisfaction with the virtualized environment includes the application of these models along with considerations of presence, interaction, transaction, and transformation (Baum and Di Maio 2000; Garson 2006). The technology acceptance model in particular emphasizes ease of use and acceptance of the system (Davis 1989). Equity theory and social exchange theory also support the justice dimensions that are used to measure dissatisfaction with complaint handling.

The equity dimension, which relates to the notion of fairness, implies a form of distributive justice whereby individuals get “what is right” or “what they deserve” (Cook and Messick 1983; Oliver and Swan 1989a). Oliver and Swan (1989b) noted that fairness is conceptualized as an exchange wherein the consumers consider input and outcome comparisons for themselves and merchant as equitable. Other studies have addressed equity evaluations in terms of customer satisfaction (Tax, Brown, and Chandrashekar 1988, Oliver and DeSarbo 1988, Oliver and Swan 1989a). The major variants of equity theory suggest that parties to an exchange will feel equitably

treated and thus satisfied if the ratio of their outcomes to inputs is fair in some sense (Oliver and DeSarbo 1988).

Previous work in the customer satisfaction area has examined exchange equity, a phenomenon long recognized as central to two-party relationships such as those that exist in purchase or acquisition transactions (Adams 1965; Walster, Walster, and Berscheid 1978, cited in Oliver and Swan 1989b). Dissatisfaction, the other side of satisfaction, has been discussed in terms of justice dimensions and service recovery (Blodgett, Hill, and Tax 1997; Tax Brown and Chandrashekar 1998), including consideration of the different types of dissatisfaction (Gustafsson 2009). The crucial role of satisfaction and dissatisfaction has been widely addressed in both the private and public sector. Previous studies have addressed resolutions to maximize customer satisfaction and minimize dissatisfaction and complaints due to the lack of a physical environment (Steuer 1992).

Virtual environments, also as telepresence or computer-mediated shopping environments (Hoffman and Novak 1996), enable individuals, organizations, and automated systems to coordinate all aspects of the consumer buying process, which affects customer acceptance and willingness to purchase products and services (Jung, Cho, and Lee 2014). Within this context, satisfaction has played a pivotal role in modern management practice and theory (Yi 1990). Recognition of the importance of satisfaction has led to a proliferation of research on customer satisfaction over the past decades (Yi 1990). However, while most researchers agree that satisfaction benefits consumers, firms, industries, and governments, few agree on the definition of satisfaction (Oliver 1997).

Theoretical and practical concepts of satisfaction have been generated from observing relationships between expectations and antecedents to satisfaction, between confirmation level and satisfaction, and between satisfaction and retention and loyalty (Oliver 1980). However, most studies focus on the positive aspects of satisfaction. The opposite of satisfaction is dissatisfaction, where the emphasis is on reducing dissatisfaction and resolving complaints. Dissatisfactions that are



trivial in degree or intensity can still be disruptive if they occur frequently and may be worthy of considerable attention, especially by businesses that compete against numerous vendors of nearly identical products and services (Hunt and Hoyer 1976). Long- and short-term indicators of satisfaction and dissatisfaction include repeat purchases and complaints (Oliver 1997). At a higher level of abstraction, expectation and experience can be referred to in terms of over-satisfaction and under-satisfaction (Oliver 1997). Hirschman (1970) considered the links between dissatisfaction, exit, voice (constructive attempts to change conditions), and loyalty and developed a model that explains how voice and dissatisfaction affect loyalty based on how a situation is dealt with and resolved.

Satisfaction studies frequently take place in the context of the private sector, rather than the public sector. Customer satisfaction and loyalty have been described as focal points of successful business exchanges for the private sector. However, studies of the importance of satisfaction and corresponding application of strategic marketing in the public sector (i.e., non-profit organization) have suffered from a kind of myopia (Levitt 1960; Andreasen and Kotler 2008; Burnett 2007). This narrow perspective stems from the belief that consumer behavior can be created and sustained without careful regard to customer satisfaction side which fails to consider the degree to which attitudes influence or predict behavior (Cho 2001). While the concepts of customer-oriented marketing and customer satisfaction have been researched within the private sector, studies in the public sector have often focused on citizen-centered satisfaction rather than customer satisfaction.

Based on the above considerations, the purpose of the present study is to examine how the public perceives online services that are provided by governments, or e-governance, by investigating the different dimensions of justice and dissatisfaction, complaining behavior, and loyalty in the context of public management. Specifically, we explored the relationships between perceived justice, dissatisfaction, willingness to complain, complaint behavior, satisfaction with the handling of complaints, and public confidence, all within the framework of justice theory.

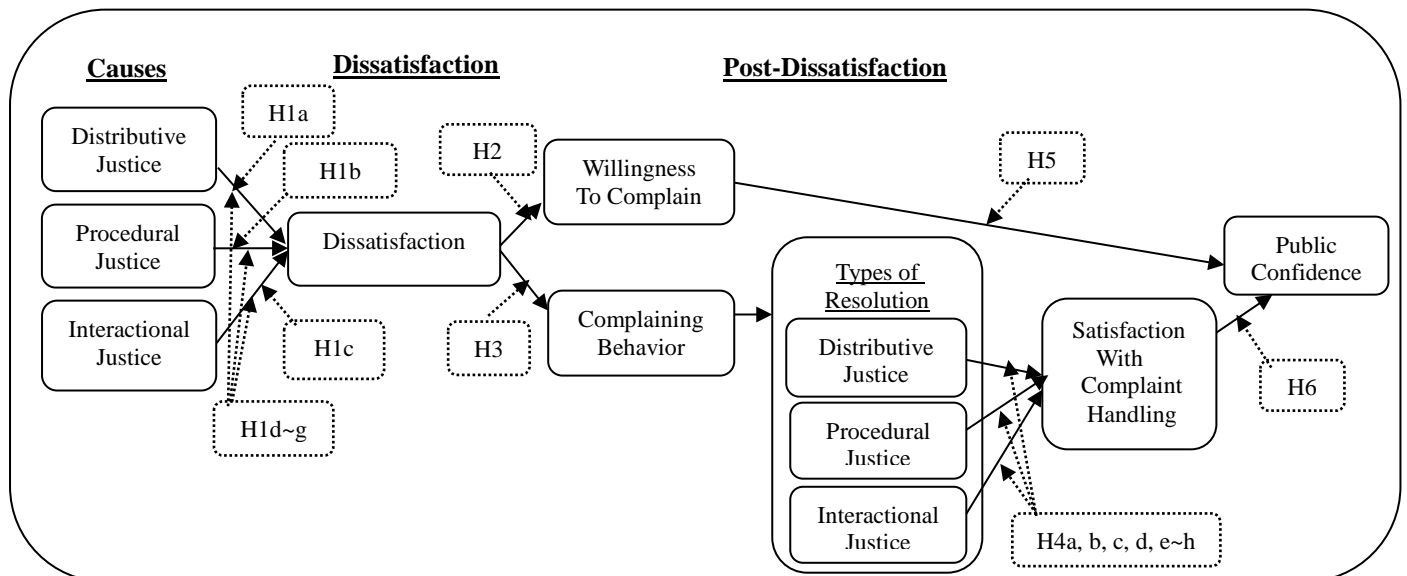
### III. HYPOTHESES DEVELOPMENT

Customer satisfaction and loyalty has been widely investigated in the context of the private sector; however, few studies have explored these topics in the context of the public sector. In particular, research into the negative aspects of satisfaction, which includes consideration of the confirmation/disconfirmation paradigm (Oliver 1980), defensive marketing (Chu, Gerstner, and Hess 1998), and Hirschman's (1970) theory of exit, have largely failed to consider voice and loyalty in the context of the public sector.

Since the development of digitalized systems in the 1980s, diverse applications in e-governance have been increasingly prevalent in all spheres of citizen life, including governmental processes, infrastructure, and frameworks (Norris 2008). The virtual state of the central public administration is as a portal that provides cross-agency services in a citizen-oriented way (Garson 2006). Governmental entities face accelerating public demand for electronic services and the internal need to employ technology to achieve superior outcomes and operational efficiency (Mehdi 2009). Traditional techniques and tools are being radically reshaping and are evolving into innovative electronic methods for conducting governmental activities (Mehdi 2009). Compared to the traditional offline environment, citizen perceptions and attitudes have been affected by the use of e-governance to provide advanced services at all stages of decision making, such as interaction, transaction, and transformation flow (White 2007; Garson 2006). The application of advanced and integrated government services through web-based, electronic, or virtualized environments has its roots in customer relationship management, whereby a citizen-centered management approach is employed to influence public behavior and improve public-sector performance (Cho 2001; West 2007). With the development of a customer-centric approach, e-governance aims to improve quality of life for its citizens and satisfaction with government services (Mehra 2004; Nandan 2009).

Issues on e-governance have been explored by various scholars. For example, Kim and Lee (2012) addressed the relationship between electronic participation and trust in local government by

focusing on satisfaction and different dimensions of the electronic participation process. Welch, Hinnant, and Moon (2004) addressed citizen trust and satisfaction with e-government by examining transparency and interactivity in electronic transactions. However, while the emergence of e-governance has undoubtedly changed governance practices (Malkia Anttiroiko, and Savolainen 2004), the adoption rate by citizens and their corresponding satisfaction levels remain unclear. The present study explores the relationships between perceived justice, dissatisfaction, willingness to complain, complaining behavior, satisfaction with complaint handling, and public confidence in the context of e-governance and the online environment. The model upon which this study is based was adapted from previous models (Blodgett, Hill, and Tax 1997; Tax, Brown, and Chandrashekar 1988; Oliver 1980) and is presented in Figure 1. The model describes the proposed relationships between the types of justice experienced during online service transactions, dissatisfaction with public service websites, and post-dissatisfaction processes (satisfaction with complaint handling and public confidence).



\* Hypotheses 1d through 1g and 4d through 4h refer to distributive, procedural, and interactional dimensions based on online vs. offline (4d) and demographics (4e~h).

**Figure 1. Model of Dissatisfaction, Complaining Behavior, & Public Confidence: Role of Justice Dimension**  
(Modified from Blodgett, Hill, and Tax 1997, Tax, Brown, and Chandrashekar 1988, and Oliver 1980)

### 3.1 Effects of Perceived Justice on Dissatisfaction

The concept of justice arises from studies of equity that date back to the early of 1960s (Cho and Sai 2012). Perceived justice, fairness, and equity are valuable frameworks for explaining customer reactions to complaint episodes in organizational behavior and in federal workplace (Blodgett, Hill, and Tax 1997; Cho and Sai 2013). In elementary terms, equity is fairness, rightness, or deservingness in comparison to other entities (Oliver 1997), and discrepancy, disconfirmation, and inequity imply a negative deficit. Equity and justice are classical experimental paradigms; researchers can manipulate outcome-to-input ratios and observe a direct path between outcome and input combinations and satisfaction that includes fairness in purchasing and consumption (Oliver 1980; Oliver 1997). Studies across several contexts (e.g., legal, organizational, and buyer-seller) have found the concept of justice valuable for explaining reactions to conflict situations (e.g., Gilliland 1993; Goodwin and Ross 1992; Lind and Tyler 1988; cited in Tax, Brown, and Chandrashekar 1998). For example, Cho (2013) applies the concept of perceived justice to an examination of the causes of complaints, repeat purchase intention, and loyalty in private sector. Perceived justice is a broad, multifaceted construct that encompasses three dimensions: distributive justice, interactional justice, and procedural justice (Bies and Shapiro 1987; Clemmer and Schneider 1996). The present study explored the effects of each justice dimension on dissatisfaction, handling complaints, and confidence in public sector.

### **3.1.1 Effects of Distributive Justice on Dissatisfaction**

Theories of distributive justice focus on the allocation of benefits and costs (Deutsch 1985, cited in Tax, Brown, and Chandrashekar 1998). Developed from *social exchange theory*, marketing exchanges are an example of benefits and costs that involve consumers (Blodgett, Hill, and Tax 1997; Deutsch 1985). Distributive justice explains the expectations of each party regarding the role of the other (Berger, Conner, and Fisek 1974; Oliver 1997; Cho 2013) and its concepts are classified into three dimensions: equity, equality, and need. Equity is defined as the provision of outcomes that are proportional to the inputs to an exchange (Goodwin and Roos 1992; Oliver and

Desarbo 1988; Oliver 1997), equality is defined as equal outcomes regardless of the contributions to an exchange (Greenberg 1990, Deutsch 1985), and need is defined as outcome based on requirements, regardless of contributions (Deutsch 1985, as cited in Tax, Brown, and Chandrashekar 1998). In the context of consumer complaints, distributive justice encompasses the perceived fairness of policies and procedures used by the seller (Blodgett, Hill, and Tax 1997, as cited in Cho 2013). The notion of fairness is almost synonymous with equity in that it explicitly implies a form of distributive justice whereby individuals get what they deserve based on their inputs (Oliver 1997).

Dissatisfaction is a negative aspect of satisfaction that can be explained by theories that address psychologically uncomfortable tension states, such as dissonance theory (Festinger 1957). Equity, equality, and need are concepts of distributive justice that affect dissatisfaction (Tax, Brown, and Chandrashekar 1998). This study hypothesized that the higher expectation of perceived distributive justice from public websites significantly affects dissatisfaction.

**H1a:** Higher expectations of perceived distributive justice from public websites are related to higher levels of dissatisfaction.

### **3.1.2 Effects of Procedural Justice on Dissatisfaction**

Procedural justice relates to the manner in which the outcomes are delivered (Oliver 1997) and refers to the perceived fairness of the policies, procedures, and criteria used by decision makers in deciding the outcome of a dispute or negotiation (Thibaut and Walker 1975; Lind and Tyler 1988; cited in Blodgett, Hill, and Tax 1997). The concepts of procedural justice are defined and classified according to the following dimensions: i) process control, which is freedom to communicate views on a decision process (Goodwin and Ross 1992; Lynd and Tyler 1988), ii) decision control, which includes the extent to which a person is free to accept or reject a decision outcome (Brett 1986, Heide and John 1992), iii) accessibility which is defined as the ease of engaging in a process (Bitner, Booms, and Tetreault 1990), iv) timing, or speed, which refers to the perceived amount of time

taken to complete a procedure (Fisk and Conet 1982, Taylor 1994), and iv) flexibility, which is defined as the adaptability of procedures to reflect individual circumstances (Tax, Brown, and Chandrashekar 1998). Prior studies (Folger 1987; Greenberg 1990) have shown that procedural justice is meaningful because it aims to resolve conflicts in ways that encourage the continuation of a productive relationship between disputants, even when outcomes are unsatisfactory to one or both parties. By considering procedural justice as a cause of dissatisfaction, this study hypothesized that the higher expectations of perceived procedural justice from public websites significantly affects dissatisfaction.

**H1b:** Higher expectations of perceived procedural justice from public websites are related to higher levels of dissatisfaction.

### **3.1.3 Effects of Interactional Justice on Dissatisfaction**

Interactional justice refers to the manner in which people are treated during the conflict-resolution process (e.g., courtesy, respect, rudeness; Bies and Shapiro 1987; Blodgett, Hill, and Tax 1997). As the third dimension of perceived justice, interactional justice refers broadly to the fairness of the interpersonal treatment that people receive during the enactment of procedures (Bies and Shapiro 1987; Gilliard 1993; cited in Tax, Brown, and Chandrashekar 1998). Oliver (1997) stated that interactional justice pertains to the person-to-person dealings that are the crucial elements of complaint handling (Maxham and Netemeyer 2002) and relationship marketing (Tax, Brown, and Chandrashekar 1998). As reviewed in Tax, Brown, and Chandrashekar (1998), the concepts of interactional justice are defined and classified according to the following dimensions: i) provision of reason for failure that is related to the attributions for failure, satisfaction, and fairness (Bies and Shapiro 1987; Bitner, Booms, and Tetreault 1990), ii) honesty, which includes the perceived veracity of information provided (Goodwin and Ross 1989), iii) politeness, including well-mannered and courteous behavior (Blodgett, Hill, and Tax 1997; Goodwin and Ross 1989), iv) effort, or the amount of positive energy put into resolving a problem (Folkes 1984), and v) empathy,

including provision of caring, individual attention (Parasuraman, Zeithaml, and Berry 1988). Based on these considerations, this study hypothesized that the higher expectations of perceived interactional justice from public websites significantly affects dissatisfaction.

**H1c:** Higher expectations of perceived interactional justice from public websites affect higher levels of dissatisfaction.

This study also examined effects of justice dimensions on dissatisfaction based on demographics, including gender, age, education, and income. Therefore, the following hypotheses were developed for this study:

**H1d:** The effects of each of the three justice dimensions on dissatisfaction differ based on gender.

**H1e:** The effects of each of the three justice dimensions on dissatisfaction differ based on age group.

**H1f:** The effects of each of the three justice dimensions on dissatisfaction differ based on education level.

**H1g:** The effects of each of the three justice dimensions on dissatisfaction differ based on income level.

### **3.2 DISSATISFACTION, WILLINGNESS TO COMPLAIN, & COMPLAINING**

#### **BEHAVIOR**

This study investigated the effects of justice dimension on dissatisfaction, willingness to complain, and complaining behavior in the context of e-governance using the model described above (see Figure 1) and the traditional criteria of attitudes and intentions (Oliver 1980; Bearden and Teel 1983; Cho 2013). A previous study by Welch, Hinnant, and Moon (2004) found that e-government satisfaction is associated with citizens' perceptions of online service convenience (transactions), information reliability (i.e., transparency), and engaged electronic communication (i.e., interactivity). The relationships between dissatisfaction with public websites, willingness to complain, and complaining behavior, are described in the following hypotheses:

**H2:** Higher levels of dissatisfaction from public websites are associated with higher levels of willingness to complain.

**H3:** Higher levels of dissatisfaction from public websites are associated with higher levels of complaining behavior.

### **3.3 JUSTICE, COMPLAINT HANDLING, & PUBLIC CONFIDENCE**

In addition to dissatisfaction and complaint behaviors, this study investigates the events that follow complaints, specifically satisfaction with complaint handling and public confidence. Tax, Brown, and Chandrashekar (1998) suggested that satisfaction with complaint handling is the central mediator that links perceptions of the fairness to post-complaint attitudes and behavior. Complaint handling can be viewed as a sequence of events whereby a procedure, beginning with communication of the complaint, generates a process of interaction from which a decision is made, resulting in a specific outcome (Tax, Brown, and Chandrashekar 1998). Previous studies have addressed the relationships between satisfaction with the handling of complaints and perceived justice, including distributive justice (dealing with decision outcomes), procedural justice (dealing with decision-making procedures), and interactional justice (dealing with interpersonal behavior in the enactment of procedures and delivery of outcomes; Tax, Brown, and Chandrashekar 1998; Cho 2013). Complaint handling is addressed by defensive marketing strategies that are designed to handle complaints by dissatisfaction customers (Chu, Gerstner, and Hess 1998) and to manage the long-term relationships by examining structural constraints (Ping 1993; cited in Cho 2013). This study explored how the handling of complaints through government website affects citizen confidence and overall perceptions of e-government.

Multiplicative expectancy value models that incorporate a confidence component have consistently related confidence to attitudes and behavior (Bennett and Harrell 1975, as cited in Dick and Basu 1994). Confidence refers to the overall confidence of buyers (i.e., the degree of certainty) and the ability to judge or evaluate attributes (Bennett and Harrell 1975; Howard and Sheth 1969).



A decline of public trust in government implies the loss of public confidence in political and administrative performance as well as dissatisfaction with public services (Welch, Hinnant, and Moon 2004). This study examines how willingness to complain and complaint behavior affect public confidence and how complaint handling affects overall satisfaction. The effects of complaining behavior on overall satisfaction in the case of resolved cases are based on the three types of perceived justice: distributive, procedural, and interactional. Accordingly, this study developed the following hypotheses:

**H4a:** Higher levels of complaining behavior are associated with higher levels of overall satisfaction when the complaints are resolved based on distributive justice.

**H4b:** Higher levels of complaining behavior are associated with higher levels of overall satisfaction when the complaints are resolved based on procedural justice.

**H4c:** Higher levels of complaining behavior are associated with higher levels of overall satisfaction when the complaints are resolved based on interactional justice.

This study developed hypotheses related to demographics and whether complaints were resolved online or offline. This study also hypothesized the effects of justice dimension satisfaction with complaint handling based on demographics.

**H4d:** The effects of each of the three justice dimensions on satisfaction with complaint handling differ when complaints are handled online versus offline.

**H4e:** The effects of each of the three justice dimensions on satisfaction with complaint handling differ based on gender.

**H4f:** The effects of each of the three justice dimensions on satisfaction with complaint handling differ based on age group.

**H4g:** The effects of each of the three justice dimensions on satisfaction with complaint handling differ based on education level.

**H4h:** The effects of each of the three justice dimensions on satisfaction with complaint handling differ based on income level.

Finally, this study also developed hypotheses regarding the relationship between willingness to complain, overall satisfaction, and public confidence:

**H5:** Higher level of willingness to complain affects lower level of public confidence.

**H6:** Higher level of overall satisfaction affects higher level public confidence.

#### **IV. METHODOLOGY**

This study examined the effects of justice dimensions on customer dissatisfaction, willingness to complain, and complaining behavior by examining online services that are provided by government websites. This study developed online survey to collect data with the assistance of a well-known research firm. This survey included questions regarding demographic factors such as gender, age, education, income, field of work, and geographical location based on residency. A total of 470 respondents completed the survey, yielding a response rate of 6.3%. Multi-item scales were used to measure each of the constructs that served as the basis for the questionnaire items. The survey employed a 7-point Likert scale where 1 = *strongly disagree* and 7 = *strongly agree* (Cho 2013).

The items developed for this survey were based on scales from previous studies (Oliver 1997, 1980; Cho 2013; Blodgett, Hill, and Tax 1997; Blodgett, Granbois, and Walters 1993) and were modified to serve the objectives of this study. Specifically, this study developed questionnaire items for the concept of distributive justice by considering qualitative measures (fairness, accessibility, and subjective invisible perception) and quantitative measures (time and cost). This study applied the concepts of efficiency and effectiveness to items for procedural and interactional justice, and for procedural justice we considered entry, execution, and results. Survey items for measuring justice followed the dimensions outlined by Tax, Brown, and Chandrashekar (1998). The following

criteria were applied to each category: i) equity, equality, and need for distributive justice; ii) process control, decision control, accessibility, timing/speed, and flexibility for procedural justice; and iii) explanation/causal account, honesty, politeness, effort, and empathy for interactional justice (Tax, Brown, and Chandrashekar 1998). Items for measuring confidence included the concepts of public trust in general and in the government.

After review and a pilot study, Cronbach's alpha was calculated for each major construct to test the construct reliability for each multi-item scale. Cronbach's alpha values were 0.83 for distributive justice, 0.83 for procedural justice, 0.91 for interactional justice, 0.95 for dissatisfaction, 0.90 for willingness to complain, and 0.80 for complaining behavior. In regard to the handling of complaints, Cronbach's alpha values were 0.82 for distributive justice, 0.90 for procedural justice, and 0.93 for interactional justice. Finally, the Cronbach's alpha for public confidence was 0.92.

## **V. DATA ANALYSIS**

### **5.1 DEMOGRAPHICS**

Of the 470 respondents, 50.4% were female and 49.6% were male, 21.9% were 20-29 years old, 27.2% were 30-39 years old, 24.5% were in their 40s, and 26.4% were 50 years or older. In regard to highest education level, 13.8% were high school graduates, 68.1% had an undergraduate degree, and 18.1% had a graduate degree. In terms of income, 3.8% of respondents had an annual household income of less than \$10,000, 12.8% had annual incomes between \$10,000 and \$30,000, 31.9% had annual incomes between \$30,000 and \$50,000, 26.4% had annual incomes between \$50,000 and \$70,000, and 25.1% had annual incomes above \$70,000. In regard to employment, 8.7% were self-employed, 10.6% were housewives, 5.1% were blue-collar workers, 48.6% were white-collar workers, and 4.3% were students.

### **5.2 HYPOTHESES TESTING**

The study applied factor analysis to check validity of major constructs. Using principal components analyses as the extraction method and Varimax rotation methods with Kaiser

Normalization, the most relevant data emerged. The results of factor analyses show that successfully represented the major constructs, with Eigen values greater than 1.00.

Regression analysis was used to test the various hypotheses using factor scores. Table 1 provides the results of multiple regression analysis for the effects of three justice dimension on dissatisfaction. Overall, the results of the ANOVA indicated that the models were significant at the .01 level with  $F = 598.829$  ( $r\text{-square} = .794$ ). Based on these findings, hypotheses 1b and 1c were accepted, but hypothesis 1a was rejected. In other words, higher expectations of procedural and interactional justice, but not distributive justice, from public websites were related to higher levels of dissatisfaction. The effect was stronger for interactional justice than for procedural justice.

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)
Distributive Justice-> Dissatisfaction (H1a)	0.049 (1.517)
Procedural Justice -> Dissatisfaction (H1b)	0.227 (6.217***)
Interactional Justice -> Dissatisfaction (H1c)	0.669 (19.694***)

\*\*\* Significant at 0.01 level (2-tailed).

**Table 1. Effects of Justice Dimension on Dissatisfaction**

This study also examined effects of three justice dimension on dissatisfaction based on demographics and the results are shown in Table 2. The effects of procedural and interactional justice, but not distributive justice, on dissatisfaction are affected by gender (H1d); specifically, the effects were stronger for female respondents. The effects of procedural and interactional justice on dissatisfaction were affected by various age groups (H1e). The effects of distributive justice on dissatisfaction were significantly associated with an undergraduate degree as highest level of education, while the effects of while procedural and interactional justice on dissatisfaction were significantly associated with a graduate degree as highest level of education (H1f). Finally, the effects of procedural and interactive justice, but not interactional justice, on dissatisfaction were significantly associated with annual income (H1g).

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)			
	Gender	Age	Education Level	Income Level
Distributive Justice-> Dissatisfaction	Male: 0.067 (1.324) Female: 0.052 (1.231)	20s: -0.010 (-0.115) 30s: 0.089 (1.729) 40s: 0.167 (2.876***) 50s: -0.083 (-1.309)	High school: -0.007 (-0.062) Undergraduate: 0.079 (2.147***) Graduate: 0.045 (0.631)	Below 30k: 0.075 (1.401) 30k-50k: 0.061 (1.352) 50k-70k: 0.002 (0.026) Above 70k: -0.040 (-0.297)
Procedural Justice -> Dissatisfaction	Male: 0.273 (4.911***) Female: 0.175 (3.708***)	20s: 0.417 (5.307***) 30s: 0.171 (3.155***) 40s: -0.035 (-0.456) 50s: 0.263 (3.156***)	High school: 0.170 (1.454) Undergraduate: 0.222 (5.135***) Graduate: 0.183 (2.194*)	Below 30k: 0.207 (3.503***) 30k-50k: 0.263 (4.240***) 50k-70k: 0.238 (2.759***) Above 70k: 0.329 (1.672)
Interactional Justice -> Dissatisfaction	Male: 0.597 (11.399***) Female: 0.726 (16.250***)	20s: 0.563 (8.342***) 30s: 0.715 (11.470***) 40s: 0.819 (11.262***) 50s: 0.709 (9.086***)	High school: 0.730 (6.422***) Undergraduate: 0.657 (16.613***) Graduate: 0.711 (8.240***)	Below 30k: 0.650 (12.684***) 30k-50k: 0.641 (11.219***) 50k-70k: 0.703 (7.065***) Above 70k: 0.641 (3.554***)

\*\*\* Significant at 0.01 level (2-tailed).

**Table 2. Effects of Justice Dimension on Dissatisfaction based on Demographics**

This study conducted factor and regression analysis for willingness to complain and actual complaining behavior and the results are shown in Table 3. Overall, the results of the ANOVA find the models significant at the .01 level with  $F = 585.911$  ( $r\text{-square} = .556$ ) and  $F = 120.853$  ( $r\text{-square} = .231$ ). Based on these findings, hypotheses H2 and H3 were accepted.

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)
Dissatisfaction -> Willingness to Complain (H2)	0.746 (24.206***)
Dissatisfaction -> Complaining Behavior (H3)	0.480 (10.993***)

\*\*\* Significant at 0.01 level (2-tailed).

**Table 3. Effects of Dissatisfaction on Willingness to Complain and Actual Complaining Behavior**

This study also examined the effects of justice dimension on overall satisfaction with complaint handling. Additional factor analyses were applied to valid constructs for three justice dimension on resolution and satisfaction with complaint handling. The results of multiple regression analyses are shown in Table 4. Overall, the results of ANOVA indicated that the models were significant at the 01 level with  $F = 37.182$  ( $r\text{-square} = .443$ ). The effects distributive and interactional justice dimensions, but not procedural justice, on satisfaction with complaint handling were significant. Thus, hypotheses 4a & 4c were accepted, and hypothesis 4b was rejected. In other words, higher levels of complaining behavior were associated with higher levels of satisfaction when the complaints were resolved based on distributive and interactive justice, but not when the complaints were resolved based on procedural justice. This study examined the effects of three justice dimensions on satisfaction with complaint handling in offline and online environments

(H4d). As shown in Table 4, only the effect of distributive dimension on satisfaction with complaint handling were significant when complaints were handled offline ( $F = 24.356$ ,  $r\text{-square} = .562$ ), while both distributive and interactional dimension on satisfaction with complaint handling were significant when complaints were handled online ( $F = 37.182$ ,  $r\text{-square} = .443$ ).

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)	
	Online	Offline
Distributive Justice-> Satisfaction with Complaint Handling (H4a)	0.444 (4.750***)	0.495 (3.744***)
Procedural Justice -> Satisfaction with Complaint Handling (H4b)	-0.054 (-0.461)	0.186 (1.168)
Interactional Justice -> Satisfaction with Complaint Handling (H4c)	0.349 (3.535***)	0.134 (0.779)

\*\*\* Significant at 0.01 level (2-tailed).

**Table 4. Summary of the Effects of Justice Dimension on Satisfaction with Complaint Handling (Online vs. Offline)**

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)			
	Gender	Age	Education	Income
Distributive Justice-> Satisfaction with Complaint Handling	Male: 0.360 (3.148***) Female: 0.428 (3.888***)	20s: 0.574 (2.449***) 30s: 0.386 (2.875 ***) 40s: 0.387 (1.972*) 50s: 0.457 (3.649***)	High school: 0.388 (1.618) Undergraduate: 0.473 (5.047***) Graduate: 0.306 (1.660)	Below 30k: 0.521 (4.801***) 30k-50k: 0.402 (3.484***) 50k-70k: 0.440 (2.384***) Above 70k: 1.019 (3.590***)
Procedural Justice -> Satisfaction with Complaint Handling	Male: 0.187 (1.322) Female: -0.078 (-0.604)	20s: -0.241 (-1.118) 30s: 0.059 (0.319) 40s: 0.266 (0.916) 50s: (0.132 (0.966)	High school: 0.213 (0.953) Undergraduate: -0.012 (-0.109) Graduate: 0.205 (0.811)	Below 30k: -0.125 (-0.844) 30k-50k: 0.104 (0.827) 50k-70k: 0.112 (0.447) Above 70k: 0.207 (0.476)
Interactional Justice -> Satisfaction with Complaint Handling	Male: 0.205 (1.850*) Female: 0.384 (2.748***)	20s: 0.408 (7.995*) 30s: 0.315 (1.906*) 40s: 0.045 (0.195) 50s: 0.236 (1.624)	High school: 0.096 (0.511) Undergraduate: 0.310 (3.022***) Graduate: 0.206 (1.043)	Below 30k: 0.406 (3.179***) 30k-50k: 0.315 (2.465*) 50k-70k: 0.176 (0.802) Above 70k: -0.332 (-0.692)

\*\*\* Significant at 0.01 level (2-tailed); \*\* Significant at 0.05 level (2-tailed); \* Significant at 0.10 level (2-tailed).

**Table 5. Effects of Justice Dimension on Satisfaction with Complaint Handling based on Demographics**

This study examined effects of three justice dimension on satisfaction with complaint handling based on demographics, and the results are shown in Table 5. The effects of distributive and interactional justice on satisfaction with complaint handling are affected by gender; specifically, the effects were stronger for female respondents (H4e). The effects of justice dimension on satisfaction with complaint handling were significantly associated with respondents in their 20s and 30s, and the effects of distributive justice were also significantly associated with respondents in their 40s and 50s (H4f). The effects of distributive and interactional justice on satisfaction with complaint handling were significantly associated with an undergraduate degree as the highest level of education (H4g). Finally, the effects of distributive and interactional justice on satisfaction with complaint handling were significantly associated with annual incomes below \$30,000 and between

\$30,000 and \$50,000, while the effects of distributional justice were significantly associated with annual incomes between \$50,000 and \$70,000 and above \$70,000 (H4h).

This study also examined the effects of willingness to complain and satisfaction with complaint handling on public confidence. The results of regression analyses are shown in Table 6. Overall, the results of the ANOVA find the models significant at the 01 level with  $F = 17.876$  ( $r\text{-square} = .037$ ) and with  $F = 62.490$  ( $r\text{-square} = .214$ ). Therefore, hypotheses 5 and 6 were accepted. In other words, higher levels of willingness to complain were associated with lower levels of public confidence, and higher levels of satisfaction with complaint handling were associated with higher levels of public confidence.

Variable (Independent -> dependent)	Standardized Coefficient (t-value-Sig)
Willingness to Complain ->Public Confidence (H5)	-0.192 (-4.228***)
Satisfaction with Complaint Handling -> Public Confidence (H6)	0.463(7.905***)

\*\*\* Significant at 0.01 level (2-tailed).

**Table 6. Effects of Willingness to Complain and Satisfaction with Complaint Handling on Public Confidence**

## V. CONCLUSION

The effects of three justice dimensions on dissatisfaction and satisfaction with handling complaints showed different characteristics. Overall, procedural and interactional justice, but not distributive justice, had significant effects on dissatisfaction, and the effects of interactional justice were stronger than those of procedural justice. In regard to satisfaction with complaint handling, the effects of distributive and interactional justice, but not procedural justice, were significant, and the effects of distributive justice were stronger than those of interactional justice. These findings suggest that citizens are more sensitive to equity and equality issues, or distributive justice, even though the primary functions of online public service are to improve efficiency and cost effectiveness. The results also showed that willingness to complain was negatively associated with public confidence, while satisfaction with complaint handling was positively associated with public confidence. These findings suggest that the employment of online service systems by public management should not be limited to the technical aspects of e-governance, but should focus more

attention on the subjective domain of distributive justice, or “what is right” to society.

This study investigated the effects of the three justice dimensions on satisfaction with complaint handling online and offline and also looked at the impact of demographic variables. The results showed that distributive justice affects satisfaction with complaint handling when complaints are resolved offline. One explanation for this finding is that the public encounters dissatisfaction with procedural and interactive justice in regard to complaint handling procedures and interactions with online help desks to resolve complaints.

In terms of demographics, the results of this study showed that a) the impact of interactive justice on dissatisfaction was stronger with female respondents; b) all three justice dimensions affected dissatisfaction for those with undergraduate degrees, but none of the three justice dimensions affected satisfaction with complaint handling for those with graduate degrees; c) distributive justice affected satisfaction with complaint handling for those in their 40s and 50s; and d) distributive justice affected satisfaction with complaint handling for respondents with annual incomes above \$70,000. People in their 40s and 50s grew up during a period of democratization, so their perceptions of distributive justice may be stronger than those for the other justice dimensions and those of other age groups. In the context of economic development, various social problems such as income inequality, class conflict, and injustice have emerged. In this context, generations that experienced economic growth and democratization have placed more emphasis on distributive issues. The findings of this study suggest that rather than just expanding the availability of technologically friendly functions, sophisticated e-governance systems should be developed that address citizens’ complaints and provide more customized public services that focus on the distributive dimension, which ultimately enhances public confidence.

This study also found interaction effects between demographic variables and the five major dependent variables (dissatisfaction, willingness to complain, complaining behavior, satisfaction with complaint handling, and public confidence, appendix). Significant interactions were found



between a) gender and age and gender and income level in the context of complaining behavior, b) gender and marital status and gender and age in the context of satisfaction with complaint handling, and c) gender and marital status and gender and income level in the context of public confidence. In addition, significant associations were found between a) higher levels of complaining behavior, male respondents in their 30s, and female respondents in their 40s; b) higher levels of complaining behavior, higher satisfaction with complaint handling, female respondents, and respondents with annual incomes above \$30,000; c) higher satisfaction with complaint handling, married females, and single males; d) higher satisfaction with complaint handling, female respondents in their 40s, and male respondents in their 20s; e) higher levels of public confidence and married females; f) lower levels of public confidence and single females; g) higher levels of public confidence, males, and respondents with graduate degrees; and f) lower levels of public confidence, female respondents, and respondents with graduate degrees. In addition, the levels of complaining behavior and satisfaction with complaint handling were higher for female respondents at all income levels.

Interpretation of these complex findings is difficult. One tentative explanation is possible if we link the socioeconomic status of males in their 30s and females with higher education to sensitivity toward social issues. Given labor market tightness, for example, we can speculate that males in their 30s and single females with higher education levels tend to be more sensitive to social issues and are therefore more likely to complain about low quality public service. This interpretation implies that complaints from the two groups stem from inefficient online service systems, social status, and livelihood.

This study provides implications for policy makers and future research. Few previous studies have investigated the effects of complaint handling on public confidence. By applying the three dimensions of justice, this study contributes information about the post-stage of dissatisfaction and its effects on public confidence. The results of this study also have important implications for public complaint handling in terms of increasing public satisfaction with services offered by

government. The importance of the successful management of dissatisfaction for stability and profitable growth and the determination of how comprehensive a complaint response strategy must be to satisfy the public and gain their confidence has not been well addressed in the context of public services (Cho et al., 2001; Levesque and McDougall, 1996). By addressing dissatisfaction, complaint handling, and confidence from public websites, the present study provides information for e-governance that can be used to improve citizen-centered management in the virtual environment.

This study has a few limitations. The sample size was relatively small; future studies should consider increasing the sample size and including a cross-cultural environment for comparison and generalizability. Future studies might also examine interaction effects between complaint behavior and socioeconomic status.

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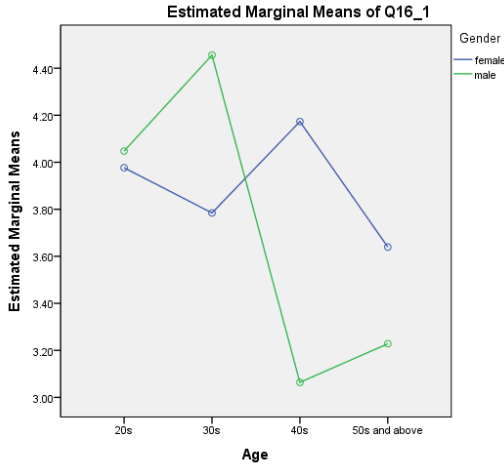
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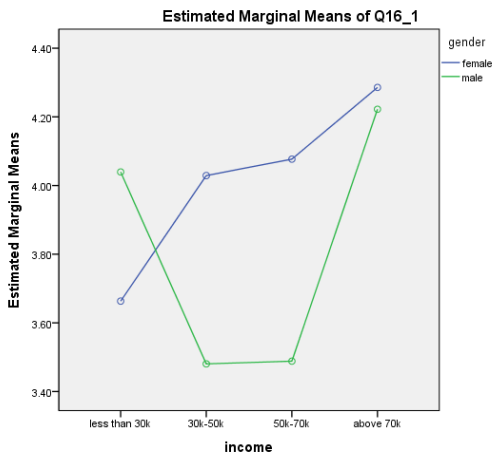
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**Appendix:**

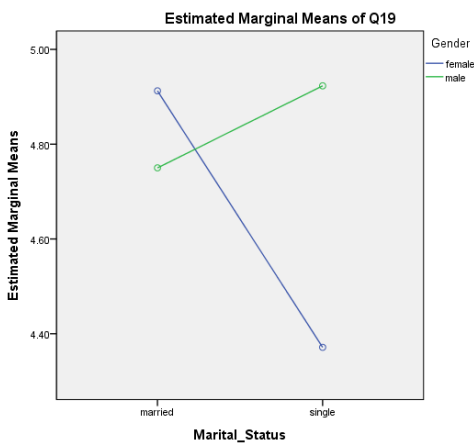
**Figure 1. Interaction Effects on Complaining Behavior between Gender and Age**



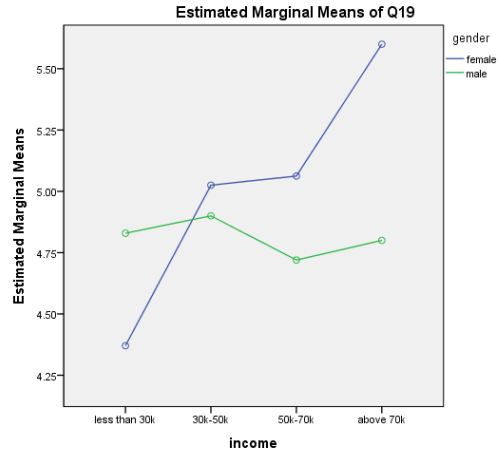
**Figure 2. Interaction Effects on Complaining Behavior between Gender and Income Level**



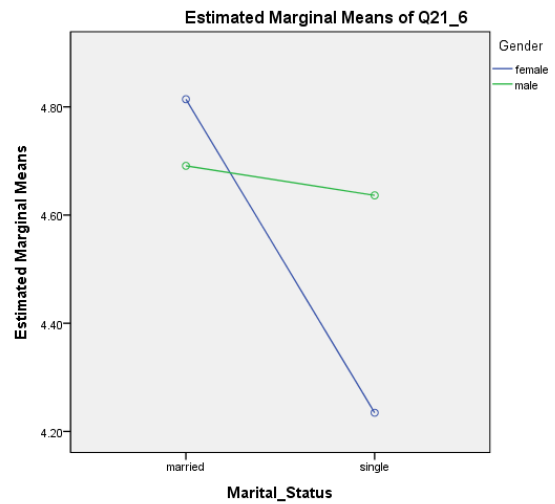
**Figure 3. Interaction Effects on Satisfaction with Complaint Handling between Gender and Marital Status**



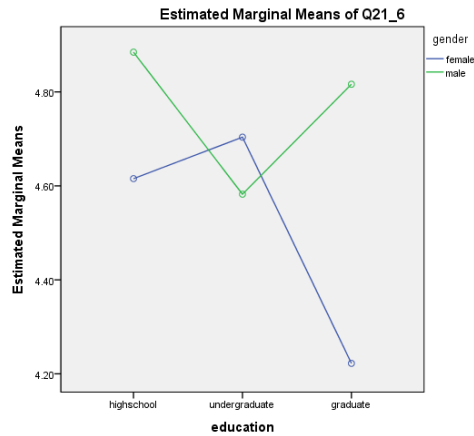
**Figure 3. Interaction Effects on Satisfaction with Complaint Handling between Gender and Income Level**



**Figure 4. Interaction Effects on Public Confidence between Gender and Marital Status**



**Figure 5. Interaction Effects on Public Confidence between Gender and Education Level**





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