

Organizational Justice Effect on Employee Job Satisfaction

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Abstract— This study aims to find out the effect of distributive and interactional compensation justice to employee job satisfaction in one of the private hospitals in Bima City. This study is an associative research that used quantitative approach and all variables are measured using Likert scale. The total population in this study was 120 people consisting of 22 permanent and 98 contract employees who work in shifts. The data collection technique is using the questionnaire. The sample of this research was chosen simple random sampling, amounting to 92 respondents. Testing instruments used the validity and reliability test. The data analysis was using multiple linear regression analysis with SPSS version 20. The resulted of this study showed that the partially distributive justice did not affect the employee job satisfaction. However, interactional compensation justice affects employee job satisfaction. It was proven that distributive and interactional compensation justice affect employee job satisfaction.

Keywords— distributive justice, interactional compensation justice, job satisfaction.

I. INTRODUCTION

The innovative human resources are needed in an organization to face the challenges of globalization which affects the regulation so that employees are required to focus on doing the job. Private agencies are still not optimal in increasing job satisfaction because they have limited resources to fulfill the living expenses of their employees. This injustice can lead to the malfunction of work practices in an organization so that the work atmosphere becomes uncomfortable.

Justice is an important thing for employees to obtain. This is related to distributive and interactional processes in an organization. The organization or company policy should regard it as an important concern for the employees because it relates to careers in the organization [1]. Job satisfaction is someone's positive or negative feelings towards his/her job.

Management injustice in the organization can cause various problems such as indiscipline work behaviours, delaying work, late for meetings, etc. On the opposite, if the employees get rewards or salaries in accordance with their contribution to the company it will cause positive reactions such as job satisfaction.

One example of injustice to employees is regarding the information obtained. Some employees often complain in getting the information on job promotion which results in unmotivated employees for competition and uncondusive situation in the organizational environment. Other form of

injustice is the unfair working hours schedule and inbalance of wage and workload, which is apart from the job description. Satisfaction is a person's positive or negative feelings toward his/her work. The employee will be satisfied if there is justice and fair distribution of work schedules and workloads. Therefore, the researchers want to know the level of organizational justice to employee job satisfaction in one of the private hospitals in Bima City.

II. RESEARCH METHOD

This research was conducted in one of the private hospitals in Bima city. The population in this study was 120 people consisting of 22 permanent and 98 contract employees who work in shifts. The sampling technique used was simple random sampling with Slovin formula so that 92 respondents were obtained.

Data collection techniques were by using questionnaires and literature studies to obtain data related to distributive justice compensation, interactional compensation justice, and job satisfaction. The variables are measured using Likert scale with five levels of alternative answers. Testing instruments used the validity and reliability test. The data analysis was using multiple linear regression analysis with SPSS version 20. The hypotheses in this study are as follows:

- H1 : Distributive justice affects job satisfaction
- H2 : Interactional compensation justice affects job satisfaction
- H3 : Distributive justice and interactional compensation justice affect job satisfaction

III. RESULTS AND DISCUSSION

This research has tested the validity of all correlation coefficients. From the indicators of research variables that have been tested, the validity scores were higher than 0.30 ($r > 0.30$) and $\text{Sig} < 0.05$. This shows that all indicators in this study are valid.

The reliability test results stated that each Cronbach's alpha score in each research instrument was higher than 0.6 (Cronbach's $\alpha > 0.6$). Thus, these results indicate that all instruments proved to be reliable so they can be used to conduct the research. The classical assumption test states that all data are normally distributed and free of multicollinearity and heteroscedastity so that the test can proceed with multiple regression with SPSS 20 for windows [2].

A. The Results of Multiple Linear Regression Analysis

Multiple linear regression analysis is used to determine the effect of independent variables on the dependent variable.

TABLE 1. RESULTS OF MULTIPLE LINEAR REGRESSION ANALYSIS

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.688 ^a	.473	.464	3.439	.473	52.543	2

The results of multiple linear regression analysis can be seen in the following table:

TABLE 2. CORRELATION COEFFICIENT DETERMINATION

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	23.411	3.028		7.730	.000
X1	-.014	.065	-.016	-.223	.824
X2	.750	.077	.693	9.715	.000

Data source: Data processed, 2019

Based on the results of the multiple linear regression analysis above, the following equation can be obtained:

$$y = 23.411 + (-0.014) + 0.750 + e$$

Based on these equations, it can be interpreted as follows:

- The constant score showing positive results 23.411. It shows that if variables of distributive justice and interactional compensation justice are constant, then the job satisfaction score of 23.411.
- The regression coefficient of variable X1 has negative score of - .014. It shows that if distributive justice decreases with the assumption that other variables are constant, then it can decrease job satisfaction of -0.014.
- The regression coefficient of variable X2 has positive score of 0.750. It shows that if the interactional compensation justice is getting better with the assumption that other variables are constant, then it can increase job satisfaction by 0.750.

B. Coefficient of Determination (Adjusted R²)

To find out the score of the contribution of the independent variable (distributive justice and interactional compensation justice) to the dependent variable (employee job satisfaction) the Adjusted R² score is used to calculate the score of the effect or contribution of the independent variable to the dependent variable. Based on the analysis using the Adjusted R square, the score obtained is 0.464

Based on the data above, the coefficient of determination Adjusted R squared is 0.464. This shows that the variables of distributive justice and interactional compensation justice only affect 46% of employee job satisfaction, whereas the

remaining of 54% is influenced by other variables that not examined in this research.

Based on the correlation score of 0.688, it is revealed that the variables of distributive justice (X1) and interactional compensation justice (X2) with variable levels of employee satisfaction have strong relationship, according to the correlation coefficient table interval guidelines [2].

C. The F Test (Simultaneous)

The F test is used to find out whether all the independent variables (distributive justice and interactional compensation justice) have significant simultaneous effect to employee job satisfaction. Hypothesis testing is conducted by using the F test, by comparing the calculated F value of the results of the regression analysis at the real level $\alpha = 0.05$.

TABLE 3. STIMULANT TEST

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	1242.501	2	621.250	52.543	0.000 ^b
Residual	1383.366	117	11.824		
Total	2625.867	119			

Based on Table 3, the F score is 52.543 and the level of significance of F (0.000) < $\alpha = 0.05$, hence, it can be concluded that the distributive justice variable (X1) and interactional compensation justice (X2) simultaneously effect on employee job satisfaction (Y).

D. The Effect of Distributive Justice to Job Satisfaction

The existence of distributive justice in terms of reward, achievement and resources to employees will promote the increasing job satisfaction in the organization. The results of several research [6,7,8,9,10] show that distributive justice is needed in the form of career path certainty in the organization so that employees are not tempted for other job opportunities in another place.

Therefore, the hypothesis which states that distributive justice does not affect the job satisfaction of employees in the private hospital in Bima city is "rejected", because distributive justice is not good, then the job satisfaction of each employee will decrease. It is supported by Kristanto's research which shows that distributive justice has no effect to job satisfaction [3].

E. The Effect of Interactional Compensational Justice to Job Satisfaction

The fair of the employment relationship in terms of interactional among employees, managers, and management in the organization will lead to job satisfaction of employees in the form of increase of work. Interactional justice in the form of interaction between managers and employees must be maintained so that the organization can work better [4]–[6]

Therefore, the hypothesis which states that interactional compensational justice effects to job satisfaction of employee performance at Bima city private hospital is "accepted". This study is in line with research on several medical staffs at Udayana Denpasar TK II hospital, which shows that interactional compensation justice has positive and

significant effect on job satisfaction, because in general interactional compensation justice is related to aspects of interaction through the delivery of interpersonal information that can be used as strategic considerations in determining work satisfaction [7].

F. The Effects of Distributive Justice and Interactional Compensational Justice to Job Satisfaction

According to research, the success or not of an organization depends on the organization's ability to provide job satisfaction to its employees [4]. Job satisfaction can be achieved by establishing good working relationship between employees, managers, and officers in the staffing department. This is proved by research which shows that the creation of good compensation and returning the favor processes for employees will further encourage employee job satisfaction [8]–[10].

Therefore, the hypothesis which states that distributive justice and interactional compensation justice have positive and significant effect on job satisfaction is "accepted". This study is in line with research [11] that examines the effect of organizational justice on employee job satisfaction. The results obtained in this study are 1) distributive justice has positive and significant effect on job satisfaction 2) interactional compensation justice has positive and significant effect to job satisfaction, 3) procedural justice has positive and significant effect on job satisfaction and interactional compensation justice has positive and significant effect on job satisfaction.

IV. CONCLUSION

Based on the results of the research, it can be concluded that distributive justice does not affect employee job satisfaction because the awarding procedures received have not been in accordance with the work difficulties of the employees. Interactional compensational justice affects employee job satisfaction, distributive justice and interactional compensational justice simultaneously affect employee job satisfaction. The suggestion that can be disseminate in order that the management can deliver good

information to the employee about the award distribution procedure that has been given not in accordance with the workload of the employee and consider the type of employee work for the progress of the organization.

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