



The Effect of Innovation and Participation on Employee's Job Satisfaction with Psychological Ownership as Mediation Variable in Wedding Decoration Business Registered in Associations of Decoration Service Entrepreneurs Indonesia (ASPEDI) in Sumatera Utara

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Abstract. This research aims at employees registered with the Associations of Decoration Service Entrepreneurs Indonesia (ASPEDI) in Sumatera Utara. Job satisfaction is a factor that is affected by innovation and employee participation. This study used quantitative methods by distributing questionnaires to 69 respondents. The statistical analysis used in this study is path analysis with Statistical Product and Service Solution (SPSS) software.

Keywords: Innovation · Participation · Job Satisfaction · Psychological Ownership · Wedding decoration

1 Introduction

Marriage is a sacred thing that can be built from a sacred bond. The decoration is the main thing that becomes the center of attention at a wedding. Therefore, the bride and groom often try to make their wedding decorations look attractive and can be a memory for both the bride and groom and the guests. The use of wedding decoration services is the right step, especially when using the wedding decoration service providers registered in the Association of Decoration Service Entrepreneurs (ASPEDI) since they are handled by professionals to prepare the weddings. The benefit of choosing the wedding decorations registered with ASPEDI is the quality and quantity of creative business actors who are superior in wedding decorations. ASPEDI members have attended some training and meetings to improve the quality of decoration work, both at provincial and national levels.

In carrying out their work, employees must have skills, high morale, and discipline that will result in innovation and participation for the company. But the reality is that employees are given less space to be involved in providing their ability to innovate and

participate properly. This should be an added value to the company's competitiveness because there are discussions between workers and leaders to increase the selling value of decorations and work effectiveness. Suppose the company wants to build a culture of innovation. In that case, the organization must be able to determine effective employee behavior and involve employees in providing ideas and contributions to encourage the creation of innovation and participation for employees of the company that has an impact on generating employee job satisfaction.

Pre-survey data on job satisfaction given to wedding decoration employees registered with the Indonesian Decoration Entrepreneurs Association (ASPEDI) as many as 20 people in 2022 resulted in the lowest intrinsic dimension of 0%. The underlying factor is unclear work procedure (direction), which impacts communication between superiors, employees, and clients. There are still some vendors who do not provide layouts to field workers. The field workers in question are the installation team and the flower team, where the flower team often does not accept the layout of what will be done in the field. So if the pair team requires coordination with the flower team, there will be communication barriers. Another thing about the layout is that there are differences in the layouts given to the field teams. This could happen because the design team did not provide a revised layout to the field team. So, when installing the decorations, several designs are not following what should have been previously approved. Of course, this causes poor communication between superiors, field workers, and clients.

Furthermore, the extrinsic dimension in the "disagree" category became the highest percentage, namely 44%. This includes several indicators that are still not enough to make employees feel satisfied with their work, namely, the form of a lack of praise, an assessment of their work, compensation, and unfair treatment of superior's employees.

The next dimension is job satisfaction in general, in the form of a lack of employee welfare and proper facilities, with a percentage of 42%. The company's profits can be maximized if the employees who work can do it to the fullest. This can be done if their welfare is guaranteed.

Based on the explanation above, the researcher is interested in conducting a study entitled "The Effect of Innovation and Participation toward Job Satisfaction's Employee with Psychological Ownership as Mediation Variable in Wedding Decoration Business Registered in Associations of Decoration Services Entrepreneur Indonesia (ASPEDI) in Sumatera Utara.

2 Methods

2.1 Innovation

Innovation is created in a new way and aimed at customers in a way that a profitable and sustainable business model supports.

2.2 Participation

According to Riskiyono [1], participation is a condition in which all community members are involved in determining the actions or policies to be taken related to their interests. Job satisfaction,

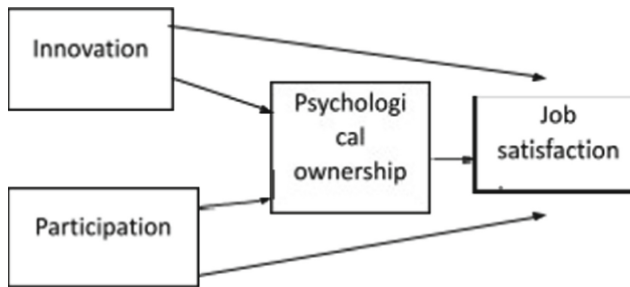


Fig. 1. Conceptual Framework

According to Dariyo [2], a person's attitude or feeling toward a job means that a person's job satisfaction depends on how the individual's assessment (perception) of the individual concerned about the job itself, whether it makes him feel satisfied or not, psychological Ownership. Meanwhile, according to Rosari [3], psychological ownership is a variable that represents employees' psychological attachment to the organization, especially in the form of a sense of belonging (my, ours, mine) to the organization.

This study used quantitative methods by distributing questionnaires to respondents with a total of 69 respondents. In this study, the respondents are decoration employees whose vendors are registered with the Indonesian Decoration Entrepreneurs.

Service Association (ASPEDI) Sumatera Utara. Variables in the study are Innovation, Participation, Job Satisfaction, and psychological ownership. Statistical analysis used is path analysis. Path analysis shows how the influence of exogenous variables on endogenous variables can be in the form of direct and indirect effects. The validity test was done using Statistical Product and Service Solution (SPSS) software.

The sampling technique in this study used a saturated sample (census sample). According to Afryanti [4], the census method is the data collection from the entire object of study; if the population is less than 100 persons, then the sample is taken from the whole population. While if the population is more than 100 persons, then the sample is taken from 10–15% or 20–25% of the total population.

The conceptual framework is a line of thought in a relationship between a concept and another to provide an overview and direct assumptions related to the variables in the study. In this study, it is assumed that the innovation variable (X1), and participation (X2), partially and simultaneously influence job satisfaction (Y) with the psychological mediating variable. Ownership (Z). The conceptual framework for this study was done as follows (Fig. 1):

3 Results and Discussion

The most important contribution of this study is to describe the mechanism of "why" and "how" innovation and participation can affect employees' job satisfaction. The findings revealed that if the employee perceived that their organization respects their participation and innovation, they would take the initiative to contribute, participate in solving problems, and influence others. These factors caused a positive relationship between

employees, jobs, and organizations. Since psychological ownership occurs when people perceive a relationship between them and the object, they get psychological ownership of their jobs and organization. At the next level, this psychological ownership can increase job satisfaction.

This study gave some contributions to theory development by indicating the importance of the effects of psychological ownership, participation, and innovation on job satisfaction.

This study indicated that psychological ownership and participation are the most critical variables in estimating job satisfaction. The employee can do participation in problem-solving, decision-making, and setting objectives. The organization has to ask and serve them to give them a sense of ownership as the organization's target.

4 Conclusions

The study revealed that the workplace values of innovations and participation indirectly affect job satisfaction. The effect of both values is manifested through effective psychological ownership. In other words, psychological ownership's affection dimension has mediated all participation and innovations toward all dimensions of job satisfaction. Therefore, it can be concluded that innovations and participation can motivate employees to develop their affection toward the job and organization, leading to an experience of organization ownership and job satisfaction.

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