

# THE EFFECT OF JUSTICE PERCEPTION ON JOB SATISFACTION AND ITS IMPACT ON NURSES MOTIVATION

Undergraduate Thesis

Thesis is submitted as a partial fulfillment of the requirement for an Undergraduate Degree in Management Department – Faculty of Economics

Submitted By:

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# THE EFFECT OF JUSTICE PERCEPTION ON JOB SATISFACTION AND ITS IMPACT ON NURSE'S MOTIVATION

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#### ABSTRACT

This study integrated justice perception and motivation to predict job satisfaction on nurses who work at private hospital in Padang. Organizational justice researchers have reached general agreement that fairness can be divided into two primary types with a third, less clearly defined type often proposed. The first commonly accepted type of justice is referred to as "distributive" justice. The second type is "Procedural" justice". This study aims to investigate the effect of justice perception on job satisfaction and its impact on motivation of nurse who work at some private hospitals in Padang, West Sumatera, Indonesia. The methodology of this research is quantitative which is referring to distribute questionnaire. The researcher has already distributed 244 questionnaires to nurses who work at some private hospitals in Padang. Each of variables was tested using statistical package for the social sciences (SPSS) and structural equation model (SEM) by AMOS. There are five hypotheses which help built in this research. The findings concluded that there are significant relationship between distributive justice and procedural justice on job satisfaction, but for distributive justice and procedural justice has no positive impact on nurse's motivation. The strongest variable is dominated by job satisfaction on nurse's motivation.

*Keywords* - *Distributive justice, procedural justice, job satisfaction, motivation, and private hospital.* 

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# **CHAPTER I**

#### INTRODUCTION

## **1.1 Background of the Study**

The globalization trend, technology development, new business practices and technology continuously influence organizations in Indonesia. Many companies are also facing intensive challenge of improving the employee's job satisfaction to gain the competitive advantage and retention of key employees in the organization. Successful organizations realized that employee retention was important to sustain their leadership and growth in the marketplace. Employees were more satisfied when they felt they were rewarded fairly for the work they have done by making sure reward were for genuine contributions to the organization and consistent with the reward policies. The reward included a variety of benefits and perquisites other than monetary gains. Employees with higher job satisfaction was important as they believed that the organization would be tremendous future in the long run and care about the quality of their work; hence they were more committed to the organization, have higher retention rates and tend to have higher productivity (Ishigaki, 2004).

According to Board (2007) tangible incentives are effective in increasing performance for task not done before to encourage "thinking smarter" and to support both quality and quantity to achieve goals. Incentives, rewards and recognitions are the prime factors that impact on employee motivation. As the employees engage in their working activities purposely for own's sake then they will feel intrinsic motivation in their behavior as their activities will essentially be enjoyable and satisfactory (Vansteenkiste, 2005). The factors like incentives and rewards are the most preferred factors for employee motivation programs.

Worker motivation is presumed to exist when there is some congruence between an individual's and an organization's objectives (Bennett & Miller Franco, 1999). Motivation is an internal psychological process that is subject to neither direct manipulation nor direct observation. Workers' needs, self-concept, and expectations for outcomes and / or consequences comprise the individuallevel determinants of motivation that combine with the organizational context in which an employee is situated to effect job satisfaction. It has long been an aim of work psychology to uncover the reasons why individuals vary in their motivation to work, as well as how individual differences interact with organizational / situational factors to influence individual satisfaction and motivation (Furnham, 2002).

Studies on organizational justice have increased markedly in the past few years and it was suggested that research on organizational justice research may potentially explain many organizational behavior outcome, i.e., organizational effectiveness and performance (Greenberg, 1990). In organizational settings, organizational justice is used to describe the role of fairness. Particularly, employees related to organizational justice as ways in which they have been treated fairly by the organization and ways in which it their perceptions of fairness influence their work-related variables (Folger & Geeenberg, 1985).

Organizational justice may be defined as the study of fairness at work. Organizational justice researchers generally agree that fairness can be divided into two primary types with a third, less clearly defined type often proposed. The first commonly accepted type of justice is referred to as distributive justice. Distributive justice considers the fairness of the outcomes of a particular decision. Procedural justice, the second type, is generally defined as the fairness of the process that leads to the outcome. These two areas form the backdrop of majority of research conducted in the field in the last twenty years (Byrne & Cropanzano, 2001). A third type of justice is often referred to as interactional justice. Bies and Moag (1986) defined interactional justice as the fairness of the interpersonal treatment that one receives at the hands of an authority figure.

Later work by Leventhal (1980) extended the discussion of distributive and procedural justice beyond the process to include specific distributive mechanisms and procedural factors other than process control. Cropanzano and Folger (1989) attempted to integrate distributive and procedural forms of justice in a referent cognition theory. The goal of the theory is to describe the role that decisionmaking procedures play in shaping perception of unfair treatment. The theory predicts that people will react positively to an unfair outcome if the procedures used to determine the outcomes were fair and that they will react negatively if they perceive the procedures as being unfair.

Greenberg (1993) emphasized the need to consider more fully the social determinants of fairness that were not recognized by the prevailing emphasis on the structural aspects of outcome of distributions and procedures. He proposed a taxonomy of justice classes formed by cross cutting the two commonly accepted categories of justice, procedural and distributive, with two focal determinants, social and structural. The distinction between social and structural determinants is based on the immediate focus of the just action. Structural determinants reflect the

situation whereby justice is sought by focusing on the environmental context in which the interaction occurs. Structural determinants ensure fairness by structuring a decision-making context. The social determinants of justice focus on the treatment of individuals and help ensure fairness by focusing on the interpersonal treatment one receives.

Role of employee in organization is very important. Employee is key success in organization. Hospital is one of service industry. The human resource is considered to be the most important resource in the health care system. The performance of the health care system is greatly influenced by the knowledge, skills and motivation of the human resource delivering the services. The issue of job satisfaction is closely related to fairness and quality of care in nursing and it is major concern for administrators in the health care system. Research on job satisfaction in general and in the health care field in particular, strongly suggests that fairness is for the most part an outcome of work dissatisfaction. Thus, make researcher interested doing this research, this research is purported to examine the mediating role of job satisfaction in the relationship between justice perception and motivation of nurses who work at private hospital in Padang.

# **1.2 Research Questions**

There are many studies on the relationship between justice perception and job satisfaction, job satisfaction and nurse's motivation and there is a possibility that job satisfaction as mediation between justice perception and motivation, yet some research have different outcome on the study. Personal understanding and perception about job satisfaction affect person's feels about whether they are satisfied with their job or not. Therefore, the research questions were designed as follows:

- 1. How does the justice perception affect job satisfaction of nurses who work at private hospital in Padang?
- 2. To what extent does motivation to be a key component in the ultimate success on job satisfaction of nurses who work at private hospital in Padang?
- 3. How does the nurses reactions toward justice perception and its impact on overall nurse's motivation at private hospital in Padang?

# 1.3 Objectives of the Study

With reference to the problem, this study seeks to achieve the following objectives:

- To investigate the effect of justice perception on job satisfaction of nurses who work at private hospital in Padang
- To investigate the effect of motivation as a key component in the ultimate success on job satisfaction of nurses who work at private hospital in Padang
- 3. To investigate the nurses reactions toward justice perception and its impact on overall nurses's motivation at private hospital in Padang

# **1.4 Significant of the Study**

This research can give contributions for the hospital to examine about distributive justice and procedural justice and how its impact toward nurse's motivation. It can be also measures whether motivation affects their job satisfaction for nurse who work in the private hospital or not. Wandelt et al. (1981) argued that the quality of care given to patients and pay most influence satisfaction among nurses. Because nurse's job satisfaction and motivation are important if health workers are to be retained and effectively deliver health services. Blegen and Mueller (1987) concluded that factors such as promotional opportunity, distributive justice, kinship responsibility, and social integration were significant in nurse's job satisfaction.

Kramer (1974) cited from Duchscher J.B (2007) showed that educational level is inversily related to nurses job satisfaction. The result suggested that a higher level of education may engender greater role expectations, including that of professionalism, which are not met in practice. Studies also demonstrated that age has a bearing on job satisfaction. With younger nurses being less satisfied than older nurses. Although research on organizational justice has increased in the past few years, one research direction that is not fully undertaken or explored is research on the relationship between justice perceptions and work behavior (Greenberg, 1990b).

# **1.5 Contributions of Study**

This study directly involve in strengthen the theories relate to defines the determinant of justice perception on job satisfaction of nurses who work at private hospital in Padang. The basic assumption is that nurses reactions toward distributive justice and procedural justice and its impact on overall nurse's motivation. The effect of motivation as a key component in the ultimate success on job satisfaction, the effect from different aspects on job satisfaction that may affect the ultimate success on organizational system, and also the effect of justice perception on job satisfaction.

# 1.6 Scope of Study

The role of human resource management has been more significant and important in order to increase job satisfaction level of employees within an organization. Job satisfaction will lead to a more dedicated person and get fairness in workplace so that nurses can motivate to work in this hospital. This research has a limited scope of analyses in terms of numbers of variables and object of the research. The variables will be tested in this research are limited into: distributive justice and procedural justice, job satisfaction, and motivation. The researcher limits the research context by focusing in nurses who work at private hospital in Padang.

# **1.7 Structure of Study**

The structure of the research will be as follow:

Subchapter: Background Chapter I **Problem Statement** Introduction Objective of the Research Significant of the Research Contribution of the Research Scope of the Research . Structure of Thesis . Subchapter: Chapter II Theoretical Background Review of Literature **Review of Previous Study** Theoretical Framework & Hypotheses Subchapter: Chapter III **Research Design Research Methods** Population and Sample Source of Data Data Collecting Method Variable Measurement . **Operational Definition** Data Analysis **Research Process** Subchapter: Overview of Survey Chapter IV Response Analysis and Result Analysis Data Discussion of Research Finding Subchapter: Chapter V Conclusion of Research Conclusion, Implication of Research Implication, and Research Limitation and Future Research Future Research

**Figure 1.1 Structure of Research** 

# CHAPTER IV ANALYSIS AND RESULTS

#### 4.1 Survey Result

This chapter will discuss analysis of research result related with job satisfaction, motivation and justice perception of nurses who work at private hospital in Padang. The result of this survey can be seen from the number of questioner have been distributed to nurses who work at some private hospitals in Padang. Data was distributed to nurse through their head of installation and chief of room for each installation in private hospital, and take it back about 3 days to fill in the questioners. This is the table 4.1 that show about the number of questioner.

 Table 4.1 Survey Result

Survey	Number of questioner
Distributed	296
Returned	244
Not Returned	52
Analysed	244

Source: Processed from questionnaire by using SPSS

From the table 4.1, 296 questionnaires was distributed to nurses who work at some private hospital in Padang. Others 52 questionnaires were not returned back to researcher because of some nurses were not in Padang, absenteeism and vacation, and some nurses unfilled it because they did not have availability time while survey occurred. No questionnaire broken or error on this survey. There are 120 was distributed to nurses who work at Yos Sudarso Hospital, others 24 questionnaires were not returned back to researcher. While there are 126 questionnaires was distributed to nurses who work at Siti Rahmah

## **CHAPTER V**

# CONCLUSION, LIMITATION, RECOMMENDATION AND IMPLICATION

# 5.1 Conclusion of the Research

This thesis consists of five chapters; each chapter has been clearly elaborated in the previous section. Chapter one represents a picture of the overall study, preceded by an introduction and background of the research. Chapter two contains the literature review, followed by the development of the hypotheses of the research. These sections also discuss the theories relate to distributive justice, procedural justice, job satisfaction, and motivation.

A theoretical model was generated which was then tested using structural equation modeling (SEM). The research processes are reported in chapter three encompasses an outline of the research methodology and includes the research paradigm, design, justification of the research approach and the measurement variables. The research methodology provides a guideline for obtaining the information which is analyzed in chapter four.

Chapter four provides the data analysis and result of the study. The primary purpose of this study was to develop and test the model of the variables which contribute to justice perception on job satisfaction and nurses motivation who work at private hospital in Padang. These variables are: distributive justice, procedural justice, job satisfaction, and motivation. Based on the review of the literature, research developed a number of hypotheses which were portrayed in the research model. An examination of theoretical model of the research using AMOS software indicated that the model needed to be modified. Consequently, a minor modification was conducted to improve the good of fit criteria of the model. The result of structural equation model analysis demonstrated that distributive justice have significant influence on job satisfaction of nurses who work at some private hospital in Padang, beside procedural justice also contribute for nurses to lead higher job satisfaction. Motivation also determined by job satisfaction. Otherwise there are also several hypotheses which are rejected like distributive justice was not significant influence in nurse's motivation. While procedural justice was not supported for nurses motivation.

The review of recent literature on organizational justice has distinguished between procedural justice and distributive justice and has examined the relationships between them. It was revealed that procedural justice is an important determinant of a variety of important work outcomes, such as job satisfaction. Especially consequential is the manner in which procedural justice theories have been applied to a host of managerial practices, including selection, theftprevention, promotion, and conflict-resolution. When procedural justice is incorporated into these practices, beneficial outcomes accrue to both individuals and the organizations employing them.

Finally, this study provides a significant implication for nurses to increase personal understanding and perceptions about job satisfaction that affect person's feels whether nurses feel satisfied with their job.

## 5.2 Implication, Limitation, and Recommendation

The present study examined a model which included distributive justice, procedural justice, job satisfaction, and motivation, as predictors to measure motivation and job satisfaction of nurses toward distributive justice and procedural justice at private hospital in Padang. The result of this study provides significant implication, particularly associate with the current issues of justice perception on job satisfaction and motivation of nurses at private hospital in Padang. The following section details the contributions made by this study, its implication, and limitation, also put forward suggestion for future studies.

## 5.2.1 Implication of the research

The research provides several implications for improvement of understanding of the relationship among distributive justice, procedural justice, job satisfaction, and motivation of nurses who work at some hospitals in Padang, especially in the context of 4 private hospitals in Padang.

Based on the research show that nurses feel enjoy in their work so that nurses were motivated in their work, for example nurse arrive at the hospital on time and do not leave early. While distributive justice can affect job staisfaction of nurses. Based on this research, level of salary at some private hospitals in Padang was not fair. In this research, context the nurses think that there is a minor chance of appreciation from the boss on doing a good job. These deficiencies can be worked out if the superiors motivate their juniors with proper recognition and appreciation even through minor things like asking their family problems. On the other side the periodically salary increments, allowances, bonuses, fringe benefits and other compensations on regular and specific periods keeps their morale high and makes them more motivated. However the research is very important in building the relationship between nurses and boss.

In addition on the research has found that there is one item of statements in the questionnaire that state is "Job decisions are made by the manager in a biased manner". The statement is the lowest value in validity test. It means that nurse's participation in the decision making process will made them more courageous and enthusiastic towards working in the hospital. Thus the research expected that nurses have high motivation and can implement it as well as in order to obtain good impact on job satisfaction.

Distributive justice relates more to outcome satisfaction or the evaluation of some final decision concerning somebody personally, than to attitudes about the system (McFarlin & Sweeney 1992; Sweeney & McFarlin 1993). These outcomes were called personal level outcome variables. Procedural justice, on the other hand, is more closely related to system satisfaction. Perceptions of fair treatment are important for attitudes about the larger organization. People are likely to retain positive attitudes towards their organization when the procedures determining the decision were fair, even when the decision itself resulted in an unfavourable outcome (e.g. McFarlin & Sweeney 1992; Schaubroeck, May & Brown 1994; Sweeney & McFarlin 1993). Such attitudes directed at the organization were labelled organizational level outcome variables.

The relationship between job satisfaction and motivation at work has been one of the widely researched areas in the field of management in relation to different professions, but in Pakistan very few studies have explored this concept especially on banking sectors employees. Finck et al. (1998) also stated that companies must recognize that the human factor is becoming much more important for organizational survival, and that business excellence will only be achieved when employees are excited and motivated by their work. In addition, difficult circumstances, such as violence, tragedy, fear, and job insecurity create severe stress in employees and result in reduced workplace performance (Klein, 2002).

This research can be used to evaluate level of job satisfaction of nurses and examine its implication on their motivation. Some private hospitals in Padang could conduct another research that related to this research, so that it can examine current condition of the nurses. Additionally, distributive justice was not significant on nurse's motivation because employees generally expect that the distribution of organizational rewards will be proportional to their work efforts. Indeed, the employees' motivation to learn and a desire for fair treatment are deeply rooted in human nature and inherent elements of organisations. Further, it is widely acknowledged that equity in the allocation of rewards is an important source of employees' work motivation (Greenberg 1982; Latham and Pinder 2005). Individuals are concerned with whether or not they received their "just share." Sometimes things are distributively just, as when the most qualified person gets promoted. Other times they are not, as when advancement goes to corporate "insiders" with a political relationship to upper management.

While procedural justice was not significant on nurse's motivation because Folger and Konovsky (1989) found that opportunities for employees to express their feelings when evaluated predicted a measure of perceived fairness and accuracy of performance evaluation. If the process is perceived as just,

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employees show greater loyalty and more willingness to behave in an organizational's best interest (Cropanzano et.al. 2007). Fair procedures let employees feel they will get a 'fair shake' from the company and its representatives should they perform well in future (Loi et.al. 2006).

People want fairness because fairness provides things they like. There is more than a little truth to this idea. For instance, when individuals are rewarded for successfully completing a task they report being happy (Weiss, Suckow, & Cropanzano, 1999) and having pride in their performance (Krehbiel & Cropanzano, 2000). This is so even when their success resulted from cheating. At the same time, these individuals also report feeling guilty for their unfair behavior, suggesting that individuals can recognize and react to injustice, even when it is personally beneficial.

# **5.2.2 Limitation of the Research**

There are some limitation of this research:

- The sample of this research only nurse not all of the employees due to the limitation of time and many other problem. In the next research hope using more samples so it will contribute accurate result.
- Responses to the questionnaires may be influenced by the individual's mood and by the environmental conditions in the setting at the time the questionnaires are completed.

# 5.2.3 Recommendation of the Research

Based on the research result, motivation is can not be a predictor of distributive justice and procedural justice, while job satisfaction related with

distributive justice and procedural justice, so management of the hospital could conduct research to retest the previous research. Because job satisfaction and motivation is really important, especially for nurses, because they are people that take care of patient and the hospital management should pay an attention to their job satisfaction. Additionally, patient care and interpersonal relations with coworkers appear to be the most common reasons nurses enjoy their occupation.

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