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## The Effect of Interactional Justice and Participative Decision Making On Total Employee Commitment and Its Implication on Employee Performance Quality in PT. Bank BRI Branch Sigli

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### Abstract

The aim of this study is to see the effect of interactional justice and participative decision making on total employee commitment and its impact on employee performance quality. The population in this study were all employees of PT Bank BRI Branch Sigli totaling 151 people. Sampling is taken using a census method, that is all population is the sample so that the total sample is 151 people as well. The data is collected using questionnaires. The data obtained is processed using Structural Equation Modeling (SEM) as one of statistic multivariate techniques. The result shows that interactional justice effects total employee commitment significantly, participative decision making effects total employee commitment significantly, interactional justice effects employee performance quality significantly, participative decision making does not effect employee performance quality significantly, total employee commitment effects employee performance quality significantly, interactional justice effects employee performance quality through total employee commitment significantly, and participative decision making effects employee performance quality through total employee commitment significantly. These findings make the contribution for academic and practical area. For academic, this reseach model is as the new premise of causality theories. The originality is shown in the integration of the models from previous, and with the new object that is in the PT. Bank BRI Branch Sigli. The limitations resides in the amount of variables. And for the practical ones, this model can be a reference to figure the managerial practice.

**Keywords:** Interactional Justice, participative Decision Making, Total Employee Commitment, Employee Performance Quality.

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### 1. Introduction

The performance generated by employees is the result of a process to think of employees and also the power of an employee in their work, it can be tangible as can be seen, can be calculated quantity, but in many ways, the results if these thoughts and also the power can not be calculated and viewed, as well as problem-solving ideas, new innovations are found for the products of new goods or new services, and also the discovery of the work procedures more efficient and effective.

From the results of the mapping theory that the author did this in addition to the employee performance is influenced by the commitment of employees, is also influenced by Interactional Justice and participative Decision Making. Interactional justice was defined by (Cho, Park, & Dahlgaard-Park, 2017) as the extent to which people are affected by the decision are treated by

dignity and respect. This theory focuses on the interpersonal treatment received by people when the procedures are implemented. Interactional justice is actually a subcomponent of the justice organization, has been viewed as consisting of two specific types of interpersonal treatment (Dai & Xie, 2016). The first is called the interpersonal justice reflects the extent to which employees are treated with courtesy, dignity, and respect by the authorities or third parties involved in carrying out the procedures or outcomes. The second, called the fairness of information, which focuses on the explanation given to those who provide information about why the procedure is used in a certain way or why the results are distributed in a certain way (Chan & Lai, 2017). Injustice felt by employees will make a commitment to decrease. 2017). Injustice felt by employees will make a commitment to decrease.

## **2. Literature Review**

### **Performance Quality**

According to (He, Fehr, Yam, Long, & Hao, 2017) concept of performance is an abbreviation of the kinetic energy of work in English is performance. Performance is the output produced by the functions or individuals on a job or a particular profession. Performance that is often also referred to as job performance is the result of work in quantity and quality are achieved in executing tasks according to responsibilities given at a certain time. (Fachreza, Musnadi, & Shabri, 2018). In conclusion the performance or often referred to as the job performance is the quality and quantity of a work (output) of individuals in a certain activity and by measurement that apply to the job in question. This measurement is determined by the organization designated as a target within a period.

### **Total employee Commitment**

Employee commitment is the level at which an employee identifies himself with the company and its goals and is one of its attitudes reflecting the likes or dislikes of an employee towards the company where he works and wants to maintain membership in the company, because employee commitment is important behavioral dimensions that can be used to assess trends employee, identification and involvement of someone who is relatively strong towards company and are willing to work hard for the achievement of organizational goals (Salwa, Away, & Tabrani, 2018).

### **Participatory Decision Making**

Participatory decision making, defined as shared decision making (Locke & Schweiger, 1979) or share influence between hierarchical superiors and subordinates (Novit, 1971), has been the focus of research organizations for almost 50 years. While many researchers had examined the relationship between participatory decision making and employee outcomes such as job performance, job satisfaction, and turnover, only a vague conclusion that can be drawn from existing research on the relationship between participatory decision making and job performance. Some quantitative reviews have reported fairly positive relationship between these variables (Cotton, Vollrath, Froggatt, Lengnick-Hall, & Jennings, 1988); (Miller & Monge, 1986). Other quantitative review has not found a positive effect of this (ie., (Wagner, 1994); (Wagner-III & Gooding, 1987a). (Wagner-III & Gooding, 1987b) inspect studies cited by (Miller & Monge,

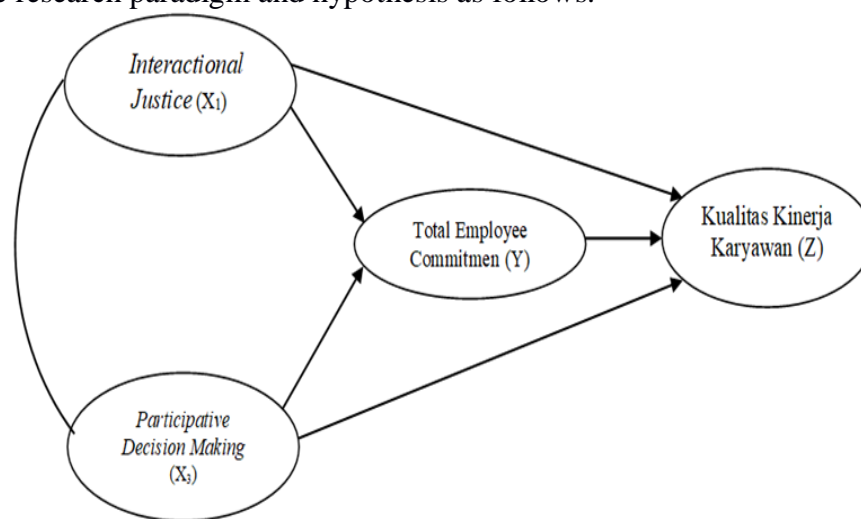
1986) and found that 90 percent of data collection techniques involving percept-percept (ie, the data collected from the same respondents using the same questionnaire at the same time).

### **Interactional Justice**

At first, the researchers highlight the distribution of justice which means that people will consider their input and output ratio and then compare the contributions and their earnings. Initially developing equity theory, which suggests that when the sense of justice result, the individual will work out the ratio of input and output them and compare the results of their distribution with themselves (Dai & Xie, 2016). Thibaut and Walker quoted from (Simmers & McMurray, 2019) issued a concept of procedural justice, believes that a decisive factor for the perception of fairness is not the result but the final distribution of planning and implementation procedures decisions.

### **Research paradigm and Hypothesis**

Based on the phenomenon and on the theoretical basis that has been stated previously, it can be formulated the research paradigm and hypothesis as follows.



**Figure 1. Research paradigm**

- H1: interactional justice effects total employee commitment significantly
- H2: participative decision making effects total employee commitment significantly
- H3: interactional justice effects employee performance quality significantly.
- H4: participative decision making effects employee performance quality significantly.
- H5: Total employee commitment effects employee performance quality significantly.
- H6: Interactional justice effects employee performance quality through total employee commitment significantly
- H7: participative decision making effects employee performance quality through total employee commitment significantly.

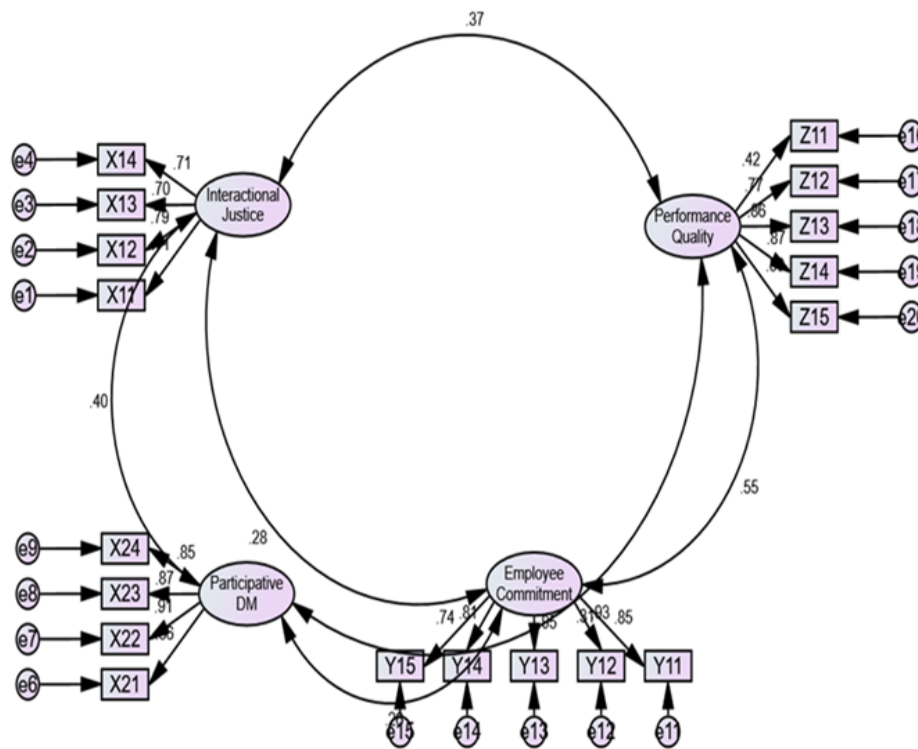
### **3. Research Method**

This study is conducted at PT. Bank BRI Branch Sigli. As for the research variables are interactional justice and participative decision making to total employee commitment and employee performance quality. The population is all employees of PT. Bank BRI Branch Sigli which amounted to 151 people. Sampling is taken using a census, so all employees of PT. Bank BRI Branch Sigli are the respondents. The data is collected using questionnaires. The data obtained is processed using Structural Equation Modeling (SEM) as one of statistic multivariate techniques in order not only to analyze the influence between variables, but also the variable relationship with its indicator. Ha acceptance criteria is Critical Ratio (CR) > 1.96 and the Probability (P) < 0.05.

#### 4. Result

##### Loading Factor with measurement test

The validity of the model can be seen in the image and the following table.



**Figure 2. Loading Factor**

Some indicators have loading factor values less than 0.5 and shall be omitted. The figure 2 shows the valid model that has eliminated factors that do not meet the requirement.

**Table 1. Loading Factor**

No.	Indicator		variables	estimate
1	X11	<---	Interactional_Justice	.710
2	X12	<---	Interactional_Justice	.790
3	X13	<---	Interactional_Justice	.700
4	X14	<---	Interactional_Justice	.709
5	X21	<---	Participative_Decision	.857
6	X22	<---	Participative_Decision	.910
7	X23	<---	Participative_Decision	.866
8	X24	<---	Participative_Decision	.849
9	Y11	<---	Employee_Commitment	.847
10	Y12	<---	Employee_Commitment	.929
11	Y13	<---	Employee_Commitment	.948
12	Y14	<---	Employee_Commitment	.811
13	Y15	<---	Employee_Commitment	.735
14	Z11	<---	Performance_Quality	.416
15	Z12	<---	Performance_Quality	.767
16	Z13	<---	Performance_Quality	.865
17	Z14	<---	Performance_Quality	.866
18	Z15	<---	Performance_Quality	.891

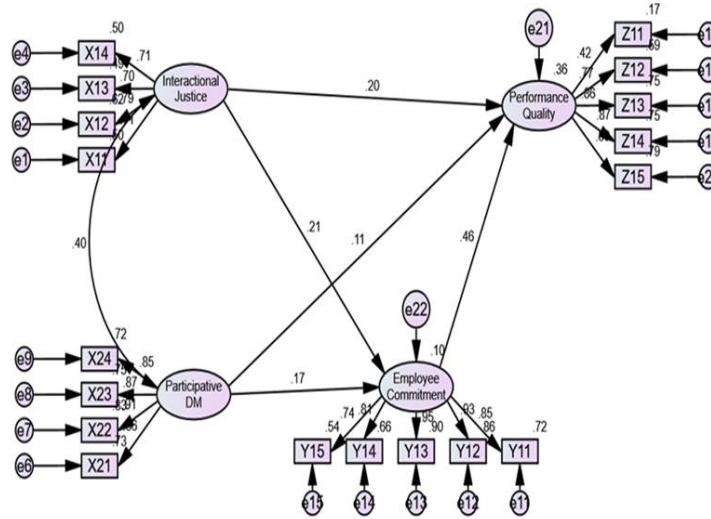
Table 1 shows the loading factor of all valid indicators in the model.

**Table 2. Goodness of Fit**

Measurement Index	Cut-Off Value	Result Analysis	evaluation Model
CMIN	CMIN / DF <2	1.958	Well
baseline Comparisons	approaching 1	Above 0.5 for NFI, IFI, TLI and CFI	relatively Good
Measures Adjusted Parsimony	0-1	Pration, PNFI, PDCFI be between 0-1	Well
RMSEA	> 0.05	.077	Well
AIC	Default Model Larger than Saturated	402.688 <378.000 < 2750.368	Well
ECVI	Default Model Between Saturated and Independence	1.899 <2.024 < 13.821	Well

**Structural Analysis**

Structural testing conducted have produced the information needed to answer the hypotheses that have been built before, whether accepted or rejected. Figure 3 below illustrates the effect of variables:



**Figure 3. Structural Equation Model**

Based on Figure 2 can be explained the influence of each variable that interactional justice, participative decision making, total employee commitment and quality of work. Whole picture of hypothesis testing along with the result shown in table below:

**Table 4. Conclusion Hypothesis**

No.	hypothesis	CR Cut off> 1.96	P Value Cut off <0.05	Information
1	Interactional justice on total employee commitment	2.399	.016	H1 Accepted
2	Participative decision making on total employee commitment	2.098	.036	H2 Accepted
3	Interactional justice on employee performance quality	2.344	.019	H3 Accepted
4	Participative decision making on employee performance quality	1.486	.137	H4 Rejected
5	Total employee commitment on employee performance quality	4.562	***	H5 Accepted

Direct Effect

Seen from the 5 hypotheses, the hypothesis 1,2,3 and 5 are accepted while the hypothesis 4 is

rejected. In other words that the acceptable hypotheses are proven as the causality relationship directly, and one hypotheses has no causality relationship directly.

#### Indirect Effect

The following is the conclusion of the indirect effects hypothesis:

**Table 5. Conclusion Hypothesis Indirect**

No.	Hypothesis Indirect Effect	P Value <0.05	Beta	Information	Mediation role
1	Interactional justice effects employee performance quality through total employee commitment	.0334	0.039	accepted	Partial mediating
2	Participative decision making effects employee performance quality through total employee commitment	0,032	0.033	accepted	Partial mediating

Interactional justice and participative decision making effect on the quality of work either directly or through the variable total employee commitment, which serves as a mediating variable. Because either directly or through total employee commitment, interactional justice and participative decision making effect employee performance quality significantly, the role of the variable total employee commitment here is a partial mediating.

### **5. Conclusion**

The result shows that interactional justice effects total employee commitment significantly, participative decision making effects total employee commitment significantly, interactional justice effects employee performance quality significantly, participative decision making does not effect employee performance quality significantly, total employee commitment effects employee performance quality significantly, interactional justice effects employee performance quality through total employee commitment significantly, and participative decision making effects employee performance quality through total employee commitment significantly. These findings make the contribution for academic and practical area. For academic, this research model is as the new premise of causality theories. The originality is shown in the integration of the models from previous, and with the new object that is in the PT. Bank BRI Branch Sigli. The limitations resides in the amount of variables. And for the practical ones, this model can be a reference to figure the managerial practice.

Special for the object of this research, some of implications has mapped. A proven total employee commitment variable that has the greatest number of beta coefficient can be described as the biggest trigger to boost the quality of employee performance of PT Bank BRI Branch Sigli than other variables. For the indirect effect, eventhough the role is only partial mediation, it still becomes a crucial aspect and an important component in improving the employee performance quality.

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