THE IMPACT DISTRIBUTIVE JUSTICE, PROCEDURAL JUSTICE, INTERACTIONAL JUSTICE, EMPLOYEE ENGAGEMENT AND JOB SATISFACTION ON TURNOVER INTENTION

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ABSTRACT
The research is aimed at investigating the impact distributive justice, procedural justice, interactional justice, employee engagement and job satisfaction on turnover intention. Hence, it is a causal research. The data are drawn from a sample of 208 bank employees in Surabaya determined using a purposive sampling technique. The collected data are then analyzed using Structural Equation Modeling, LISREL version 8.70. The result of the hypothesis testing indicates that distributive justice and procedural justice does not have any significant impact on employee engagement and job satisfaction, interactional justice have any significantly affect on employee engagement and job satisfaction, employee engagement significantly affect on turnover intention, and job satisfaction significantly affect on turnover intention.

INTRODUCTION
Employees play a vital role in a company, including in the banking world, because employees also determine whether or not the company's goals are achieved.

According to Rachmadi (2016), in the research title, The Theory of Justice in Bank BRI Payroll provides the findings of the salary list of the BRI Kramat Office.

Jati that there is an injustice in the amount of salary received from frontliners to office assistants. Security with a high school education but has a higher salary than the compensation received by marketing and front-liners even though marketing and frontline education are more elevated, namely, diploma three.

Frontliners with salary for office boys/maids are almost the same, even though the front liner's higher education level is Diploma 3.

Banking is an industry through intense competition and changes in the business environment that are so fast. Currently, banks are not only required to understand their customers but also their employees. Job satisfaction can arise when employees feel a match between the awards received and the expected expectations.

Research results from Lotfi and Pour (2013) state a significant relationship between organizational justice and job satisfaction. It supports a study conducted by Paramitha (2014) that organizational justice has a significant positive effect on employee job satisfaction. The higher the employee's perception of administrative fairness, the higher the level of employee job satisfaction.

Previous research by Elamin and Alomaim (2011) and Khasanah (2015) stated that organizational justice, which consists of
three aspects: distributive, procedural, and interactional justice, has a significant relationship with employee job satisfaction. This study’s corporate justice variable means the employee's perception of whether employees are treated fairly or not in the organization. Employees play a vital role in a company, including in the banking world, because employees are also the ones who determine whether the goals of a particular company are achieved or not. Fairness in the company is an essential factor for a company to work by their duties and optimally. Justice in the company makes employees have good relationships with each other, not only with fellow employees but also with superiors. Not only a good relationship, but fairness keeps employees involved in organizational activities. Engaged employees tend to be enthusiastic about their work, remain committed to their organization. Bank employees are bound to their work and the company.

According to Macey et al. (2009), the sense of engagement is a relationship, involvement, commitment, desire to contribute, a sense of belonging, loyalty, and pride in their work and company. According to previous research, if the company has employees who have a high sense of attachment, it will make employees feel at home to work in that place, and their satisfaction will increase (Rachmawati, 2013). Increased job satisfaction results in low turnover rates (Mangkunegara, 2013). According to Baumruk and Gorman (2006), if employees have a high sense of engagement with the company, it will increase general behavior, one of which is to stay. In other words, employees will continue to work in the organization even though there are opportunities to work elsewhere. Park and Gursoy (2012) argue that when employees are engaged with work, employees' psychological characteristics, such as self-confidence and optimism, will push employees further. This will encourage satisfaction and result in lower employee turnover intention.

**THEORICAL BASIS**

**Distributive Justice Relationship with Employee Engagement**

Distributive justice focuses on results. Any perceived injustice regarding products tends to influence employee emotions. All of these emotions will affect employee behavior, leading to employee retirement or poor performance.

According to Margaretha and Cintya Santosa (2012), when employees have a high perception of fairness in their organization, it is inevitable that they feel obliged or obliged to act reasonably in playing their role by giving more than the level of engagement. Saks (2006) found that distributive justice fully mediates the relationship between skill variation and job satisfaction and between task identity and turnover intention. This research was previously conducted by Saks (2006), who suspected that procedural and distributive justice were predictors of employee engagement in organizations. Meanwhile, the results of Saks’ (2006) research do not provide evidence that distributive justice predicts both job engagement and organizational engagement.

**Relationship of Procedural Justice to Employee Engagement**

Procedural justice focuses on fairness in the decision-making process. Procedural fairness affects what workers believe about the organization as a whole. If the process is considered fair, employees show greater loyalty and desire to behave by the organization’s interests (Cropanzano, Bowen, & Gilliland, 2007).

Saks (2006) found that attributive justice and procedural justice are related to work engagement and organization engagement. This research was previously conducted by Saks (2006), who suspected that procedural and distributive justice were predictors of the formation of employee engagement in organizations. The results showed that procedural justice predicts
organizational meetings but does not predict job engagement.

**Relationship of Interactional Justice to Employee Engagement**

Interactional justice refers to how a person treats others (Cropanzano, Bowen, & Gilliland, 2007). Charash and Spector's (2001) research shows that perceptions of interactional justice are positively related to the exchange of leaders and members. According to Charash and Spector (2001), interactional justice positively affects work engagement and organization engagement.

**Relationship between distributive justice, procedural and interactional justice with job satisfaction**

Job satisfaction is related to the general affective assessment of employees regarding work. Empirical research shows that organizational justice is an antecedent of job satisfaction. McFarlin and Sweeney (1992) state that distribution fairness is a stronger predictor of happiness than procedural. Other studies show that procedural justice is related to job satisfaction (Mossholder et al., 1998). Masterson et al. (2000) show procedural fairness is a stronger predictor of job satisfaction than interactional, even though both significantly affect.

Meanwhile, research conducted by Malik et al. (2011) on employees at a university in Pakistan found that there is a positive relationship. The study conducted by Usmani (2013) leads a significant interactional justice on job satisfaction. It found a meaningful positive relationship with interactional justice on job satisfaction. Another study that also showed consistent results found by Sutrisna and Rahyuda (2014) on several paramedics at Udayana Hospital Denpasar found that interactional justice has a significant positive effect on job satisfaction.

**Employee Engagement Relationship with Turnover Intention**

The research conducted by Lamidi (2010) suggests that employee engagement can reduce the tendency to change jobs. Also supported by Park and Gursoy (2012), the three dimensions of employee engagement (vigor, dedication, and absorption) have a negative effect on turnover intention.

This shows that strong employee engagement will impact reducing employee turnover intention for bank employees in Surabaya.

**Relationship between Job Satisfaction and Turnover Intention**

The results of Andini's research (2006) show that employees who are not satisfied with their work tend to do things that interfere with organizational performance, namely high turnover, high levels of absenteeism, work lag, complaints, and even strikes. Job satisfaction has a negative effect on turnover intention, meaning that increased job satisfaction can reduce turnover intention. In other words, when employees feel satisfied at work, they are more likely to have low turnover, our employees will remain in the company. Similar to previous research conducted by Park and Gursoy (2012), job satisfaction negatively affects turnover intention.

**Hypothesis**

H1: Distributive justice has a positive effect on Employee Engagement
H2: Procedural justice has a positive impact on Employee Engagement.
H3: Interactional justice has a positive effect on Employee Engagement
H4: Distributive justice has a positive effect on job satisfaction.
H5: Procedural justice has a positive effect on job satisfaction
H6: Interactional justice has a positive effect on job satisfaction
H7: Employee engagement has a negative effect on turnover intention
H8: Job satisfaction has a negative effect on turnover intention

**RESEARCH METHOD**
Data
Primary data obtained directly by distributing questionnaires to all permanent employees of banking companies in Surabaya. This type of quantitative data is obtained by analyzing the results of distributing questionnaires. This study used a questionnaire to 208 permanent bank employees in Surabaya.

Population and Sample
The study population was all employees of banking companies in Surabaya. The population characteristics are stated as follows:
1. Permanent employees of a banking company in Surabaya.
2. The period of service is at least one year.

The sampling technique in this study was carried out using a non-random sampling method. The sample in this study was 208 permanent bank employees in Surabaya and had a service period of at least one year. Measurement of research variables based on perceptions or respondent responses to all variable indicators. Respondents' answers to each statement were scored according to a Likert scale, with 1 for the lowest score and a score of 5 for the highest value.

Variable
1) Exogenous variables consisting of distributive justice, procedural justice, and interactional justice.
   Distributive justice, procedural justice, and interactional justice are measured respectively by using the 5 question items developed by (Niehoff & Moorman, 1993)
2) Endogenous variables consisting of employee engagement, job satisfaction, and turnover intention.
   Employee engagement is measured by two dimensions: job engagement and organization engagement and is the dependent variable in this study. To measure job engagement and organization engagement used question items developed by (Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002) and Saks (2006), which consisted of 12 question items each for job engagement and 4 question items. For organization engagement. These items are intended to assess the psychological aspects of the respondents towards their work and organization.


Analysis Technique
Analysis of the data in this study using the SEM (Structural Equation Model) test program LISREL (Linear Structural Relations) 8.70. The SEM method is applied in this study because it can comprehensively analyze the relationship between the constructs, answer the formulation of problems, and prove this study's hypothesis.

RESULT
Normality Test
Based on the univariate normality test, most of the data were not normally distributed because the variable indicators had p-value for skewness and kurtosis smaller than α = 0.05. While the multivariate normality test also has a p-value for skewness and kurtosis of 0.000, more diminutive than α = 0.05, so it can be said that the data is not normally distributed. So that the SEM parameter estimation will be carried out using the maximum likelihood method based on the asymptotic covariance matrix so that the research ended up (Ghozali and Fuad, 2005: 38). If the correlation between independent variables has a correlation coefficient (r)> 0.9, it means that multicollinearity occurs. From the LISREL output, the following information is obtained.

| Table 1 Correlation Matrix of ETA and KSI |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   EE            |   KK            |   TI            |   KD            |   KP            |   KI            |

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Table 1 shows that the correlation value between the independent variables has a correlation coefficient value <0.9. Thus, it can be concluded that there is no multicollinearity problem among the six independent variables. Data analysis in this study can be done using SEM analysis.

**Validity and Reliability Test**

<table>
<thead>
<tr>
<th>Latent Variable</th>
<th>Number of Items</th>
<th>T value</th>
<th>Information</th>
<th>Value Construct Reliability</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributive Justice</td>
<td>5</td>
<td>&gt;1.96</td>
<td>Valid</td>
<td>0.9352</td>
<td>Reliable</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>4</td>
<td>&gt;1.96</td>
<td>Valid</td>
<td>0.9144</td>
<td>Reliable</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>7</td>
<td>&gt;1.96</td>
<td>Valid</td>
<td>0.9387</td>
<td>Reliable</td>
</tr>
<tr>
<td>Employee Engagement</td>
<td>16</td>
<td>&gt;1.96</td>
<td>Valid</td>
<td>0.9448</td>
<td>Reliable</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>5</td>
<td>&gt;1.96</td>
<td>Valid</td>
<td>0.9515</td>
<td>Reliable</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>3</td>
<td>&gt;1.96</td>
<td>Valid</td>
<td>0.9665</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Each item statement for each variable distributive justice, procedural justice, interactional justice, employee engagement, job satisfaction, and turnover intention is valid because it has a calculated t value more significant than the cut-off value (= 1.96) so that all statements in each variable can be used.

Based on table 2, it can be seen that the research instruments have CR 0.7, so it can be concluded that all the variable devices of distributive justice, procedural justice, interactional justice, employee engagement, job satisfaction, and turnover intention are reliable (reliable) to be used as measurement tools.

**Model Fit Test**

To measure the proposed model's correctness so that it can be decided the model is accepted or rejected, it is necessary to test by using several fit indexes and cut-off values (Ferdinand, 2002: 54). The test results are:

<table>
<thead>
<tr>
<th>Goodness of Fit Indexes</th>
<th>Result</th>
<th>Cut off Value</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>RMSEA</td>
<td>0.076</td>
<td>0.09 - 0.1</td>
<td>CloseFit</td>
</tr>
<tr>
<td>ECVI</td>
<td>7.81&lt;114.83</td>
<td>ECVI model&lt; ECVI Independence</td>
<td>Good Fit</td>
</tr>
<tr>
<td>NNFI</td>
<td>0.98</td>
<td>≥ 0.90</td>
<td>Good Fit</td>
</tr>
<tr>
<td>IFI</td>
<td>0.98</td>
<td>≥ 0.90</td>
<td>Good Fit</td>
</tr>
</tbody>
</table>
The results of the model fit test in table 3 show that the criteria used to judge the feasibility of a model are declared good. It can be said that the model is acceptable, which means there is a match between the model and the data.

**Structural Model Equation**

\[ EE = 0.071 \text{KD} + 0.12 \text{KP} + 0.27 \text{KI} \]
\[ \text{KK} = -0.012 \text{KD} + 0.15 \text{KP} + 0.68 \text{KI} \]
\[ \text{TI} = -0.90 \text{EE} - 0.58 \text{KK} \]

**Information:**
- EE : Employee Engagement
- KD : Distributive Justice
- KP : Procedural Justice
- KI : Interactional Justice
- KK : Job Satisfaction
- TI : Turnover Intention

**Hypothesis Testing**

The hypothesis is to examine distributive justice, procedural justice, interactional justice, employee engagement, and job satisfaction toward the turnover intention.

**Table 5 Hypothesis Test**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Variable</th>
<th>T Count</th>
<th>T Table</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>KD → EE</td>
<td>0.92</td>
<td>±1.96</td>
<td>Not significant</td>
</tr>
<tr>
<td>H2</td>
<td>KP → EE</td>
<td>1.05</td>
<td>±1.96</td>
<td>Not Significant</td>
</tr>
<tr>
<td>H3</td>
<td>KI → EE</td>
<td>2.86*</td>
<td>±1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>H4</td>
<td>KD → KK</td>
<td>-0.15</td>
<td>±1.96</td>
<td>Not Significant</td>
</tr>
<tr>
<td>H5</td>
<td>KP → KK</td>
<td>1.76**</td>
<td>±1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>H6</td>
<td>KI → KK</td>
<td>6.14*</td>
<td>±1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>H7</td>
<td>EE → TI</td>
<td>-2.64*</td>
<td>±1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>H8</td>
<td>KK → TI</td>
<td>-2.43*</td>
<td>±1.96</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: output SEM

Information: *) Significant at \( \alpha = 0.05 \)

**) Significant at \( \alpha = 0.10 \)

To test the hypothesis, it is significantly affected if it has a t-value greater than t-table (1.96) or t-count smaller than t-table (-1.96). Based on the test results in table 5, it can be concluded that there are several unsupported hypotheses, namely H1, H2, and H4. Simultaneously, the supported assumptions are H3, H5, H6, H7, and H8.

This study shows that distributive justice has a positive and insignificant effect on employee engagement of bank employees in Surabaya. The result was not aligned with the previous research of Margaretha and Cintya Santosa (2012), which showed a positive relationship...
between distributive justice and employee engagement in the Lecturers of the Faculty of Economics, Management Department, Maranatha Christian University, Bandung. Also, Rudman (2004) said that employees would feel satisfied when receiving rewards, which is considered proportional to their work. Satisfaction regarding distributive justice received by employees is assumed to increase employee engagement in the organization. This study's results are in line with research conducted by Saks (2006) that distributive justice does not provide evidence as a predictor of employee engagement.

This phenomenon shows that although the organization applies fairness in rewards and compensation, its attachment to the organization is low.

Employee engagement is not only influenced by internal factors, such as perceptions of fairness, but also external factors and demographic factors. External factors such as (1) the existence of a job offer from another company or organization, a request with a better salary, better facilities, (2) Poor organizational performance, such as a bad organizational image that influences someone to leave his job. The worse the organization's idea, the lower the employee engagement of bank employees, (3) corporate culture. Companies with less leadership, the lower the level of employee engagement.

Procedural justice has no significant effect on employee engagement of bank employees in Surabaya. This study's results are not in line with previous studies (Croppanzano, Bowen, & Gilliland, 2007), which found procedural justice has an impact on employee employees. Based on interviews with several respondents regarding external factors, the absence of other suitable jobs or offers from other organizations caused employees to be reluctant to leave the organization and remain tied to the organization. Also, being the family's backbone causes employees to stay connected to the organization even though they have a terrible perception of procedural fairness.

Interactional justice has a positive and significant effect on employee engagement of bank employees in Surabaya. This study's results are in line with previous research by Charassh and Spector (2001), which found that interactional justice has a positive effect on work engagement and organization engagement. Bank employees who feel that they are treated with dignity, care, respect, and informational fairness will provide a sense of satisfaction at work.

Distributive justice has a positive and insignificant effect on the job satisfaction of bank employees in Surabaya. This study's results are not in line with previous research conducted by McFarlin and Sweeney (1992) in the banking industry, which states that distribution fairness is a stronger predictor of job satisfaction than procedural justice.

This study supports the research of Kristanto, Rahyuda Riana (2014) that distributive justice has a positive but insignificant effect on job satisfaction.

The negligible impact of distributive justice in this study is thought to be due to: 1) There have been several changes in regulations regarding employee income. Every change in the system always occurs where some employees benefit, and others feel disadvantaged. 2) The promotion system is not implemented consistently. In the context of the contribution indicator, some employees feel that there is an injustice because those with higher grades who certainly get higher rewards should also be given a heavier workload, not the other way around. The banking companies' phenomenon is that there is an injustice in the salaries received from front liners to office assistants. Security with higher education but has a higher salary than the compensation received by marketing and frontline. Even though marketing and frontline have advanced knowledge, namely diploma 3. While the front liner's salary with the office boy/maid salary is
almost the same even though the front liner's higher education level is Diploma 3.

Procedural justice has a positive and significant effect on the job satisfaction of bank employees in Surabaya. This study's results are in line with previous research conducted by Lambert (2003), which states that procedural justice is essential in shaping job satisfaction. The higher the procedural fairness that is felt results in employees feeling happy about their work. Employees who have heightened perceptions of procedural fairness certainly think that they are satisfied with their work. Based on the questionnaire respondents' results, the variable job satisfaction shows that the indicator that gives the highest contribution to procedural justice is "The leader conveys the decision taken and is willing to provide information." This means that bank employees in Surabaya have the perception that transparent leaders are willing to provide sufficient time to convey decisions and information, to avoid misperceptions among employees. Conceptually, fair procedures describe a more professional organizational capability to accommodate the short-term and long-term interests of bank employees in Surabaya.

Interactional justice has a positive and significant effect on the job satisfaction of bank employees in Surabaya. The results of this study support the research of Malik et al. (2011), Usmani (2013), Sutrisna, and Rahyuda (2014) to find that interactional justice has a significant positive effect on job satisfaction. Employees who feel valued and treated correctly will be more enthusiastic about their work. Several respondents stated that the task did better if their superiors gave orders politely, and their bosses appreciated their work results.

Employee Engagement has a negative and significant effect on the turnover intention of bank employees in Surabaya. The results of this study are in line with research. The results of research conducted by Lamidi (2010), Cook (2008) suggest that employee engagement can reduce the tendency to change jobs. Also supported by Park and Gursoy (2012), the three dimensions of employee engagement (vigor, dedication, and absorption) have a negative effect on turnover intention. This shows that strong employee engagement on bank employees will impact reducing employee turnover intention for bank employees in Surabaya.

Job satisfaction has a negative and significant effect on the turnover intention of bank employees in Surabaya. This study's results are in line with research by Andini (2006) and Park and Gursoy (2012) that job satisfaction has a negative effect on turnover intention. Bank employees who have job satisfaction will be loyal so that the choice to move to another workplace will decrease.

CONCLUSIONS
Based on data analysis and discussion, it can be concluded that:

Distributive justice has a positive and insignificant effect on employee engagement of bank employees in Surabaya. Even though bank employees are given justice in rewards and compensation by banking companies, employee engagement is low. Employee engagement is influenced not only by internal factors, such as perceptions of fairness, but also by external factors and demographic factors. There were many external factors such as (1) the existence of a job offer from another company or organization, (2) poor organizational performance, (3) corporate culture.

Procedural justice has a positive and insignificant effect on employee engagement of bank employees in Surabaya. Even though bank employees are given justice in the procedures used to make banking companies' decisions, employee engagement is low. Because bank employees feel that there are no other suitable jobs or offers from other organizations, it causes employees to be reluctant to leave the organization and remain tied to the organization. Besides, being the backbone of the family also causes
employees to stay connected to the organization even though they have a terrible perception of procedural fairness. Interactional justice has a positive and significant effect on employee engagement of bank employees in Surabaya. Interactional justice relates to aspects of interaction by delivering interpersonal information that can be used as strategic considerations in employee engagement with the company. A bank employee is treated with dignity, attention, and respect and will increase employee engagement at the company.

Distributive justice has a positive and insignificant effect on job satisfaction of bank employees in Surabaya. Bank employees feel an injustice because those with higher grades who certainly get higher rewards should also be given a heavier workload, not the other way around. The banking companies' phenomenon is that there is an injustice in the salaries received from front liners to office assistants. Security with higher education has a higher salary than the compensation by marketing and frontline education are more elevated than Diploma 3. While the wages for frontline with the salary for office boy/maid is almost the same even though the level of education is higher for frontline, Diploma 3.

Procedural justice has a positive and significant effect on job satisfaction of bank employees in Surabaya. Bank employees have the perception that transparent bank leaders are willing to provide sufficient time to convey decisions and information, to avoid misperceptions among employees. Conceptually, fair procedures describe a more professional organizational capability to accommodate the short-term and long-term interests of bank employees in Surabaya so that employees feel satisfied at work.

Interactional justice has a positive and significant effect on job satisfaction of bank employees. Employees who feel valued and treated correctly will be more enthusiastic about their work. Interactional justice between leaders and subordinates will lead to interpersonal relationships. This will increase subordinates' trust and respect for their superiors so that it will increase subordinates' job satisfaction.

Job satisfaction has a negative and significant effect on turnover intention of bank employees in Surabaya. Strong employee engagement with bank employees will impact reducing the turnover intention of bank employees in Surabaya. Bank employees who are happy and feel satisfied can stop working or leave work will decrease. When the bank employee has job satisfaction, the employee will be loyal so that the choice to move to another workplace will decrease.

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