

THE EFFECT OF ORGANIZATIONAL JUSTICE AND PSYCHOLOGICAL EMPOWERMENT ON INNOVATIVE WORK BEHAVIOR AND PERFORMANCE OF BANDA ACEH PRATAMA TAX SERVICE OFFICE EMPLOYEE

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<http://doi.org/10.35409/IJBMER.2022.3433>

ABSTRACT

This study aims to examine the Effect of Organizational Justice and Psychological Empowerment on Innovative Work Behavior and Employee Performance at the Banda Aceh Pratama Tax Service Office (KPP Pratama Banda Aceh). This study used a sample of 108 employees of KPP Pratama Banda Aceh. Determination of the number of respondents in this research is by the census. Data were collected by distributing questionnaires. Data were analyzed using SEM-AMOS. The result proves that organizational justice and psychological empowerment affect innovative performance behavior; Organizational justice, psychological empowerment, and innovative work behavior affect employee performance; and the results of the mediation test prove that innovative work behavior does not mediate the contribution of organizational justice to employee performance, and innovative work behavior partially mediates the contribution of psychological empowerment to employee performance. These results are evidence that the model of improving employee performance is a function of increasing organizational justice and increasing psychological empowerment, as well as maximizing the function of innovative work behavior both as an antecedent and as a mediator. This finding explains the academically proven model as a premise, and the model can be used practically by practitioners, especially at KPP Pratama Banda Aceh City in formulating strategies to improve employee performance in the future.

Keyword: Organizational Justice, Psychological Empowerment, Innovative Work Behavior, Employee Performance.

1. INTRODUCTION

One of the largest sources of state revenue comes from the tax sector. (Rapina, Jerry, & Carolina, 2011). The Taxpayer segment managed by the Tax Service Office (KPP) Pratama is the lower-middle corporate taxpayer and the individual taxpayer, which is divided into certain areas whose supervision is carried out by the Account Representative (AR) as the spearhead of service and intermediary between the Director General of Taxes with Taxpayer. Every year from 2015 to 2020, KPP Pratama Banda Aceh managed to record a positive trend in the form of increasing the realization of tax revenues, but the results were still not satisfactory. This is from the achievement of the realization of tax collection in 2015 only reaching 72.39%, 2016 amounting to 79.98%, 2017 amounting to 75.98%, 2018 amounting to 83.06%, 2019 amounting to 85.67%, and 2020 amounting to 86.63% of the specified target (KPP Pratama Banda Aceh, 2021). Several factors cause tax realization to be far from expectations, including declining commodity prices with an impact on the performance of tax revenues in the plantation, oil and gas, and mining sectors

contracting and the use of data and information that has not been optimal. In response to these matters, the government is expected to strengthen strategies in boosting tax revenues to be more massive and on target.

Employees in an organization have a duty to realize what the organization has planned. The basic problem in improving performance is the limited number of reliable and operational staff so that efforts to improve the quality of human resources can be fulfilled if employees have managerial and operational skills. One of the factors that influence employee performance is innovative performance behavior (Jong & Kemp, 2003).

In public institutions such as KPP Pratama Banda Aceh, efforts to improve employee performance in realizing the achievement of tax revenue through services provided to the community, of course, cannot be separated from the innovative work behavior of its employees. But it is also manifested in the form of efforts to realize organizational justice and psychological empowerment for its employees. Organizational justice is a concept related to making decisions about how to determine whether employees are served fairly in the workplace (Buluc & Güneş, 2014). Organizational justice is defined as the perception of social and economic exchange between workers and the organizations they work for (Rai, 2015) ; (Spreitzer, 1995).

2.LITERATURE

Employee Performance

(Landy & Conte, 2019) and (Bernardin & Russell, 2013) Disclosing performance is a result achieved by employees in their work according to certain criteria that apply to a job. According to (Steers, 2013) and (Swanson & Holton, 2014) employee performance is carried out in actual terms related to the organization's mission that must be achieved. Performance is carried out according to the duties assigned to the employee (Diamantidis & Chatzoglou, 2019). (Saleem, Ghayas, & Adil, 2012) states that performance is related to the implementation of tasks entrusted to be completed by the leader to his subordinates based on his background and track record at work. Performance is the work achieved by every civil servant in the organization/unit following the employee performance system and work behavior (President Regulation Number 30 of 2019). According to (Atatsi, Curşeu, Stoffers, & Kil, 2020) Performance is the result of work achieved by a person in carrying out his duties and obligations. Thus, performance issues are also related to a person's ability to develop his abilities to be able to work following organizational goals. In this study, employee performance will often be referred to simply as "performance".

Innovative Work Behavior

There is a crossroads between innovation, creativity, and change, but operationally defining the three there is a marked difference (West & Altink, 1996) ; (Rank, Nelson, Allen, & Xu, 2009). Innovative work behavior can also be interpreted as an effort to express and realize new ideas in the workplace (Janssen & Yperen, 2004). This behavior is realized through creativity and knowledge transformation processes to improve the process of carrying out tasks by employees (West & Farr, 1992). Innovative work behavior is a form of behavior that aims to achieve the initiation and introduction of new ideas, processes, procedures, and products that are useful for the organization in the context of this research (Jong & Kemp, 2003); (Akram, Lei, Haider, & Hussain, 2020);(Gerayli, Yanesari, & Ma'atoofi, 2011). Part of the process of modernization is associated with innovative work behavior as part of the process of change in

people's lives, followed by changes in attitudes, characteristics, and lifestyles of individuals in society (Fairuz, Lubis, & Chan, 2018).

Based on the opinions of experts and the findings of previous research, it concludes that innovative work behavior is a form of individual behavior for discovery, and experience by implementing ideas, ideas, processes, products, to new procedures to be used in organizations and useful. Innovative work behavior is the discovery, experience, and application of new ideas, processes, products, and procedures that are then used in the organization to benefit work performance, work groups, organizations, and society at large. In this study, innovative work behavior will often be referred to as innovative behavior.

Organizational Justice

(Dyne, Graham, & Dienesch, 1994) explain Employees' perceptions of fairness and appropriateness are conceptualized into various dimensions, the most famous of which are distributive justice and procedural justice. According to (Mahdani, Hafasnuddin, & Adam, 2017), organizational justice is the organization's treatment of employees who work, whether or not it depends on the perception of each employee and in this case will have an impact on performance (Cropanzano, Rupp, Thornton, & Shao, 2016) observed that fairness developed to help improve the behavior of organizational members to work beyond their formal work obligations. Distributive justice is an assumption about the fairness of outcomes by organizations concerning an individual or group inputs, and this justice is dominated by equality theory (Thornhill & Saunders, 2003); (Pareke, 2004). (James & Gilliland, 2016) reveals that the perspective of structural components states that procedural justice is a function of the extent to which a number of procedural rules are obeyed or violated.

Psychological Empowerment

(Conger & Kanungo, 1988) states that empowerment can increase employees' sense of personal control. Empowerment includes processes and outcomes (Rappaport & Seidman, 2000). (Berger & Neuhaus, 1997) explained that increasing opportunities for individuals to become involved in community organizations will help reduce feelings of powerlessness, alienation, and withdrawal from social life. (Koesindratmono & Septarini, 2011) explains that psychological empowerment is manifested in four cognitions, namely: meaning, competence, self-determination, and impact which reflect a person's orientation to his or her work role. (Gunawan & Viyanita, 2012) and (Friadi, Musnadi, & Ismail, 2018) state that psychological empowerment is a choice that becomes a reference to a person's ability to make decisions in a job that has job objectives and his ability to gain confidence in influencing company performance. In actualization, employee psychological empowerment includes the empowerment of desire, trust, confidence, credibility, accountability, and communication among employees (Spreitzer, 1995).

Model and Hypotheses

The authors determine the study model and hypotheses as follows.

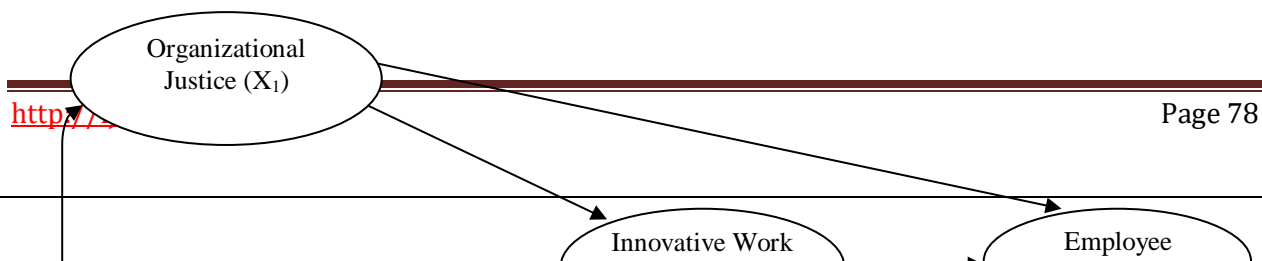


Figure 1. Model

- H1: Organizational justice affects innovative behavior
- H2: Psychological empowerment affects innovative behavior
- H3 : Organizational justice affects performance
- H4: Psychological empowerment affects performance
- H5: Innovative behavior affects performance
- H6: Organizational justice affects performance.
- H7: Psychological empowerment affects performance

3.METHOD

The study was conducted at the Banda Aceh Pratama Tax Service Office (KPP Pratama Banda Aceh) which is located in Banda Aceh City. The object used was as an independent variable in the form of Organizational Justice (X1) and Psychological Empowerment (X2), Employee Performance (Y), and Innovative Work Behavior (Z). This study used a sample of 108 employees of KPP Pratama Banda Aceh. Determination of the number of respondents in this research was by the census. Data were collected by distributing questionnaires that accommodate indicators of employee performance, innovative work behavior, organizational justice, and psychological empowerment with 5 (five) alternative answer choices. Data were analyzed using SEM-AMOS statistical equipment.

The number of respondents is all employees of KPP Pratama Banda Aceh, namely.

Table 1. Sample

No.	Work unit	Number of Employees
1.	Head of KPP Pratama Banda Aceh	1
2.	Functional Officer	23
3.	Service Section	12
4.	General Subsection and Internal Compliance	14
5.	Data Quality Assurance Section	6
6.	Inspection, Assessment, and Billing Section	10
7.	Supervision I	7
8.	Supervision II	7

9.	Supervision III	7
10.	Supervision IV	7
11.	Supervision V	7
12.	Supervision VI	7
Amount		108

Source: General Affairs and Compliance, 2021.

4. RESULT

Direct Effect

The model tested is shown below.

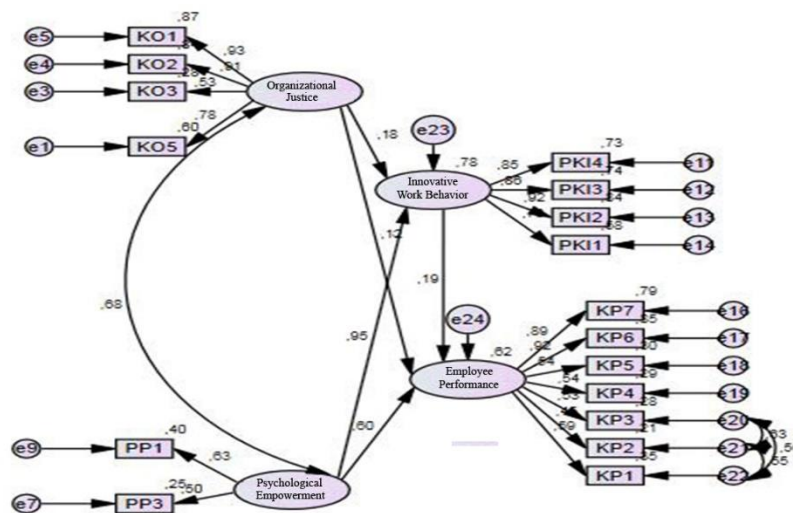


Figure 2. Structural Test

The results are explained below.

Table 2. Regression

			Estimate	S.E.	C.R	P
Innovative behavior	<---	Organizational Justice	0.179	0.105	2.127	0.026
Innovative behavior	<---	Psychological Empowerment	0.946	0.104	4.240	0.000
Performance	<---	Organizational Justice	0.121	0.101	4.943	0.048
Performance	<---	Psychological Empowerment	0.601	0.108	3.693	0.000
Performance	<---	Innovative behavior	0.187	0.085	2.291	0.021

Source: Processed Data (2022)

H1: Contribution of Organizational Justice to Innovative behavior

The test of the organizational justice effect on innovative behavior resulted in a score that passed the requirements for H1 acceptance, namely CR 2,127 > 1.96 and P < 0.05. While the result of the coefficient is 0.179 or 17.9% revealed that if the variable of organizational justice increased

by 1%, the variable of innovative behavior would increase by 17.9%.

H2: Contribution of Psychological Empowerment to Innovative behavior

The test of the psychological empowerment effect on innovative behavior resulted in scores that passed the requirements for H2 acceptance, namely CR 4.240 > 1.96 and P < 0.05. While the result of the coefficient is 0.946 or 94.6%, illustrates that if the psychological empowerment variable increases by 1%, the innovative behavior variable will increase by 94.6%

H3: Contribution of Organizational Justice to Performance

The test of the organizational justice effect on performance resulted in a value that passed the requirements for H3 acceptance, namely CR 4.240 > 1.96 and P < 0.05. While the result of the coefficient is 0.121 or 12.1%, it explains that if the psychological empowerment variable increases by 1%, the performance variable will increase by 12.2%

H4: Contribution of Psychological Empowerment to Performance

The test of the psychological empowerment effect on performance resulted in a qualifying value for H4 acceptance, namely CR 3.693 > 1.96 and P < 0.05. While the result of the coefficient is 0.601 or 60.1%, illustrates that if the psychological empowerment variable increases by 1%, the performance variable will increase by 60.1%

H5: Contribution of Innovative behavior to Performance

The test of innovative behavior effect on performance resulted in a conditional value for H5 acceptance, namely CR 2.292 > 1.96 and P < 0.05. While the result of the coefficient is 0.187 or 18.7%, revealed that if the innovative behavior variable increased by 1%, the performance variable would increase by 18.7%.

Mediation Hypothesis

H6: The Role of Innovative behavior in Mediating the Contribution of Organizational Justice to Performance

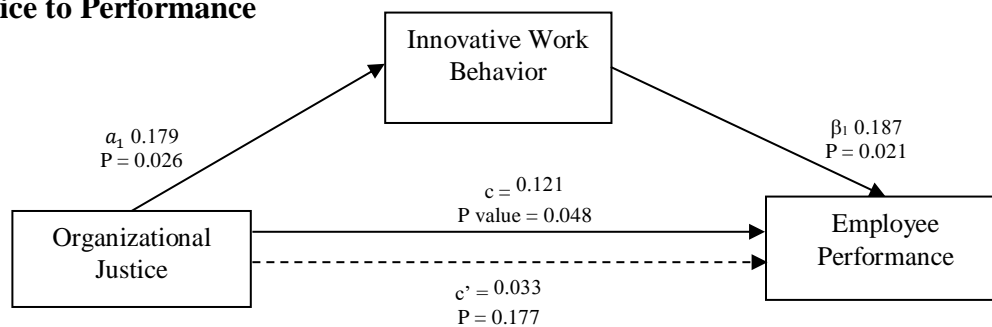


Figure 3. Hypothesis Mediation of H6

Figure 3 above is the H6 model with the variable of innovative behavior as a mediator. The result of calculating z from the Sobel Calculator is:

$$Z = \frac{a_1 b_1}{\sqrt{(b_1^2 SE_{a_1}^2) + (a_1^2 SE_{b_1}^2)}}$$

Z = 1,34

The Sobel test result according to the indirect effect test on the calculator is as follows:

Input:		Test statistic:	Std. Error:	p-value:	
a	0.179	Sobel test:	1.34754008	0.02484008	0.17780635
b	0.187	Aroian test:	1.26816681	0.02639479	0.20473839
s _a	0.105	Goodman test:	1.44396406	0.02318132	0.14874909
s _b	0.085	Reset all		Calculate	

Figure 4. Sobel Calculator of H6

From the calculation result, it is found that the z value is $1.34 < 1.96$. These result explains that there is an indirect influence between organizational justice on performance which is mediated by fully innovative behavior (fully mediation). This indicates that the independent variable in testing using this Sobel test, namely organizational justice is not able to significantly affect the dependent variable, namely performance through a mediator variable, namely innovative behavior.

H7: The Role of Innovative Work in Mediating the Contribution of Psychological Empowerment to Performance

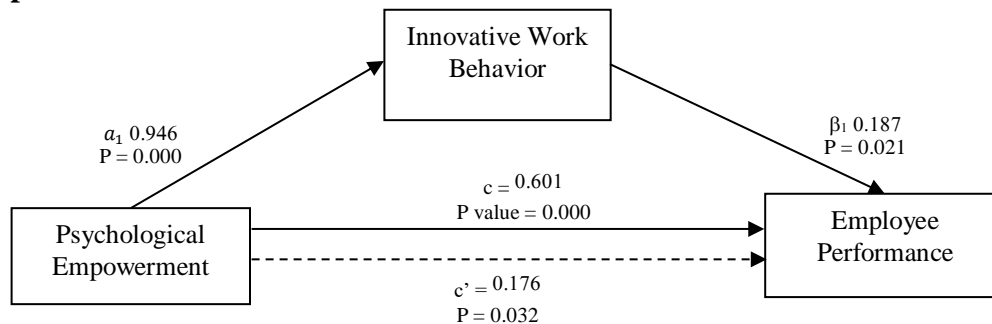


Figure 5 Hypothesis Mediation of H7

Figure 5 above is the H7 model with innovative behavior as a mediator. The result of calculating z from the Sobel calculator is:

$$Z = \frac{a_1 b_1}{\sqrt{(b_1^2 SE_{a_1}^2) + (a_1^2 SE_{b_1}^2)}}$$

Z = 2,13

The Sobel test result according to the indirect effect test on the calculator is as follows:

Input:		Test statistic:	Std. Error:	p-value:
a	0.946	Sobel test: 2.13834596	0.08272843	0.03248867
b	0.187	Aroian test: 2.12624156	0.08319939	0.03348315
s _a	0.104	Goodman test: 2.15065947	0.08225477	0.03150309
s _b	0.085	Reset all	Calculate	

Figure 6. Sobel Calculator of H7

From the calculation result, it is found that the z value is $2.13 > 1.96$. These result reveals that there is a direct influence between psychological empowerment on performance mediated by partial mediation of innovative behavior. This indicates that the independent variable in testing using this Sobel test, namely psychological empowerment can significantly influence the dependent variable, namely performance through a mediator variable, namely innovative behavior.

5.CONCLUSION

The results of research at KPP Pratama Banda Aceh prove that organizational justice and psychological empowerment affect innovative performance behavior; Organizational justice, psychological empowerment, and innovative behavior affect performance; and the results of the mediation test prove that innovative behavior does not mediate the contribution of organizational justice to performance, and innovative behavior partially mediates the contribution of psychological empowerment to performance. These results are evidence that the model of improving performance is a function of increasing organizational justice and increasing psychological empowerment, as well as maximizing the function of innovative behavior both as an antecedent and as a mediator. This finding explains the academically proven model as a premise, and the model can be used practically by practitioners, especially at the KPP Pratama Banda Aceh City in formulating strategies to improve performance in the future.

Several facts were collected from research data and resulted in several recommendations. The increase in the realization of organizational justice in this study at the KPP Pratama Banda Aceh is at its lowest indicator, namely equal opportunity in expressing opinions. Thus, the KPP Pratama Banda Aceh must provide equal opportunities for employees to express aspirations, opinions, ideas, and ideas that can build a better institution. The equal distribution of duties and responsibilities carried out by each employee to the work team must be realized as best as possible by the KPP Pratama Banda Aceh to increase psychological empowerment among employees. The tasks that have been entrusted by the agency to the fieldwork team must be able to be realized as a whole by team members and monitored directly by the leadership to provide the best results from the assigned tasks.

The ability of employees in terms of planning must be able to be improved because the high work intensity will force employees to immediately complete the various tasks given. Planning is very useful for employees to arrange schedules, arrange stages of task completion, execute tasks, to evaluate the work that has been completed. Decision-making can not only be carried out by the highest leadership but also in every mandated position, as well as decisions that are indeed the responsibility of the employees. Therefore, it is hoped that before carrying out various tasks, employees must know everything that becomes the rules, stages, and authorities so that they do not experience difficulties when faced with various problems in the field.

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