INDONESIAN JOURNAL OF MULTIDISCIPLINARY SCIENCE

P-ISSN: 2808-5957
E-ISSN: 2808-6724
ijoms.internationaljournallabs.com

THE EFFECT OF DISTRIBUTIVE JUSTICE AND MOTIVATION INTRINSIC TO JOB SATISFACTION AND EMPLOYEE PERFORMANCE IN MSMEs IN THE CULINARY SECTOR IN THE SPECIAL REGION OF YOGYAKARTA

Gigih Tegar Tyofyan[1], Heru Kurnianto Tjahjono[2], Susanto[3]
Master of Management, Faculty of Economics and Business,
Muhammadiyah University of Yogyakarta, Indonesia
Email: fyangigih@gmail.com [1], herukurnianto@umy.ac.id [2], susanto21@gmail.com[3]

Abstract

***Introduction**: This study aims to determine the effect of distributive justice and intrinsic motivation on job satisfaction and performance*
***Methods**: This research is quantitative research, the method uses the SEM method, and uses the IBM SPSS AMOS analysis tool. The sample in this study amounted to 140 employees of SMEs in the culinary field at D.I. Yogyakarta*
***Results**: The results showed that Distributive Justice and Intrinsic Motivation had a positive effect on performance either directly or through the mediation of job satisfaction variables.*
***Conclusion and suggestion**: With a high level of distributive justice and intrinsic motivation, it will improve the performance of MSME employees. However, the effect of distributive justice and intrinsic motivation on performance will be higher through job satisfaction variables*

***Keywords:** Safety Leadership, Safety Culture, Safety Performance, Construction Projects, Conceptual Framework*

Indonesian Journal of Multidisciplinary Science © 2022 by International Journal Labs is licensed under CC BY-SA 4.0

INTRODUCTION

Micro, small and medium enterprises, or commonly referred to as MSMEs, involve a lot of human resources. Micro, Small and Medium Enterprises (MSMEs) is one of the supporting factors for the Indonesian economy which is currently being intensively promoted, and many programs are funded by both the government and the private sector (Thahira, Tjahjono, & Susanto, 2020).

Many MSMEs in Indonesia, especially DI Yogyakarta, are experiencing a very serious impact during this pandemic. According to the chairman of the Yogyakarta Regional Crafts Council, around 70% of Yogyakarta's MSMEs have been affected by COVID. Being affected by the pandemic resulted in a reduced number of product requests

Decreased income makes it difficult for MSMEs to pay their employees. There are a number of things that can happen, such as a reduction in compensation that goes against the contract or delays in paying employees. Worse can happen when both possibilities occur simultaneously.

The phenomenon that occurs in several MSMEs is the frequent extension of the PSBB period by employees. From 14 days to 16 to 17 days. Employees are absent more often. In addition, employees are often late. These things affect their obligations and work

To analyze performance, the writer hopes that performance improvement can be achieved after knowing employee motivation and performance satisfaction. Observing job satisfaction, distributed justice, and essential motivation variables.

Literature Review

Performance

According to (Lee & Hidayat, 2018), performance is often defined as productivity or result and is determined by the results produced by individual employees. Performance is influenced by the performance of the organization itself, including organizational development, compensation plans, communication systems, management styles, organizational structures, policies and procedures.

According to (Lee & Hidayat, 2018) explain that performance is a record of the results of work or activities during a certain period in relation to organizational goals.

Job satisfaction

Job satisfaction shows the correspondence between the individual's new expectations and the rewards that the job provides. Job satisfaction makes employees more motivated and committed to the organization (Rivai, H. A., Reza, D. Y., & Lukito, 2019). according to (Handoko, 2014), job satisfaction is a pleasant or unpleasant emotional state in which employees view their work. According to (Kinicki, 2013), job satisfaction is an emotional or emotional response to various aspects of work.

Intrinsic Motivation

Intrinsic motivation is when there is an intrinsic reason that motivates service personnel to act (Kang & Hur, 2018). Intrinsic motivation is an incentive that stimulates individuals to accept or change behavior for their own internal satisfaction or satisfaction (Masvaure, P., & Maharaj, 2014).

According to (Lee & Hidayat, 2018) explain that intrinsic motivation is motivation to be active or functional without requiring external stimulation because everyone has something to do. Intrinsic motivation can also be seen as a form of motivation in which activities are initiated and inherited based on intrinsic drives and are absolutely related to learning activities (Miao, Rhee, & Jun, 2020).

Distributive Justice

According to (Hidayat, R. M., Tjahjono, H. K., & Fauziyah, 2017), distributive justice is the fairness of employee work results based on employee performance. Distributive justice is an employee's perception of the fairness of the results received by the organization (Rivai, H. A., Reza, D. Y., & Lukito, 2019).

Distributive justice is a definition in which an organization can feel the consequences (Mardiyanti, I., & Suharnomo, 2018). According to (Chiang, J. C. C., Yang, M. H., Klein, G., & Jiang, 2013), distributive justice is the perceived fairness and balance of employee performance. Distributive justice refers to the perceived fairness of the performance estimates and resource allocation resulting from the evaluation (Phuong, 2018). Distributive justice is rooted in the theory

of justice, which assumes that people want to be treated fairly and they compare their level of effort with other links (Phuong, 2018).

Previous Research and Hypothesis

a. The Effect of Distributive Justice on Job Satisfaction

Fair distribution is expected to affect employee job satisfaction (Hidayat et al., 2017). (Hadi, Tjahjono, & Palupi, 2020) study found that distributional justice had a positive effect on job satisfaction.

explained that job satisfaction has a positive effect on employee productivity.

H1: Distributive Justice has a positive effect on job satisfaction

b. The Effect of Intrinsic Motivation on Job Satisfaction

Employees with high intrinsic motivation are predicted to have high job satisfaction. The correlation shows that there is a strong positive relationship between the two constructs (Hayati, K., & Caniago, 2012). Research by (Gheitani, A., Imani, S., Seyyedamiri, N., & Foroudi, 2019) found that intrinsic motivation has a positive and significant effect on job satisfaction.

A high level of satisfaction affects productivity because it affects the effectiveness of successful completion of work (Hidayat, R. M., Tjahjono, H. K., & Fauziyah, 2017). The results of the study by (Tentama, F., Kusuma, D. R., & Subardjo, 2019).

H2: Intrinsic motivation has a positive effect on job satisfaction

c. The Effect of Job Satisfaction on Employee Performance

A high level of satisfaction affects productivity because it affects the effectiveness of successful completion of work (Hidayat, R. M., Tjahjono, H. K., & Fauziyah, 2017). The results of the study by (Tentama, F., Kusuma, D. R., & Subardjo, 2019) explains that job satisfaction has a positive effect on employee productivity.

H3: Job satisfaction has a positive effect on employee performance

d. The Effect of Distributive Justice on Performance

The results of (Hidayat, R. M., Tjahjono, H. K., & Fauziyah, 2017) explained that distributive justice has a significant effect on performance. These results can be used as the basis for determining the following hypothesis.

H4: Distributive justice has a positive effect on performance

e. The Effect of Intrinsic Motivation on Performance

Intrinsic motivation refers to the stimuli that drive a person to adopt or change behavior for his or her own internal satisfaction or fulfillment (Masvaure, P., & Maharaj, 2014). Research by (Kalhoro, M., Jhatial, A. A., & Khokhar, 2017) reveals that intrinsic motivation is positively and significantly and positively related to employee performance.

H5: Intrinsic motivation has a positive effect on performance

f. Job Satisfaction Mediates the Effect of Distributive Justice on Performance

The results of research by (Rivai, H. A., Reza, D. Y., & Lukito, 2019) shows that distributive justice has no direct effect on performance. However, distributive justice affects job satisfaction, job satisfaction affects performance. In addition, the results of Sulaefi's research (2017) show that there is a mediating role of satisfaction on the effect of distributive justice on performance.

H6: Job Satisfaction mediates the effect of distributive justice on performance

g. Job Satisfaction Mediates the Effect of Intrinsic Motivation on Performance

Based on the results of research by (Widyaputra, K. A., & Dewi, 2018), intrinsic motivation has a significant positive effect on employee performance through mediating employee job satisfaction. However, according to the research of (Pancasila, I., Haryono, S., & Sulistyo, 2020), the direct effect of work motivation on employee performance is more significant than the indirect effect of work motivation on employee performance through employee job satisfaction. Thus, job satisfaction does not mediate the effect of work motivation on employee performance. The differences in the results of this study make this research important to do

H7: Job Satisfaction mediates the effect of intrinsic motivation on performance.

METHOD

This type of research is quantitative. According to (Bougie & Sekaran, 2019), quantitative research is a scientific method that represents data as numbers or figures that can be processed and analyzed using mathematical or statistical calculations.

This study involved MSME staff from Yogyakarta. The sampling technique used is convenience sampling. Sample adequacy criteria

is the use of a maximum likelihood estimation method that requires samples ranging from 100 to 200 samples. The source of data in this study is primary data from a questionnaire targeting small and medium-sized restaurant workers in Yogyakarta. In addition, this study utilizes secondary data from existing research journals as well as print media related to IHR.

The research hypothesis was tested using a Structural Equation Modeling (SEM) approach using AMOS. In this study, the authors collect data by distributing questionnaires. The questionnaire used by the researcher in this study used an assessment based on the Likert scale (Bougie & Sekaran, 2019).

RESULT AND DISCUSSION

Table 1.
Validity Test Result

Variable	Item	Factor Loading	Limit	Describtion
Distributive Justice	DJ1	0,730	> 0,5	**Valid**

	DJ2	0,815		**Valid**
	DJ3	0,813		**Valid**
	DJ4	0,734		**Valid**
	DJ5	0,817		**Valid**
Intrinsic Motivation	MI1	0,853		**Valid**
	MI2	0,834		**Valid**
	MI3	0,849		**Valid**
	MI4	0,851		**Valid**
	MI5	0,840		**Valid**
	MI6	0,851		**Valid**
Job Satisfaction	JS1	0,801		**Valid**
	JS2	0,795		**Valid**
	JS3	0,761		**Valid**
	JS4	0,777		**Valid**
	JS5	0,835		**Valid**
	JS6	0,772		**Valid**
	JS7	0,793		**Valid**
Employee performance	PF1	0,813		**Valid**
	PF2	0,783		**Valid**
	PF3	0,788		**Valid**
	PF4	0,815		**Valid**
	PF5	0,771		**Valid**
	PF6	0,784		**Valid**

The table explains that all questionnaire question items have met the standardized estimate (loading factor) value requirements, namely > 0.5 so that it can be stated that all questionnaire statement items are declared valid.

Reliability Test

Table 2.
Reliability Test

Variable	CR	Limit	Describtion
Distributive Justice	0,887	>0,7	**Reliable**
Intrinsic Motivation	0,938		**Reliable**
Job Satisfaction	0,921		**Reliable**
Performance	0,910		**Reliable**

Sumber: data diolah 2021

(Ghozali, Imam, Adityamurti, 2017) states that the test results are said to be reliable if they have a construct reliability value > 0.7. The results of this test indicate that the C.R value in the 4 research variables whose value for each variable is greater than 0.7. Based on these results, it can be concluded that the entire research instrument is reliable so that it can be used in this study.

Goodness of Fit

Table 3.
Goodness of Fit

Goodness of fit index	*Cut-off value*	Research Model	Model
Chi-square	283,58 (df=246, sig = 0,05)	261,600	Fit
Significant probability	≥ *0.05*	*0,236*	Fit
RMSEA	≤ 0.08	0,021	Fit
GFI	≥ 0.90	0,870	Marginal
AGFI	≥ 0.90	0,842	Marginal
CMIN/DF	≤ 2.0	1,063	Fit
TLI	≥ 0.90	0,993	Fit
CFI	≥ 0.90	0,994	Fit

The RMSEA value of this study is 0.021 with a recommended value of 0.08, this indicates a fit research model. The GFI value in this model is 0.870. A value close to the recommended level of 0.90 indicates a marginal fit research model. The AGFI value in this model is 0.842 The value is close to the recommended level of 0.90 indicating a marginal fit research model. The TLI value in this study was 0.993 with a recommended value of 0.90, this indicates the research model is fit. The results of CMIN/DF in this study were 1.063 indicating that the research model was fit. The CFI value in this study is 0.994 with a recommended value of 0.90, this indicates the research model is fit.

Based on the overall goodness of fit measurement above, it indicates that the model proposed in this study is accepted.

Hypotesis

Analysis of hypothetical data can be seen from the standard regression weight value which shows the coefficient of influence between variables in the following table:

Table 4.
Correlation Between Variable

			Estimate	S.E.	C.R.	P	Hypotesis
Distributive Justice	➔	Job Satisfaction	0,543	0,113	4,790	0,000	Positive Significant
Intrinsic Motivation	➔	Job Satisfaction	0,372	0,078	4,778	0,000	Positive Significant
Distributive Justice	➔	Performance	0,189	0,088	2,143	0,032	Positive Significant
Intrinsic Motivation	➔	Performance	0,149	0,062	2,419	0,016	Positive Significant
Job Satisfaction	➔	Performance	0,717	0,101	7,081	0,000	Positive Significant

All of the estimation parameters of the standardized regression weight and CR coefficient values are positive, so this shows that all relationships between variables show a positive direction.

In addition, the probability value is smaller than 0.05 ($p<0.05$), so hypothesis 1 to hypothesis 5 is accepted.

Meanwhile, to see the mediation relationship between the independent variable and the dependent variable through the mediating variable, namely by comparing the value of standardized direct effects with standardized indirect effects.

If the value of the standardized direct effects is smaller than the value of the standardized indirect effect, it can be said that the mediating variable has an indirect influence on the relationship between the two variables.

Table 5.
Standardized Direct Effects (Group number 1 - Default model)

	Intrinsic Motivation	Distributive Justice	Job Satisfaction	Performance
Job Satisfaction	.413	.448	.000	.000
Performance	.162	.153	.703	.000

Table 6.
Standardized Indirect Effects (Group number 1 - Default model)

	Intrinsic Motivation	Distributive Justice	Job Satisfaction	Performance
Job Satisfaction	.000	.000	.000	.000
Performance	.291	.315	.000	.000

Testing the relationship between distributive justice and performance variables shows a value of 0.153 < 0.315, this indicates that job satisfaction mediates distributive justice on positive employee performance.

Testing the relationship between intrinsic motivation and performance variables shows a value of 0.162 < 0.291, this indicates that job satisfaction mediates intrinsic motivation on positive employee performance.

CONCLUSION

This study indicate that distributive justice and intrinsic motivation have a positive and significant effect on performance, either directly or mediated by job satisfaction. This shows that MSMEs must be fairer in distributing compensation to their employees. In addition, employee intrinsic motivation must also be considered, so that when distributive justice and intrinsic motivation increase, it will increase job satisfaction and employee performance of SMEs.

REFERENCE

Bougie, Roger, & Sekaran, Uma. (2019). *Research methods for business: A skill building approach*. John Wiley & Sons.

Chiang, J. C. C., Yang, M. H., Klein, G., & Jiang, J. J. Y. (2013). *Antecedents of organizational citizenship for information technology personnel*. Industrial Management & Data Systems.

Gheitani, A., Imani, S., Seyyedamiri, N., & Foroudi, P. (2019). *Mediating effect of intrinsic motivation on the relationship between Islamic work ethic, job satisfaction, and organizational commitment in banking sector*. International Journal of Islamic and Middle Eastern Finance and Management.

Ghozali, Imam, Adityamurti, Enggar. (2017). Pengaruh penghindaran pajak dan biaya agensi terhadap nilai perusahaan. *Diponegoro Journal of Accounting*, *6*(3), 124–135.

Hadi, Syamsul, Tjahjono, Heru Kurnianto, & Palupi, Majang. (2020). Study of organizational justice in smes and positive consequences: Systematic review. *International Journal of Advanced Science and Technology*, *29*(03), 4717–4730.

Handoko, T. H. (2014). *Personnel Management and Human Resources (2 ed.*

Hayati, K., & Caniago, I. (2012). Islamic work ethic: The role of intrinsic motivation, job satisfaction, organizational commitment and job performance. *Procedia-Social and Behavioral Sciences*, *6*(5), 1102–1106.

Hidayat, R. M., Tjahjono, H. K., & Fauziyah, F. (2017). Effect Of Employee Compensation On Job Satisfaction And Employee Performance. *JBTI: Jurnal Bisnis: Teori Dan Implementasi*, *8*((1)), 45–60.

Kalhoro, M., Jhatial, A. A., & Khokhar, S. (2017). Investigating the influence of extrinsic and intrinsic motivation on work performance: Study of bank officers. *Global Management Journal for Academic & Corporate Studies, 7*((1)), 121.

Kang, Seongho, & Hur, Won Moo. (2018). Bridging service employee's intrinsic motivation and job performance: A moderated mediation model. *Journal of Distribution Science*, *16*(5), 71–81.

Kinicki, A. a. F. (2013). *Organizational Behavior: Key Concepts, Skills and Best Practices (5 Ed.)*. New York: McGraw-Hill Education.

Lee, Cheng Wen, & Hidayat, Nurul. (2018). The influence of transformational leadership and intrinsic motivation to employee performance. *Advances in Management and Applied Economics*, *8*(2), 1–12.

Mardiyanti, I., & Suharnomo, S. (2018). The moderating role of organizational culture on the effect of organizational justice on organizational citizenship behavior. *Diponegoro International Journal of Business*, *1*((1)), 49–54.

Masvaure, P., & Maharaj, A. (2014). Work engagement, intrinsic motivation and job satisfaction among employees of a diamond mining company in Zimbabwe. *Journal of Economics and Behavioral Studies*, *6*((6)), 488–499.

Miao, Siyuan, Rhee, Jaehoon, & Jun, In. (2020). How much does extrinsic motivation or intrinsic motivation affect job engagement or turnover intention? A comparison study in China. *Sustainability*, *12*(9), 3630.

Pancasila, I., Haryono, S., & Sulistyo, B. A. (2020). Effects of work motivation and leadership toward work satisfaction and employee performance: Evidence from Indonesia. *The Journal of Asian Finance, Economics, and Business*, *7*((6)), 387397.

Phuong, Tran Huy. (2018). Perceived justice in performance appraisal among Vietnamese employees: antecedents and consequences. *International Journal of Business Excellence*, *15*(2), 209–221.

Rivai, H. A., Reza, D. Y., & Lukito, H. (2019). Distributive justice, job satisfaction and organizational commitment as antecedents of employee performance: a study in Indonesia national health insurance workers. *Paper Presented at the 2019 International Conference on Organizational Innovation (ICOI 2019)*.

Tentama, F., Kusuma, D. R., & Subardjo, S. (2019). Job satisfaction as a mediating variable in the effect of transformational leadership on performance. *Humanities & Social Sciences Reviews*, *7*((6)), 1082–1089.

Thahira, Agniya, Tjahjono, Heru Kurnianto, & Susanto, Susanto. (2020). The influence of transactional leadership on organization innovativeness (OI) mediated by organizational learning capability (OLC) in medium small enterprise Kendari city. *Jurnal Manajemen Bisnis*, *11*(1), 90–104.

Widyaputra, K. A., & Dewi, A. S. K. (2018). The Effect of Intrinsic Motivation on Job Satisfaction and Employee Performance at PT Bussan Auto Finance. *E-Jurnal Manajemen*, *7*((1)), 85–104.