

CHAPTER I

INTRODUCTION

A. Background

Within an organization, there are various individuals who have different backgrounds and those individuals are required to work together to achieve the goals of the organization. Achieving or not achieving a goal in an organization is strongly influenced by the performance of the human resources present within the organization. Human resources in a corporate organization are called employees. Performance is the result of work that is achieved in quality and quantity by a person in the performance of his or her task or work in accordance with the responsibilities that have been given before and is a result of the work that has been accomplished by someone according to the standards that have been established. With such a standard is the expected performance of someone in an organization able to produce a good quality of work as well as the amount of work corresponding to the standard(Hidayah and Haryani, 2013).

Problems relating to people or employees are often rooted in the concept of management, which assumes that everyone is in fact equal and that they can all be treated equally. But no two people are exactly the same, and everyone is different physically, emotionally, or psychologically. The bottom line is that among employees, it requires the attention of managers so that each individual can recognize, dig for, and develop the potential they have so that they can work optimally and productively within the company.

Employees have a strategic role in the organization because they are the main drivers of the process of activity and determine the smoothness of activity within the organization. An organization is a unit consisting of individuals from a wide variety of backgrounds who work together to achieve the goals, visions, and missions of their organization(Cropanzano & Mitchell, 2005).

Organizational commitment is the degree to which an employee stands in favor of an organization and its purposes and desires to maintain membership in the organization(Robbins, 2001). According to Moley in Andini (2006), organizational commitment becomes an important variable that should be considered because of the organization's commitment as the level of identification and the degree of attachment of

individuals to a particular organization that is reflected by the characteristics of a strong belief and acceptance of the values and purposes of the organization and the presence of a definite desire to maintain participation in the organization. In this case, the employee not only acts as the workforce in the company or agency but is also responsible for the tasks to be completed. A human resource that is loyal, satisfied, and in line with the objectives and values of the company will tend to maintain its membership in the organization.

Employees who have a great deal of responsibility for their work, have little chance of thinking about finding another job, have good work experience, and have a genuine effort from the organization to help new employees learn about the organization and the job, then create a good commitment and performance in the organization. Therefore, commitment can give an employee a sense of ownership of a company.

Affective commitment gets a lot of attention in research on organizational behavior(N. Allen & J. Meyer, 1990). Because these forms of commitment are based on psychological and emotional approaches, affective commitment is more accurately linked to organizational justice. Commitment and good performance are usually due to the factors of the company that have a psychological impact on the subcontractors working for the company.

Organizational justice has become one of the most important motivational theories and is now a leading research subject in the fields of organizational behavior, work psychology, and human resources(Cojuharencu, I., & Patient, 2013). And now many employees are starting to pay attention to the justice they gain within the organization, and as a result, employees' prescriptions about organizational justice can affect commitment, job satisfaction, retreating behavior, organized citizens' behavior, and the organization's trust in employees(Cohen-Charash & Spector, 2001); (et al., 2000); (Y. Wang et al., 2014).

According toAlder, (2001)organizational justice is one of the main or internal factors that most influence the performance, emotions, and behavior of human resources. Organizational justice itself consists of three parts: procedural justice, which refers to the process used in decision-making; distributive justice, which refers to the remuneration distributed among employees; and interactive justice, which refers to the interpersonal relationship in determining the outcome of the organization(Greenberg, 2003).

Individuals often have limited information when making judgments about justice. In the end, they tend to make judgments briefly because of their limitations in making judgments. The fairness that employees know in their work, such as remuneration policies, promotions, performance assessment policies, and other policies that relate to their interests, is determined by the organization. However, this is not offset by adequate information available to members of the organization.

The concept of organizational justice and its consequences must be understood by human resources managers. The impact of good organizational justice management is an increased commitment to work. This concept is important for organizations that want to develop more regulated policies and procedures. The whole perception of what is fair in the workplace, which consists of three dimensions of organizational justice: distributive justice, procedural justice, and interactive justice.

It is important that employees feel equal justice so that they feel given an equal share of the organizational resources that are distributed. Distributive justice is the justice that individuals receive based on their work (Colquitt et al., 2001).

Distributive justice focuses only on results, and it will trigger cognitive, emotional, and behavioral reactions as well as employees' evaluation of results (Cohen-Charash & Spector, 2001). Therefore, when any evaluation of distributive justice declares it unfair, it affects the individual's emotions (provoking anger, indifference, and guilt) and ultimately lowers the employee's performance as well as the employer's own commitment.

Procedural justice is defined as an employee's perception of justice in relation to the methods and processes used during the distribution of the organization's results among employees. In other words, procedural fairness is the organizational fairness in connection with the decision-making procedures shown by an organization to its employees, and the fairness that the employee knows is limited to remuneration, promotion, and performance assessment policies and other policies relating to the interests of each employee within the organization. While the justice given by an organization refers not only to the justice of how the company provides salaries and promotions to employees, the company must also be able to punish employees who make mistakes or reward employees who have contributed more to the organization without having to distinguish employees from each other.

Interaction justice is the prescription of justice between employees by informing about the subjects of the decision of the organization, as well as the individual himself in a higher way in the realization of the goals of an organization. One form of balance that a company or agency gives to improve employee performance is by giving the same motivation to every employee in the company. The motivation received by the employee is usually the fairness that they are in the scope of work. And the justice that the company gives to employees must not differ between employees, because when one company or institution gives different justice then employees will feel jealous of the other employees, and always feel not getting the right that they should have as part of the company's membership. Therefore, the labor factor must be dealt with in such a way that there is a balance for the entire company's employees. In this case, the employee not only acts as the workforce in the company but is also responsible for the tasks to be performed. This form of responsibility can be formed from the employee himself or the scope of work in creating employee commitment to the company. If an employee feels that he has a great deal of responsibility for his or her work, that there is little chance for him or her to have the mind to find another job, that he or she has a good work experience and that the organization does a real effort to help the new employee learn about the organization and the job, then there will be a good commitment and performance in the organization. Organizational commitment is a key factor between individuals and organizations, because commitment can create a sense of ownership for employees towards a company. The company in achieving its goals is supported by the performance and commitment of its employees. Employees' high commitment and performance is shaped by the fairness given by the company.

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Procedural justice is defined as an employee's perception of justice in relation to the methods and processes used during the distribution of the organization's outcomes among employees. In other words, procedural fairness is the organizational justice that relates to decision-making procedures by an organization relating to decision-making procedures shown by the organization to its employees. And the justice that the employee knows is only the limits of remuneration, promotion of performance assessment policies and other policies related to the interests of each employee present in the organization. But the justice given by the organization does not just refer to the fairness of how the company provides salaries and promotions to its employees.

According to Cohen-Charash & Spector (2001), interactive justice is the perception of justice within employees by informing them about the subject of organizational decisions as well as the attitudes and behaviors that employees give to the implementation of organized decisions.

In equity theory, it is explained that distributive and procedural justice refers to an employee's perception of responsibility and balance between the input they provide in the form of education, training, experience, and appreciation they receive (Handoko, 2003). Thus, employees are more likely to ask for a reward in accordance with what they do. When it is fulfilled, it results in the employee's own satisfaction with the performance they have provided for the company itself. Procedural fair behavior can improve performance, job satisfaction, commitment to the organization and confidence.

One form of balance that a company or agency provides for improving employee performance is by giving the same motivation to every employee in the company or institution. The motivation that employees receive is usually the justice they receive in the work environment. And the justice that the company gives to employees must not differ between employees, because when a company and agency give different justice, employees will feel jealous of the other employees and will always feel a lack of respect for the rights they should have as part of the company's membership. Therefore, the labor force factor

must be dealt with in such a way that there is a balance for the entire employee of the company or agency. In this case, the employee not only acts as the workforce in the company but is also responsible for the tasks to be performed. If an employee has a great deal of responsibility for his or her work, there is little chance for the employee to have the mind to look for another job, a good experience in the work, and a genuine effort by the organization to help the employees improve the quality of work. The importance of quality performance is to measure the success and development of a sustainable organization so that an optimal management control system will be created within the organization.

BPJS (Social Health Insurance Organization) is the organizer of social security programs in the field of welfare, which is one of the five programs in the National Social Security System (SJSN), which are health insurance, occupational accident insurance, old age insurance, pension insurance, and death insurance, as listed in Law No. 40 of 2004 on the National Social Insurance System.

BPJS Health, together with BPJS Employment, is a government program within the National Health Insurance Unit (JKN). Both BPJS have an obligation to fulfill the constitutional right of every citizen to social security. The social security program is intended to provide social protection and well-being for the whole of Indonesian society. The very strong implementation of social security is proof that the country has national well-being and proves Indonesia has fairly stable and fair economic growth. Given the importance of the tasks to be undertaken, the BPJS should be supported by competent and professional human resources. BPJS Health plays the role of providing national health insurance services according to the principles of national insurance. The aim is to ensure that every participant receives the benefits of health maintenance as well as protection for the fulfillment of basic health needs. BPJS Employment under the BPJS Act has the function of providing four programs: work accident insurance, old-day insurance, pension insurance, and death insurance.

The object of this research is the BPJS of Kudus Health, located in the Complex of Mejobo Office, Mlati Kidul Kudus, Sacred District, Central Java. Companies or agencies that operate in this health department have performance assessments to determine how performance should be measured, recognize and identify ways to solve problems, and gain an understanding of work-related matters. A phenomenon that often occurs when a

company is performing well in achieving its goals but can be damaged by the behavior of employees who wish to leave the company and find another job.

One of the phenomena that has occurred in the BPJS Health Service in DIY is that there are many complaints from the community related to the administrative services that are chaotic, as well as medicines and referral letters from specialists that are complicated. The complaint was largely supported by the Ombudsman of the Republic of Indonesia (ORI) DIY, due to the lack of socialization carried out by the organizers and the low level of participation of poor citizens in BPJS Health(Hartadi, (2022).

On the other hand, the employees of the BPJS Health Branch of Gorontalo still have a lot of performance predicates that are less superior because the performance targets that have been set by BPJS are predicates of superior performance, whereas the average performance criteria of the PBJs Health Branch is good performance and excellent performance of employees of the BPJS Health Office of the Gorontalo Branch in 2021, which is still very possible to be improved by pressing the number of complaints of the public as well as commitment to discipline and using the leave wisely(Tangahu et al., 2022).

The level of employee performance will appear greater when the employee has a high perception of justice. With such a sense of justice, employees will feel more obliged to be fair when doing their work.(H. Wang et al., 2010).

Based on the above background, many studies have presented the impact of justice in an organization on the performance and commitment of employees. Thus, the effect of justice within an organization on performance and employee commitment is very interesting to study by applying their position as employees and the actual application of justice to an organization by looking at the reality that exists at the moment. Besides, the reasons for doing this research are:

- a) First, because empirical evidence of the influence of justice in an organization on employee commitment and performance is very small and there is not even a study with the same title.
- b) Second, the researcher attempted to follow up on the recommendations of some of the above studies(Alder, 2001); (H. Wang et al., 2010); Crawshaw et al., (2013); (Suliman & Kathairi, 2013); (Lee et al., 2014); (Y. Wang et al., 2014); (Drew et al.,

2015); (Cohen-Charash & Spector, 2001); (Ambrose et al., 2000). To do research on the same theme and different objects or different sample in order to strengthen the research.

c) Third, some of the researchers above are still a little applied in Indonesia today.

Therefore, the focus of this research is entitled: Impact of Distributive Justice, Procedural Justice, and Interactive Justice on the affective commitment of BPJS employees to Kudus Health.

B. Formulation of Research Problems

Based on the description above, the formula for the problem in this study is as follows:

1. Does procedural justice affect the affective comments of employees in a company?
2. Does distributive justice affect the affective commitment of employees in a company?
3. Does interactive justice affect the affective commute of employees in a company?

C. Objective of Research

Based on the problem formula above, the objectives of the research that we want to are :

1. To know the impact of procedural justice on the emotional commitment received by employees in a company.
2. To know the impact of the distributive justice on the emotional commitment received by employees in a company.
3. To know the influence of interactive justice on the affective commitment received by employees in a company.

D. Benefit of Research

1. Theoretically, this research can contribute to human resource practices, in particular the formulation of justice-related policies in organizations that affect employee emotional commitment.
2. In practice, this research is expected to provide useful information to those in need. Research result obtained can be useful as reference or comparison material for other researchers who want to study similar issues related to procedural justice, distributive justice, interactional justice and employee affective commitment.

In addition, the result of this study are expected to serve as additional input or provide information and material for decision-makers to consider policies related to staff performance development.