

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Background**

Human resources can be one of the capital for the organization, not only can improve organizational performance, but also a source of competitive advantage that is difficult for other organizations to imitate. The success of an organization can be influenced by several factors, both external and internal. Human resources can be considered as one of the main factors in the competitiveness of any organization. In organizational activities, the main problem is people. Potential human resources, both leaders and employees, are factors needed by the company to achieve company goals. Management activities can run smoothly, as long as the company has high employee skills and knowledge, and strives to manage the company to improve Innovation Work Behavior.

In this modern era, innovation has a very big influence, especially in the business world. The global market has increasingly fierce competition, and technological developments are very advanced, so organizations are required to continue to improve the quality of the organization in order to compete in the era of globalization. Organizations must implement innovation to become one of the important indicators in the field of organizational management (Chang et al., 2018). Organizations will know that companies, small or large, cannot achieve sustainable success without the skills of employees to create new innovations for the job. In addition, innovation is seen as one of the keys to the ongoing survival of the business. Therefore, it is necessary to build an innovative spirit from each

employee, because innovative work behavior is the most important factor in determining the excellence of an organization. (Shin et al., 2016).

The ability to build innovative organizations can be used as the main source of the success of an organization (Faraz et al.,2018). The problem facing organizations today is the need for employees who have innovative behavior to improve current organizational performance (Afsar & Umrani, 2019). Employees can not directly behave innovatively at work, in this case there are several aspects that have an influence on employee innovation behavior. In human resources there is an aspect of leadership, because leadership is the initial key in an organization. Leadership is someone who has a great influence on the organization to achieve goals. A leader can be a motivator for his employees by giving awards for every work achievement he gets, providing broad opportunities for career development, not forgetting to also provide a conducive work atmosphere for employees to stay comfortable at work, these are all examples of good leadership. So no matter how much the target is set by the organization, if it is balanced with these things, it can increase employee work innovation and achieve organizational goals.

The leadership style applied by the company can also affect the behavior of creating innovative employees. The application of the right leadership style can be a factor in directing, guiding, motivating and moving employees to be more accomplished in their work. One of the factors to determine the effectiveness of a leader is to have the skills and abilities in mobilizing members of the organization to continue to develop their innovative ideas. The application of work behavior innovation requires all parties, both from the administration and employees, to

participate and implement innovative ideas for the organization (Nugroho & Ranihusna, 2020). Leaders can lead and provide support in increasing the creative capacity of employees for better organizational goals. In addition, leaders can also serve as catalysts to bring about and sustain innovative work behaviors at the individual, team and organizational levels as a whole (Faraz et al., 2018).

The influence of the leadership style set by an organization has attracted the attention of many researchers for more than a decade in terms of its effect on innovative work behavior (Khan et al., 2012 ; Contreras et al., 2017 ; Naqvi et. Al, 2017). The involvement of employees to implement innovative behavior at work will vary depending on the leader who influences the employee (Afsar & Umrani, 2019). According to Chang et. Al,. (2018), Transformational leadership is the most powerful leadership style because transformational leadership uses logical reasoning, is active, effective, results-oriented, and directs employees to provide new values and behaviors. This is in accordance with research that has been conducted Hansen & Pihl-Thingyad.,(2018) which found that transformational leadership styles are more effective.

Another factor that influences work innovation work behaviour is fairness. Justice of organization expresses ideas about distributive justice and fairness. Processes and procedures for determining outcomes. In this case, employees think Organizational decisions are fair, which will lead to social interactions Better overall organizational efficiency. Distributive justice is a dimension that is directly related to the existence of employee contributions or participation to the company. Distributive justice is related to employee satisfaction with salary, promotion,

performance evaluation and organizational commitment (Fatt et al., 2010). If the employee has given their best performance to the company, but the company does not provide proper compensation for the employee, it is likely that the employee will leave the company. This is because employees feel underappreciated for the contributions they make to the company, and the lack of things that can be used as motivation to work better. In Rao (2016), Robin and Judge define motivation as a process that explains the intensity, direction, and persistence of individuals to achieve goals. From this definition, it can be interpreted that motivation is very important for an individual to do something better or achieve a common goal.

Motivation is divided into two factors, including motivational factors or commonly called intrinsic motivation and hygiene factors or commonly called extrinsic motivation. Intrinsic motivation is a desire to do a job or solve a problem because things are considered interesting and challenging, and can be personally satisfying (Saeed et al., 2019 ). Intrinsic motivation can be defined as the pleasure that individuals feel in doing and completing a job without being influenced by extrinsic factors such as rewards and punishments (Saeed et al., 2019). In other words, intrinsic motivation is the driving force of work that comes from within ourselves. The workers as individuals and appear in the awareness will be an important benefit or meaning of achieving a goal. Motivation comes from work, either because it fulfills a need or pleasure, achieves a goal, or has certain positive expectations for the future.

Motivation can have a positive impact on the mentality of employees, giving them a sense of self-efficacy and pushing themselves to the next level. In this case

the trigger is motivation that comes from within, or so-called internal motivation. Intrinsic motivation plays an important role in increasing innovation work behaviour, because intrinsic motivation comes from the individual himself, without coercion or encouragement from others, but based on his own desires, so that it makes them feel interested in developing their innovative ideas directly that will satisfy themselves. Intrinsic motivation arises from within the work itself, while irrelevant reasons are based on the intention to achieve positive consequences (Faraz et al., 2018). Working means increasing the intrinsic motivation of employees which can be seen in innovation efforts (Bibi & Afsar., 2018). An employee usually lacks confidence to try to express new opinions, ideas, and solutions in order to help solve organizational problems, therefore intrinsic motivation is needed to build the most substantial strengths that exist within an individual.

Based on what has been described above, it can be concluded that the transformational leadership style focuses on long-term issues, and the future needs of organizations that are humane and inspiring. Where innovation requires technical experience, transformational leaders may be more effective in innovative work behaviors. However, transformational leadership becomes more appropriate when finding a method that emphasizes the influence of people in motivating others (Contreras et al., 2017) In distributional justice, the level of employee trust and whether the rewards or results obtained by employees are commensurate with the responsibilities, pressures, and pressures). requirements for innovation in the workplace. On the other hand, leaders with intrinsic motivation can also create

innovative work behavior. This is because intrinsic motivation has created the desire of employees to perform in innovative positions. Therefore, when investigating the work behavior of creative employees, researchers interested in conducting research related to transformational leadership style, distributional justice, and intrinsic motivation related to innovative work behavior. Following the statement of Hansen and Pihlthingvad (2018), several researchers suggest that transformational leadership style is related to creative work behavior.

This highly developed era of globalization has resulted in changes in various fields, especially in the fields of business and technology. Therefore, it takes human resources for business people to adapt to existing changes, one of which is innovation. The company's ability to innovate depends on the strengths of each individual working in the company (Contreras et al., 2017). When individuals create behavioral innovations in the workplace, they can improve personal and organizational performance. Therefore, fostering innovative employees will help support the company's sustainable development in the future.

This research on employee innovative work behavior was conducted in the field of education. The following are the research recommendations of Naqvi et al. (2017), for further researchers who study the behavior of innovative workers, they can be promoted in fields other than bank employees, one of which is in the field of education where employees must be creative. In addition, Khan et al, (2020) states in his research that in addition to spreading knowledge, educational institutions also contribute to the development of national economic development. The process of establishing innovative work behavior has been widely recognized

in the field of education, especially with the introduction of information and electronic practices (practices that use technology) (Khan et al., 2020).

In addition, research on innovative work behavior focuses on school-level education especially for secondary schools. This is related to the research of Khan et al. (2020), because leadership plays an important role in encouraging innovative work behavior in organizations, there is an urgent need to encourage creative work behavior in the field of education. This statement is also supported by Khan et al. (2020) Educational institutions need innovative leaders to complete comprehensive educational rehabilitation. In fact, according to Khan et al. (2020), only innovative behavior can meet academic performance and institutional growth.

Researchers used two secondary schools in one sub-district which were used as research objects, namely SMAN 1 Pangkalan Banteng and SMKN 1 Pangkalan Banteng. SMAN 1 Pangkalan Banteng is a high school located on Jl. Wisata No.1, Simpang Berambai, Pangkalan Banteng, West Kotawaringin Regency, Central Kalimantan. Meanwhile, SMKN 1 Pangkalan Banteng is a vocational high school located on Jl. A. Yani KM 71, Amin Jaya, Kec. Pangkalan Banteng, West Kotawaringin Regency, Central Kalimantan. Researchers make SMAN 1 Pangkalan Banteng and SMKN 1 Pangkalan Banteng as research objects, namely to analyze whether innovative work behavior in teachers can affect the development of an organization in achieving goals. In this case, the researcher chose SMAN 1 Pangkalan Banteng and SMKN 1 Pangkalan Banteng as research objects and wanted to know whether the role of innovation had an effect on the world of education, and also considering that these two schools are secondary schools

located in quite remote areas and it is quite difficult to keep up with developments. technology that has now become common in the world of education and previously there were no researchers who determined SMAN 1 Pangkalan Banteng and SMAN 1 Pangkalan Banteng. SMKN 1 Pangkalan Banteng as an object of research related to innovation. With that, it is hoped that this research can be useful to determine the important influence of innovation in the world of education.

The performance of innovation in the field of education especially in secondary schools, is never separated from the human resources in it specially teachers. Teachers are one of the human resources who have an important and strategic role in all activities in schools. Teacher performance can determine the high and low quality of a school, if the teacher carries out the task with full creativity through innovative behavior. Innovative work behavior will occur if the teacher can be intrinsically motivated, this can happen if there is an application of fairness in job appraisal. The application of the leadership's fair attitude can be in the form of giving awards, praise, and even promotions. Innovative teacher work behavior can also be stimulated when the teacher's work unit leader has transformational leadership characteristics. Based on the results of historical studies and the phenomena that occurred, the researchers were interested in conducting a study entitled "**The Influence of Transformational Leadership, Distributive Justice, and Intrinsic Motivation on Innovative Work Behavior**".



## **1.2 Problems Formulation**

Based on the problems that have been described, the formulation of the problems proposed in this study are as follows:

1. Does Transformational Leadership style affect the innovative work behavior of teachers?
2. Does distributive justice affect the innovative work behavior of teachers?
3. Does intrinsic motivation affect the innovative work behavior of teachers?

## **1.3 Purpose of the Study**

From the background of the problem, the purpose of this research is as follows :

1. Understanding the influence of Transformational Leadership style on Innovative Work Behavior in Teachers.
2. Understanding the effect of distributive justice on innovative work behavior in teachers.
3. Understanding the influence of intrinsic motivation on innovative work behavior in teachers.

## **1.4 Benefits of the Study**

1. Theoretical Benefits

The theoretical benefits obtained from this research are as follows:

- a. This research is expected to be a reference regarding whether transformational leadership style can improve innovative work behavior.
- b. This research is expected to provide input in the development of knowledge regarding innovative work behavior. Because innovative work behavior can be a benchmark for the success of the organization so that it can compete in the future.

- c. If this research is proven, then this research will provide validation regarding transformational leadership style, distributive justice, and intrinsic motivation in innovative work behavior.

## 2. Practical Benefits

The practical benefits obtained from this research are as follows:

- a. This research is expected to help teachers at SMAN 1 Pangkalan Banteng and SMKN 1 Pangkalan Banteng to contribute to improving the performance of school innovation so that they can compete with other schools, especially in the Central Kalimantan region.
- b. It is hoped that this research can increase awareness of teachers at SMAN 1 Pangkalan Banteng and SMKN 1 Pangkalan Banteng to increase innovative behavior at work.
- c. It is hoped that this research can be a good contribution in order to improve innovative work behavior.