

# The Relationship between Employees and Organizations to Explore the Innovative Behavior for Sustainable Organizations

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**Abstract.** *The human dimension is the key resource for maintaining organizational competitive advantage and sustainable development. This dimension is related to the processes of generating social health and enhancing employee well being, such as (organizational justice, employee's work engagement, trust on leader, Innovative behavior) could be a key component of the human dimension of organizational sustainability. The objective of this study is to examine the influence of organizational procedural justice, work engagement, trust on leader on innovative behavior. Sample of this study is 120 employees in television media, on marketing division, technique, program, production, and news in Surabaya. These division have become sample because of the jobs inside that division demand innovation. Data collected with questionnaire and technique analyses using PLS. The result of this study is procedural justice significance influenced to work engagement and trust on leader. Trust on leader and work engagement are significantly influenced by innovative behavior. The implication of this study is organizations must create justice climate so employee perceives well being that they will explore innovative behavior as a human performance to generate organizational sustainability.*

**Keywords:** *Procedural justice; Work engagement; Trust on Leader ; Innovative Behavior*

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## I. Introduction

Sustainable Organizations are thought to have the capability of simultaneously achieving good economic, environmental and social ( i.e. human) performance in a collective manner called the triple bottom line [1]. Economic performance is related to financial performance, environmental performance is related to environmental integrity and protection and social performance is related to the well- being of organizational employees. The organization wants to achieve and maintain sustainable development, it is important to consider environmental, economic and social ( i.e. human). However, among the three dimensions of Organizational sustainability, the social dimension ( i.e.human dimension) has relatively less attention when compared to economic and environmental dimensions of sustainability. [2].

The human dimension is the key resource for maintaining organizational competitive advantage and sustainable development [3]. Human capital is an asset that can not be copied by competitors. Organizations that it succeeds to make their employee well being will make them provides maximum performance to organizational succeeds. With regard to the human dimensions that this dimension is related to the processes of generating social health and enhancing employee well being, such as (organizational justice, employee's work engagement, trust on leader, Innovative behavior) could be a key component of the human dimension of organizational sustainability [4]. On the perspective of the social exchange theory, the feeling of being fairly treated by an organization can make employee more engagement in their work and trust on leader. In addition to the link between organizational justice and organizational sustainability that trust on leader , employee work engagement, and employee innovative work behavior are relevant to organizational sustainability [5].

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Organizational justice consists of three component, procedural justice, distributive justice and interactional justice which positively influence employee's psychological well being and turn over by establishing a fair work environment (16,18). Procedural justice refers to the perceived fairness of the procedures used in decision making and treatment, distributive justice refers to the perceived fairness of outcomes that individual employees receive, interactional justice refers to the perceived fairness of interactional communication and treatment [6]. Based on the 3 component of organizational justice, the result of the study by [6] found that only procedural and interactional justice as a strong predictor for organizational sustainability, while justice distributive is not. Procedural justice focuses on the exchange or relationship between employees and their organization, while interactional justice focuses on the exchange or relationship between employee and supervisor. This study intends to examine the effects of perceived fairness in the general context of the exchange between employees and their organization.

Innovative behavior is the key resource for maintaining organizational competitive advantage and sustainable development. Innovative work behavior as being comprised of three different behavioral tasks: idea generation, idea promotion, and idea realization [7]. Since innovation tends to rely greatly on employee behavior within organizations and is viewed as critical for organizational success and survival in this knowledge-based society, it is conceivable that innovative employee work behavior is pivotal to organizational sustainability [8].

Procedural justice is based on the social exchange relationship. The relationship between procedural justice and employee engagement can be viewed as the social exchange theory perspective. The employee that treated fairly will exchange it with an expected behavior [9] explained that employees who have engagement on their job will be more energetic, enthusiastic, and happy in carrying out their work. Those employees will also have the initiative and can contribute to enhancing innovation for their company. A good treatment that is received by the employees will be able to increase employees' trust in their organization. This study objective is to explore employee innovative work behavior through organizational procedural justice, trust on organization and work engagement, from the side of Human for organizational sustainability.

## **II. Theory and Hypothesis Development**

### *The Relationship of Procedural Justice to Employee' work engagement*

The relationship between procedural justice and employee engagement can be viewed as the social exchange theory perspective. An employee that treated fairly will exchange it with expected behavior. An employee can assess how fair they are being treated by the organization from procedural justice. Procedural justice is defined as an equality formal procedure that underlying organizational decision making for their employees [10]. The relationship between procedural justice with employee engagement can be explained by equity theory, that if the organization expected employees to have a good performance, they will treat them fairly.

H1: Procedural Justice is related to Employee' work engagement.

### *The Relationship of Procedural Justice to Trust on Leader*

[11] state that "there is a relationship between procedural justice and trust". According to [12] trust plays an important role in these relations to be a mechanism which later will give a result that justice will affect the employee outcome. [13] examined the relationship between procedural justice and trust in the organization. [14] state that fairly treatment can be allowing the emergence of trust. The fair treatment produces an expectation from employees that the future and those longterm relationships will fair too.

H2: Procedural Justice is related to Trust on Leader



### *The Relationship of Trust on Leader to Innovation Behavior*

[14] propose that when employees believe their leader is trustworthy, competent, and cares about their work, they find it relatively easy to work innovatively, because one does not have to worry or be concerned about the leader's potential behavior. Trust helps employees to be more willing to rely on their leader, and disclose their views and opinions, share sensitive information, Trust inhibits creative ideas.

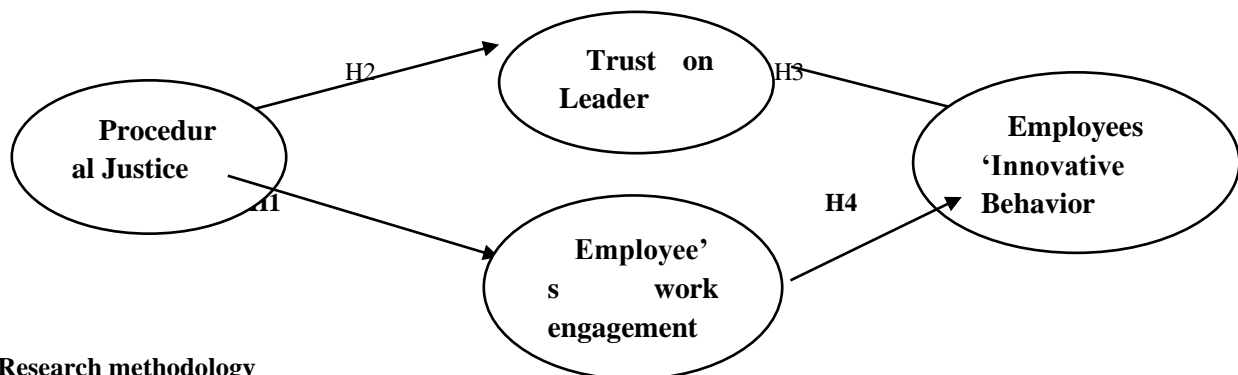
H3: Trust on Leader is related to Innovative Behavior

### *The Relationship of Employee's work engagement to Innovation Behavior*

[15] have found that engaged employees increase their personal initiative, which results in enhancing work-unit innovativeness. Engaged people work at their full capacity and take a proactive approach to problem-solving. People experience positive emotions when they are engaged in their work [16] and this facilitates people to explore, assimilate new information and experiences, and apply them [17]. According to [18] positive affect influences problem solving, flexibility, and innovation because people in positive affect are induced to have a diverse set of cognition and action as well as increased energy for action. Such experience allows people to have a broader view of their problems, which helps them produce a wide range of possible solutions.

H4: Employees' work engagement is related to employees' innovative behavior.

### *Conceptual Framework*



## **III. Research methodology**

The sample of this study is employees in television media on marketing division, technique, program, production, and news. Sample which is chosen based on employees whose job related to the creativity, that the implementation from creativity is innovation. Also, they have a responsibility to provide innovative news and positive contribution to society. The Sample is about 120 employees. Procedural Justice is the respondent's perception of fair treatment received from the organization, both justice in treatment and equity in policies made for employees. Dimensional measurements are based on [19]. Employee Engagement is the attitude of respondents about the high level of energy level, the strong involvement in work and the concentration and interest that make happy in work. [9] using the Utrecht Work Engagement Scale (UWES) in measuring Work Engagement of employees with dimensions of Vigor, Dedication, and Absorption. Trust on the supervisor is the respondent's perception of their level of confidence that the leadership of the organization has the ability, virtue, and integrity [21,23]. Trust on leader is measured by 3 Dimensions of [14]. Ability, Benevolence, and Integrity. Innovative Behavior measure using 10 items questions which have developed by [19].



#### IV. Result

In this study to examine hypothesis is used Partial Least Square (PLS) analyze with SmartPLS 2.0 program. The first sections are Outer Model test to test validity and reliability construct of this study. indicators will be valid if it has loading factor values  $> 0,5$ . Variable will be reliability if it has Composite reliability  $> 0.7$ . The validity test result ( See, Table 1 and 2), that all indicators has outer loading value  $> 0,05$ . The reliability test result (see, Table 3), that all variables has reliability value  $> 0,7$ . Table 4 explains hypotheses test.

**Table 1.** Validity Test

Variable	Indicator	Loading Value	Result	Dimension	Loading Value	Result
<b>Procedural Justice ( PJ)</b>	PJ 1	0,8264	Valid			
			d			
	PJ 2	0,8125	Valid			
			d			
	PJ 3	0,7950	Valid			
			d			
	PJ 4	0,8787	Valid			
			d			
	PJ 5	0,8707	Valid			
			d			
	PJ 6	0,8667	Valid			
			d			
<b>Trust on Leader</b>	A 1	0,7426	Valid	Ability	0,914	Valid
			d			d
	A2	0,8459	Valid			
			d			
	B 1	0,8232	Valid	Benevolence	0.890	
			d			Valid
	B2	0,8453	Valid			d
			d			
	In 1	0,8579	Valid	Integrity	0,991	Valid
			d			d
	In2	0,8787	Valid			
			d			
<b>Work Engagement</b>	VG 1	0.9178	Valid	Vigor	0,982	Valid
			d			d
	VG2	0.8736	Valid			
			d			
	VG 3	0.9328	Valid			
			d			



<b>Innovative Behavior</b>	AB 1	0,8150	Valid	Absorption	0,894	Valid
	AB 2	0,8622	Valid			
	AB 3	0,8363	Valid			
	DE 1	0,8770	Valid	Dedication	0,976	Valid
	DE 2	0,8269	Valid			
	DE 3	0,8669	Valid			
	IB 1	0,7483	Valid			
	IB 2	0,7984	Valid			
	IB 3	0,8715	Valid			
	IB 4	0,8371	Valid			
	IB 5	0,6878	Valid			
	IB 6	0,7609	Valid			
	IB 7	0,7609	Valid			
	IB 8	0,7673	Valid			
	IB 9	0,7979	Valid			
	IB 10	0,7998	Valid			

**Table 2.** Average Variance Extracted ( AVE)

Variable	Dimension	AVE	Result
<b>Procedural Justice</b>		0,6946	Valid
<b>Trust on leader</b>	Ability	0,6896	Valid
	Benevolence	0,6609	Valid



	Integrity	0,6425	Valid
<b>Work engagement</b>	Vigor	0,6670	Valid
	Absorption	0,6806	Valid
	Dedication	0,7298	Valid
<b>Innovative Behavior</b>		0,6205	Valid

**Table 3.** Composite Reliability

Variable	Composite Reliability
<b>Procedural Justice</b>	0,8316
<b>Trust on Leader</b>	0,8390
<b>Work Engagement</b>	0,8315
<b>Innovative Behavior</b>	0,8010

**Table 4.** Hypothesis Testing

	Original Sample Mean (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STER)	T Statistics ( O/STERR )
Procedural Justice-> Trust on Leader	0.17766	0.20961	0.078181	0.07818	2.278765
Procedural justice -> Work Engagement	0.45623	0.427635	0.118937	0.118937	3.83432
Trust on Leader -> Innovative Behavior	0.38234	0.381312	0.11963	0.11963	3.236564
Work Engagement -> Innovative Behavior	0.24566	0.256324	0.101011	0.10101	2.404321

## V. Discussion

### *Theoretical Implications*



This study result has proven that organization which has done procedural justice can build employee's work engagement and trust on leader. Procedural justice has a bigger impact on employee's work engagement than trust on leader (see table 1). This proves that if organizations care about employee's well being so it will make their employee more becoming engagement at works. Employee engagement will have positively influenced on innovative behavior. This study results also have proven if trust on leader contribution has a bigger influence than employee's work engagement on innovative behavior. Employee trust on leader has done not only to be fair and transparent in sharing relevant information but also provides feedback which is valuable for the decision making the process. Organizations are actively listening to employee opinions so that it will strengthen employee innovative behavior [22]. When employees believe that their organizations care and provide fair treatment, their obligation toward performing their jobs successfully may increase, which, in turn, make them involved in work-related idea generation, development, and application.

### *Practical Implications*

Organizations must provide continuous treatment to maintain and strengthen employee positively influenced by the organizational effort by maintaining and improve procedural justice, so the employee will engage at works and organizational trust and employee innovative behavior. HRM Department must be creative in creating their SDM policy connecting with employee innovative behavior as a human performance and economic performance to create organizational sustainability. For instance, employees have innovative and realistic ideas and a high degree of enthusiasm for developing them into real services and products, organizations could consider providing employees with substantive opportunities so as to improve organizational performance levels. Our study did have some limitations. First, all data were cross-sectional or one –shoot data collection, for the next study, could be performed using different timescales to investigate the causal relationship between variables in order to obtain better results when testing the causal relationship between the variables. Second, this study focuses on employee who works at television media, so the future study can be examine on the other creative industry

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