### THESIS

## AN EMPIRICAL INVESTIGATION INTO THE IMPACT OF ORGANIZATIONAL JUSTICE COMPONENTS AND PERSONALITY TRAITS ON INNOVATIVE WORK BEHAVIOR AMONG MYANMAR'S TRAVEL AGENCIES IN MANDALAY



<u>Zin Lin Phyu</u> NIM 091814253025

# PROGRAM STUDI MAGISTER PENGEMBANGAN SUMBER DAYA MANUSIA SEKOLAH PASCASARJANA UNIVERSITAS AIRLANGGA SURABAYA 2020

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To Qualify for a Master's Degree In Human Resource Development Study Program at Sekolah Pascasarjana Universitas Airlangga

By

<u>Zin Lin Phyu</u> NIM 091814253025

## SEKOLAH PASCASARJANA UNIVERSITAS AIRLANGGA SURABAYA 2020

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#### THESIS SUPERVISOR APPROVAL SHEET

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By:

Zin Lin Phyu NIM 091814253025

THIS THESIS HAS BEEN APPROVED On 5 June 2020

By:

Pembimbing Ketua

Prof., Dr., Drs. H. Jusuf Irianto, M.Com. NIP. 196505061993031003

Pembinbing Kedua Dr. Windrigarto, SE., MBA NIP. 196304141988101001

Mengetahui,

Koordinator Program Studi Program Magister

Pengembangan/Sumber Daya Manusia

Dr. W indijarto, SE., MBA NIP.196304141988101001

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ZIN LIN PHYU

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by the Examining Committee at Sekolah Pascasarjana Universitas Airlangga

on 4 June 2020

THESIS EXAMINER COMMITTEE

Chairman: Dr. Falih Suaedi, Drs., MSI.Committee members:1. Prof., Dr., Drs. H. Jusuf Irianto, M.Com.2. Dr. Windijarto, SE., MBA.3. Dr. Sutinah Dra., MS.4. Dr. Dewi Retno Suminar, Dra., M.Si.

The undersigned below is:

Name : Zin Lin Phyu

NIM : 091814253025

Program study : Master of Human Resources Development

Thesis Title : AN EMPIRICAL INVESTIGATION INTO THE IMPACT OF ORGANIZATIONAL JUSTICE COMPONENTS AND PERSONALITY TRAITS ON INNOVATIVE WORK BEHAVIOR AMONG MYANMAR'S TRAVEL AGENCIES IN MANDALAY

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Surabaya, 4 June 2020

Zin Lin Phyu

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#### **SUMMARY**

#### AN EMPIRICAL INVESTIGATION INTO THE IMPACT OF ORGANIZATIONAL JUSTICE COMPONENTS AND PERSONALITY TRAITS ON INNOVATIVE WORK BEHAVIOR AMONG MYANMAR'S TRAVEL AGENCIES IN MANDALAY

#### Zin Lin Phyu

Innovation is viewed as the main determinant of organizational success and competitiveness. Organizations are paying attention to their human resources to produce innovative behaviors and consequently innovations (Patterson 2009; Scott and Bruce, 1994) because innovations derive from the ideas that come from the individuals in the workplace (Neely: 1998; Patterson, 2009). Individual innovation behavior in the workplace is considered to be the main pillars of high-performing organizations.

Organizational justice is found to be an important motivational factor for employees to show or not to show a particular behavior. If an employee feels that he/she is being treated unfairly, his/her obligation towards performing the job effectively may decrease, performance may affect and ultimately his/her contribution in work may also decrease. This study proposed to investigate the effect of three dimensions of organizational justice on the innovative work behavior of the employees among Myanmar Travel agencies in Mandalay.

Personality plays an important role in understanding the human behavior. The Five Factor Model of personality has become an important mechanism to understand the structure of personality (Patterson et al., 2009). Five personality dimensions (Neuroticism, Extraversion, Openness to Experience, Agreeableness, and Conscientiousness) explain most of the meaningful variance in personality. Personality traits have been shown to be related to the workplace behaviors, attitudes, and performance. As an important factor, personality also affects innovation behavior of the employees in the workplace and is explored in this study. The tourism industry has a huge multiplier effect on economic sectors. The Republic of the Union of Myanmar, one of the Association of Southeast Asian Nations, is a must-visit destination for travelers who like beaches, historical inheritances, Buddha's heritage and thousands of Buddhist temples. The increase of tourism in Myanmar has created opportunities for employment generation because it is the key handler of economic growth. Mandalay, the second largest city in Myanmar, situated in the middle of Myanmar, is the economic hub of Upper Myanmar. So, most of businessmen chose Mandalay due to the location.

The main purpose of the study is to observe the effect of organizational justice components and personality traits on innovative work behavior. The descriptive statistic was presented and applied the Structural Equation Modelling (SEM) approach using path diagrams. The testing of the instrument model was carried out using the Smart PLS Version 3.2.9 and SPSS Version 25.0 applications. To achieve the aims of this study, total (150) questionnaires were distributed to the

employees of the Myanmar's travel agencies in Mandalay region; Aung Myay Thar San, Chan Aye Thar San, Chan Mya Thar Si, Mahar Aung Myay, Amarapura, Patheingyi, Pyigyi Takon Township. Most of the respondents are female and age is between is 21-30. Employees are from different positions, Manager 12%, HR Manager5.33%, Ticketing16.67%, Sales53.33%, and Reservation12.67%.

The results of the research are;

- 1. Distributive Justice has a positive effect but no significant influence on the innovative work behavior. Procedural Justice have a negative effect Because, the result shows that the path coefficient of 0.017, a p-value of 0.423, and a t-value of 0.194 at the significance level  $\alpha = 10\%$ . These results are in line with research conducted by (Biswas et al., 2013) and (Tayyaba Akram, 2016) which state that distributive justice influences innovative work behavior.
- 2. Procedural Justice has a negative effect and no significant influence on innovative work behavior. Because, the result shows that a path coefficient of -0.105, a p-value of 0.134, and a t-value of 1.110 at the level of significance  $\alpha = 10\%$ . These results are not in accordance with research conducted by (Agarwal, 2014) which states that Procedural Justice influences innovative work behavior.
- 3. Interactional Justice has positive effect and significant influence on innovative work behavior. Because, the result shows that a path coefficient of 0.130, a p-value of 0.075, and a t-value of 1.444 at the level of significance  $\alpha = 10\%$ . These results are in accordance with research conducted by (Crow et al., 2012), (Zhanga & Begleyb, 2011) and (Almansour & Minai, 2012), which showed that interactional justice has a stronger influence on innovative work behavior.
- 4. Openness to experience personality has a positive effect but no significant influence on innovative work behavior. Because, the result show results in a path coefficient of 0.003, a p-value of 0.484, and a t-value of 0.039 at the level of significance  $\alpha = 10\%$ . These results are not in accordance with research conducted by (Patterson & Kerrin, 2009), which proclaimed that openness to experience is the most outstanding personality dimension for creativity and innovation.
- 5. Conscientiousness personality has a positive effect but no significant influence on innovative work behavior. Because, the result shows that a path coefficient of 0.021, a p-value of 0.400, and a t-value of 0.252 at the level of significance  $\alpha = 10\%$ . These results are in accordance with research conducted by (Chamorro-Premuzic & Furnham, 2003), (K. Kumar, n.d.) and (S Rothmann & E P Coetzer, 2003). But inaccordance with Patterson & Kerrin, 2009), which contended that traits related to hardworking and meticulousness are not related to innovation.
- 6. Extraversion personality has a negative effect and no significant influence on innovative work behavior. Because, the result show path coefficient of -0.017, a p-value of 0.419, and a t-value of 0.205 at the level of significance  $\alpha = 10\%$ . These results are not in accordance with research conducted by (Kanter, 1988) and (Patterson & Kerrin, 2009), which insisted

extraversion is the effective predictor of employees' creativity and innovation

- 7. Agreeableness personality has a positive effect but no significant influence on innovative work behavior. Because, the result shows that the path coefficient of 0.035, a p-value of 0.352, and a t-value of 0.379 at the level of significance  $\alpha = 10\%$ . These results are not in accordance with research conducted by (Matzler et al., 2011) and (Patterson & Kerrin, 2009), which revealed that the negative influence of agreeableness on organizational innovation.
- 8. Neuroticism personality has a positive effect but no significant influence on innovative work behavior. Because, the result shows that the path coefficient of 0.097, a p-value of 0.144, and a t-value of 1.062 at the level of significance  $\alpha = 10\%$ . These results are not in accordance with research conducted by (Chamorro-Premuzic & Furnham, 2003) and (Patterson & Kerrin, 2009) who found that the consequences of neuroticism on employees' innovativeness

The Study concludes with the result of Interactional Justice has a significant influence on innovative work behavior. Which means other two organizational justice components and all personality traits have no significant effect on innovation behavior. This study concludes that when the employees perceive fairness in their organizations in the shape of distributive, procedural, and interactional, they are more willing to be innovative, share more novel ideas, discuss those ideas thoroughly with co-workers and superiors in their organization and work. For implementing those ideas, the organizations need to consider organizational justice and the personality traits of their employees as far as innovation behavior and related issues are concerned.