THE EFFECT OF WORK STRESS AND WORKPLACE CONFLICT ON JOB PERFORMANCE AT PT. TIRTA INVESTAMA, AIRMADIDI

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ABSTRACT

Many companies are trying to avoid the workplace stress, since it could effects the performance of employee. That's why negative effects of work stress and workplace conflict also become a concern of HR manager. Since those things can bring so many problem like cardiovascular problem, depression and increase the possibility to catch another disease. Work Stress is the adverse reaction people have to exercise pressures and Workplace Conflict contains a variety of personalities that can something clash, creating a high potential for conflict. The objectives of this researchare to analyze the influence of work stress and work-place conflict on job performancesimultaneously and partially. The population in this research is all the employee of PT. Tirta Investama, Airmadidi. This research's findings are concluded as follows: Work Stress and Work-place Conflict influenceJob Performance at PT. Tirta Investama, Airmadidi simultaneously. Work Stress influence Job Performance at PT. Tirta Investama, Airmadidi partially andWork-place Conflict influence Job Performance at PT. Tirta Investama, Airmadidi partially. This research shows that work stress has the most significant influence to employees performance, than theyshould concern more on reducing work stress.

Keywords: work stress, workplace conflict, job performance

INTRODUCTION

Research Background

Nowadays it is important for organizations to be able to gain a sustainable competitive advantage through people and also to address an important employee concerns such as managing a diverse workplace, recognizing employee rights and adjusting to new work attitudes. All those things can be achieved through Human Resources Management (HRM). Some organization might think that they can run a company and achieve a massive success by using a high technology machines. But actually people are more important in today's organization than ever before. Competitive advantage belongs to companies that know how to attract, select, and develop the talents they have. Recruiting the employee, training and developing their skills, designing the job and prevent the employees from any hazard and accident are some important thing company has to do to improve their performance.

Negative effects of work stress and workplace conflict also become a concern of HR manager. Since those things can bring so many problem like cardiovascular problem, depression and increase the possibility to catch another disease. And these will lead to a higher health care cost effect the productivity, job satisfaction and retention. Stress is the most frequently cited reason employees give for the reason why they want to leave the company. There are a lot of factors that cause the workplace stress like having so many things to do in a really short time or could be receiving inadequate feedback on performance and no recognition for a job well done. Layoffs and organization restructuring, disagreement with managers or a fellow employees, age, gender, race and even religion could be the in a really short time or could be receiving inadequate feedback on performance and no recognition for a job well done. Layoffs and organization restructuring, disagreement with managers or a fellow employees, age, gender, race and even religion could be the reasons that cause the stress. Some people even get stress just by listening to the sound of music.

Many companies have developed a stress management programs to teach the employees how to control the negative effect of job-related stress. This kind of programs could help employees to learn how to manage their stress while doing their job or how to deal with other people, a difficult one. Company attentions to the employees are important in helping them to stay away from stress as well. Some factors that cause a stress are not always the same for every people, some that harmful for others could be helpful for another. Like mentioned before some employees might feel disturb by the sound of music and could stop them from working. But for some people this could be a stress killer their mind become more relaxes and could increase their mood. This could improve their performance which is good for the company outcomes. So managements have to be careful in deciding which one could trigger the stress feeling for every employee.

Workplace conflict also needs to be avoided since it will lead employees to the intention of quit. Conflict often happen among coworkers and even with managers. Some people are too stubborn and do not want to listen to what other said and always think what they do always right. Do not want to accept critics and advise from other people. To prevent these things in order not to happen in company, managers should give training for every employee about how to behave in workplace. When employees have a problem with other employee thing that they do cannot be done perfectly, valuable time and money will be wasted and for those who do not have problem or conflict will be tired eventually and end up leaving the company to find a better place to work. This will affect the performance of the employee and the company.

Many complaints have address to the company related to these issues. Data from American Psychological Association in 2009 shows that sixty-nine percent of employees report that work is a significant source of stress and 41% say they typically feel tense or stressed out during the workday and fifty-one percent of employees said they were less productive at work as a result of stress. And in 2007 shows that fifty-two percent of employees report that they have considered or made a decision about their career such as looking for a new job, declining a promotion or leaving a job based on workplace stress. Job stress is estimated to cost U.S. industry more than \$300 billion a year in absenteeism, turnover, diminished productivity and medical, legal and insurance costs. Not only the company that suffer from workplace stress issue, on august 2008, Medibank Private in The Cost of Workplace Stress in Australia wrote that workplace stress is costing the Australian economy \$14.81 billion a year stress related presenteeism and absenteeism are directly costing Australian employers \$10.11 billion a year and even 3.2 days per worker are lost each year through workplace stress.

Workplace stress on employees has been linked to a wide range of mental and physical health conditions. High levels of workplace stress can cause nervousness, tension, strain, anxiety, depression and even heart disease. So in order to avoid those ill not to infected the employees company should think harder to find the something to solve the issues. Many companies are providing stress management training and an employee assistance program to improve the ability of workers to cope with difficult work situations. Nearly more than half of large companies in the United States provide some type of stress management training for their workforces. Stress management programs teach workers about the nature and sources of stress, the effects of stress on health, and personal skills to reduce stress for example, time management or relaxation exercises. Stress management training may rapidly reduce stress symptoms such as anxiety and sleep disturbances; it also has the advantage of being inexpensive and easy to implement. Some companies apply a different way to reduce job stress by bringing in a consultant to recommend ways to improve working conditions. This approach is the most direct way to reduce stress at work. It involves the identification of stressful aspects of work and the design of strategies to reduce or eliminate the identified stressors.

Over the past decade the numbers of cases of stress and conflict in workplace have increased rapidly. It might caused by the increase of numbers of work to do in company. The conflict at work will also increase when there are too many things to do with a little time. When people work under stress and pressure they tend to be more sensitive and easier to get mad and offend even with a small thing. Employees could not work properly under this situation. It is even doubtful if they can finish their job.In Indonesia with so many different culture and different behavior conflict can be easily triggered and stress could happen all the time. It is depend on people to behave and to response when something happen in workplace, if they over think everything they will easily get stress. And if they can easily lose their temper conflict will always follow. And the bad thing will

come to the company. The time will be wasted job will not be done, productivity lowered and the performance will decrease.

Research Objectives

The objectives of this research are:

- 1. To analyze the influence of work stress and work-place conflict on job performance at at PT Tirta Investama, Airmadidi simultaneously.
- 2. To analyze the influence of work stress on job performance at PT Tirta Investama, partially.
- 3. To analyze the influence of work-place conflict on job performance at PT Tirta Investama, Airmadidi partially.

THEORETICAL FRAMEWORK

Work Stress

The Health and Safety Executive (HSE) define stress as the adverse reaction people have to excessive pressures or other types of demand placed on them. National Institute of Occupational Safety and Health (1999) stated that Work-Stress is the harmful physical and emotional responses that occur when job requirements do not match the worker's capabilities, resources, and needs. Work-Stress also can be happen to employee who can not being able to adapt to work. The reason might come from the work environment or that the work does fit the employee's ability (Hsieh et al., 2004). Many organizations have mentioned stress to be great impediment in the effective performance of employees (Jehangir et al., 2011). If employees are already stressed, the organization should be aware of it and know how to help in order to get the best out of their employees (Kwaku, 2012)

Workplace Conflict

Every workplace contains a variety of personalities that can sometimes clash, creating a high potential for conflict. Conflict exists when people's beliefs, interest and values is different with another, whether it is real or perceived (Wall and Callister, 1995). De Dreu and Bersma (2005) also defined that Work-place conflict effects on productivity, less attention, decreasing job satisfaction, organizational commitment, turnover intentions, and employee health and well-being.

Job Performance

Saetang, et al. (2010) stated that job performance is a human behavior the result of which is an important factor for individual work effectiveness evaluation.

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Previous Researches

Imtiaz and Ahmad (2009) found negative relationship between stress and job performance; greatly affected career change over and job, errors in treatment, knowledgethat with every unit; increase in personal dilemmas, decrease in financial reward, decrease in influence over work environment, decrease in supervisor support there would be decreases in job performance respectively. Hsieh et al. (2004) found that the variables of gender, age, education, department, position andworkplace accounted for the differences in work stress levels; the variables, such as age, department, position, marriage, workplace and salary, influenced employees' different job performance levels; there was a significant negative correlation between work stress and job performance; also job performance could be predicted by work stress levels; however, an appropriate level of work stress could also promote employees' job performance. Bashir and Ramay cited by Ahmad (2011) found negative significant correlation between job stress and job performances and shows that job stress signifineently reduce the performance of an individual. Jamaludin (2010) found the effect of job performance in therelationship between conflicts at the workplace and employee's job outcomes that indicate intergroup conflict that occurs in the workplace as thehighest conflict followed by interpersonal conflict, the least conflict occurs are intrapersonal conflict. Afzal et al. (2009) found the relationship conflict has negative significant impact on employees' performance.

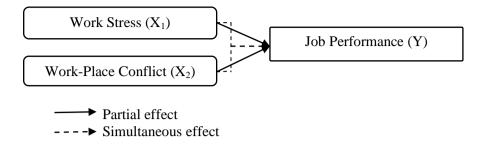


Figure 1 Conceptual Framework

Research Hypothesis

The Hypothesis of this reasearch are:

H₁: Work Stress and Work-Place Conflict influences Job Performance simultaneously.

H₂: Work Stress influences Job Performance partially.

H₃: Work-Place Conflict influences Job Performance partially.

RESEARCH METHOD

Type of Research

This research use causal type of research where it will investigate the influence of workstressand workconflictjob performanceat PT.Tirta Investama, Airmadidi.

Place and Time of Research

This study is conducted at PT.Tirta Investama which is located in Jl. Airmadidi - Tondano, Kel. Airmadidi Bawah Kec. Airmadidi, Minahasa Utaraduring May to July 2013.

Population and Sample

This research used population as the data sources to make an appropriate result of data. Population is generalized to the object/subject which have a certain quantity and characteristic that is required by researcher to studying and to gain conclusion (Sekaran and Bougie, 2005:262). The population in this research is all the employee of PT. Tirta Investama, Airmadidi.

Sampleispartof thenumberandcharacteristics of the population (Sugiyono, 2013:118). The sample of this research is 100 respondents or employees at PT. Tirta Investama, Airmadidi

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Data Collection Method

The data used in this research consists of two types which are primary data and secondary data that explained as follows: (a) Primary data is data that obtained directly from the research object. Primary data refer to information obtained first hand by the researcher throughquestionnaires; and (b) Secondary data is data obtained from the indirect object of research in the form of documents or reports, in this case like an overview of the study, and other data relevant to this research.

Operational Definitions and Measurement of Research Variables

- 1. Work-Stress is the harmful physical and emotional responses that occur when job requirements do not match the worker's capabilities, resources, and needs. (National Institute of Occupational Safety and Health, 1999)
- 2. Work-Place Conflict (X_2) is conflict exists when people's beliefs, interest and values is different with another, whether it is real or perceived (Wall and Callister, 1995)
- 3. Job performance is a human behavior the result of which is an important factor for individual work effectiveness evaluation (Saetang, et al., 2010).

In this research, the instruments will be measured by using Likert Scale, in which some questions with multiple answers will be given to the respondents. The Likert scale is design to examine how strongly subjects agree or

disagree with statements on a five point scale, which are : 1. Strongly Disagree, 2. Disagree, 3. Neither Agree or Disagree, 4. Agree, 5. Strongly Agree.

Data Analysis Method

Validity and Reliability Testing

Validity testing is used to know whether the measurement tool that selected can measure what that supposed to be measured. Valid instrument means the measurement tools that used to get the data is valid. The instrument considered as a valid if the correlation coefficient between the score of one indicator and the total score of all indicators is positive and more than 0.3 (r > 0.3),

Reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the "goodness" of a measure. Consistency indicates how well the items measuring a concept hang together as a set. Cronbach's Alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another. Cronbach's Alpha is computed in terms of the average intercorrelations among the items measuring the concept. The closer Cronbach's alpha is to 1, the higher the internal consistency reliability.

Multiple Regressions Analysis Method

The method of analysis used in this study is multiple regressionmodelsapproachthe return. According to Sekaran (2005), multiple linear regression is used to find out the influence of independent variables on dependent variable. The formula of multiple linear regression is as follows:

 $Y = \alpha + \beta X_1 + \beta X_2 + \epsilon$

Whereas:

β : Beta

 α : Alfa or constant

ε : Error

Y : Job Performance
X₁ : Work Stress
X₂ : Work Conflict

RESULT AND DISCUSSION

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Result

The validity test of variable Work Stress (X_1) is 0.722, and Work-place Conflict (X_2) is 0.693 or are above 0.3, which means that all the indicators are valid. The Cronbach Alpha is 0,853 which is more than 0.6. Therefore, the measurement instruments used for this research are reliable and the instrument can get the consistent result if used in different times.

Classical Assumption

Multicolinearity can be known through VIF and tolerance, whereby if the value of VIF and tolerance is below 10 then the regression model in this research is free from multicollinearity. Tolerance and VIF of Work Stress (X_1) are 0.679 and 1.473 while tolerance and VIF of Work-place Conflict (X_2) are 0.679 and 1.473. Thus, multicollinearity assumptions are met (free of multicollinearity). There is no established pattern or the points spread above and below 0 (zero) on the Y-axis therefore is free of Heteroscedastisity. The points also spread closely around the diagonal line or normality assumption is met. The Durbin-Watson rate is 1.618 which is in the free area autocorrelation or is free from autocorrelation.

Multiple Regressions Analysis Method

Table 1. Coefficient Beta

	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		В	Std. Error	Beta		
1	(Constant)	,269	,157		1,717	089
	Work Stress	-,556	,085	-,485	-6,548	,000
	Work-place Conflict	-,493	,087	-,418	-5,643	,000

(Source:Data Processed, SPSS Data Analysis, 2013)

From the analysis, the obtained linear regression equation is as follows:

$$Y = 0.269 - 0.556X_1 + 0.493X_2 + e$$

The interpretation of multiple linear regression equation is follows:

- 1. Constant value of 0,269 means that if all independent variables (Work Stress (X₁), and Work-place Conflict (X₂)) are constant, JobPerformance at PT. Tirta Investama, Airmadidi (Y) will be0,269 point.
- 2. Coefficient value of -0,556means that if Work Stress (X₁) is increased, it willdecreaseJob Performance at PT. Tirta Investama, Airmadidi (Y) at 0,556.
- 3. Coefficient value of -0.493 means that if Work-place Conflict (X_2) is increased, it will decrease Job Performance at PT. Tirta Investama, Airmadidi (Y) at 0.493.

Thus, independent variable of this research, which are Work Stress (X_1) , and Work-place Conflict (X_2) have an influence on Job Performance at PT. Tirta Investama, Airmadidi (Y).

Table 2. Coefficient Correlation (r) and (r²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin - Watson
1	,799 ^a	,639	,632	,16037	1.618

- a. Predictors: (Constant), Work Stress (X₁Work-place Conflict (X₂),
- b. Dependent Variable: Job Performance (Y)

(Source: SPSS Data Analysis, 2013)

Table 2, (r) is equal to 0.799 indicating that the independent variables (Work Stress (X_1) , and Workplace Conflict (X_2) and dependent variable(Job Performance at PT. Tirta Investama (Y)) has strong relationship.The r^2 value in this study is 0.846, it shows that the contribution of Work Stress (X_1) , and Workplace Conflict (X_2) on Job Performance at PT. Tirta Investama, Airmadidi (Y) is 63.9% while the remaining 36.1% is affected by other variables which are not examined in this study.

Hypothesis Testing

Table 3. Simultaneously Test Analysis (F – test)

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regres	sion 4,417	2	2,209	85,879	,000°
	Residu	al 2,495	97	,026		
	Total	6,912	99			

a. Predictors: (Constant), Work Stress (X_1) , Work-place Conflict (X_2)

b. Dependent Variable: Job Performance (Y)

Source: SPSS Data Analysis, 2013

Significant value of F_{Count} is 0.000. The sig is less than 0.05 which means the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. Thus, H_0 is rejected and H_1 is accepted. Thus, Work Stress (X_1) , and Work-place Conflict (X_2) influence Job Performance at PT. Tirta Investama, Airmadidi (Y) simultaneously.

Table 4. Partially Test Analysis (t – test)

Model	t	Sig.
Constant	1,717	,089
Work Stress (X_1)	6,548	,000
Work-place Conflict (X ₂)	5,643	,000

(Source: Data Processed, SPSS Data Analysis, 2013)

The interpretation is as follows:

- 1. t_{count} for Work Stress (X_1) is 6.548 which is greater than the value of $t_{table}(1.984)$ means that Work Stress (X_1) has partially significant influence partially on Job Performance at PT. BII, Manado (Y). The sig. value of 0.000 means that prediction Work Stress (X_1) influence on Job Performance at PT. Tirta Investama, Airmadidi (Y)'s errors is 0.00 %. Thus the confidence of this prediction is above 95%. Therefore, H_2 is accepted.
- 2. t_{count} for Work-place Conflict (X₂) 5.643 greater than the value of t_{table}(1.984) means that Work-place Conflict (X₂) has partially significant influence on Job Performance at PT. Tirta Investama, Airmadidi (Y). The sig. value of of 0.00 means that prediction of Work-place Conflict (X₂) influence on Job Performance at PT. Tirta Investama, Airmadidi (Y)'s errors is 0.00%. Thus the confidence of this prediction is above 95%. Therefore, H₃is accepted.

Discussion

Employees are the human resources of company and its most valuable asset. The performance of the company is depends on the performance of their employee. Company need to manage and develop their employee to increase their job performance. Many factors that can affect the performance of the employee, several situation that company have to avoided in order to increasing the employee's performance that can be happen in the company. The situations that usually happen on employee are stress and conflict. This research found the relationship between Work Stress and Work-place Conflict on Job Performance at PT. Tirta Investama, Airmadidi. The influence of Work Stress and Work-place Conflict on Job Performance at PT. Tirta Investama, Airmadidi partially and simultaneously are proven by the interpreting data analysis given by the SPSS. The interpretation shows that all the variable have strong relationship and are supported by significance level.

Work Stress has negative significant influence on Job Performance ar PT. Tirta Investama, Airmadidi. Stress is the most frequently cited reason employees give for the reason why they want to leave the company. Stress is also give the bad impact for employee's productivity. When employee feel stress, they don't have passion and willingness to achieve the company's goal anymore. Employee will become lazy and sometimes can affect their health, it makes they can not give their best performance to the company. This research supports a research byImtiaz and Ahmad (2009), Hsieh, et al. (2004), and Bashir and Ramay (2010) which are stated that there is negative relationship between work stress on job performance. There are a lot of factors that cause the workplace stress like having so many things to do in a really short time or could be receiving inadequate feedback on performance and no recognition for a job well done. According to Imtiaz and Ahmad (2009), the factors affecting stress were identified; personal issues, lack of administrator support, lack of acceptance for work done, low span over work environment, unpredictability in work environment & inadequate monetary reward. Higher level of stress existed with no managerial concern for solution consequently lowering the employee performance; staking company reputation and loss of skilled employees, these situations call for immediate concern from organization management for employing effective stress management practices to increase employee satisfaction and overall employee performance.

Work-place Conflict has negative significant influence on Job Performance.at PT. Tirta Investama, Airmadidi. Every workplace contains a variety of personalities that can sometimes clash, creating a high potential for conflict. Conflict in work place causes the loss of employee's productivity, poor cooperation and, in the extreme situation; the company might lose of good employees which finally leads to the losses of the company. Conflict at work is inevitable, it is important for the company to understand the impact of work-place

conflict for the company and how to handle it because work-conflict that can be handle by the company can damage and destructive the company and employees as well. This research supports a research by Jamaludin, (2010), which stated that conflicts at the workplace give negative impact on employee's job outcomes. Afzal, et al. (2009) also found conflict has negative significant impact on employees' performance. Conflict is dangerous for company, employee will not feel comfortable with the work-place environment because of conflict. In turn, the performance of employee will decrease, the motivation to achieve the company's goal gradually disappear. Conflict in the work place is usually happen because of the bad relationship between employee, it can happen because the different of perception or belief. Thus, company have to aware with the relationship between their employees, because it potentially can lead to the conflict. Company have to make strategies that can be adopted to lessen work-place conflict amongst the employees of company enabling company to improve their performance.

CONCLUSION AND RECOMMENDATION

Conclusion

This research's findings are concluded as follows:

- 1. Work Stress and Work-place Conflict influenceJob Performance at PT. Tirta Investama. Airmadidi simultaneously.
- 2. Work Stress influence Job Performance at PT. Tirta Investama, Airmadidi partially.
- 3. Work-place Conflict influence Job Performance at PT. Tirta Investama, Airmadidi partially.

Recommendations

- 1. To management of PT. Tirta Investama, Work Stress has the most significant influence to employees performance then they should concern more on reducing Work Stress. To reduce Work Stress, company should provide a comfortable working environment, give variety of task to employees, encourage employees that they are doing a good job and not demanding to much to their employees.
- 2. Beside Work Stress, PT. Tirta Investama, Airmadidi also should concern about Work Conflict to reduce it. To reduce Work Conflict, company should give consequences to the employees who create conflict. PT. TirtaInvestama, Airmadidi should encourage their employees to listen each other to avoid the misunderstanding situation that can drive to the conflict. Communication between employees have to be concern by the company to create the comfortable work place environment which is free of conflict.

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