

THE EFFECT OF WORK STRESS AND LEADERSHIP STYLES ON EMPLOYEE PERFORMANCE PT. BNI (PERSERO) TBK. MANADO BRANCH

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ABSTRACT

Employees are the human resources of company and its most valuable asset. Company need to concern to all the factors that can affect the performance of their employee. This research is purposed to analyze the effect of work stress and leadership styles on employee performance at PT. BNI (Persero) Tbk. Branch Manado. The study took 50 employees as a sample from PT. BNI (Persero) Tbk. The data was analyzed by using multiple regression analysis. Work stress and leadership styles have negative significant effect on employee performance at PT. BNI (Persero) Tbk. Branch Manado influence. Higher level of stress existed with no managerial concern for solution consequently lowering the employee performance. Company have to aware the relationship between their employees, because it partially can lead to the conflict. Conflict that can not be handle by the company can damage and destructive the company and employee's as well. Company should provide a comfortable working environment, give variety of task to employees that they are doing a good job and not demanding to much of their employees.

Keywords: *employee, performance, stress, leadership*

INTRODUCTION

Research Background

Human is one of the most important resources in a organization or company. Powerful as any equipment and devices that exist in the workplace/corporate, If not supported by the presence of labor of human to control and, was managing then surely equipment and devices cannot come to work in accordance with its function. Humans have always been dominant and play an active role in the organization's activities, because every human being planners, perpetrators and deciding to materialize objectives of the organization. These goals cannot be realized without the active role of the employee in any sophisticated tools that belonged to the company. Sophisticated tools which belonged to the company there is no benefit for the company if the active role of employees not included. Human resources development is reviewed from various establishments including education, training and personality. Human Resources evolved from personnel as the field moved beyond paying employees and managing employee benefits. The evolution made verbal the fact that people are an organization's most important resource. People are an asset that must be hired, satisfied, developed, and retained. The role of human beings is what can make man as a resource that plays an important role in a company. Because of the role that human beings could be said to be one of the assets that are owned by the company. An asset is surely must be kept properly, therefore the human resources into one part of the company to get the attention of a pretty big. If human resources this could have well developed and human resources it may help companies in achieving its goal in accordance with a designated target.

Research Objectives

The objectives of this research are:

1. To analyze the influence of work stress to employee performance of PT. BNI (Persero) Tbk. Manado Branch.
2. To analyze the influence of leadership style to employee performance of PT. BNI (Persero) Tbk. Manado Branch.

THEOTRICAL FRAMEWORK

Theories

Employee Performances

Mathis and Jackson (2009) in Tinofirei (2011) define employee performance is associated with quantity of output, quality of output, timeliness of output, presence /attendance on the job, efficiency of the work completed and effectiveness of work completed. Corvellec (1995) in Hayward (2005), employee performance is a relative concept defined in terms of some recent employing a complex set of time-based measurements of generating future result. Ibrahim (2004) in Awadh and Ismal (2012), employee performance is an important activity that provide both the goals and methods to achieve the organizational goals and also provide the achievement level in term of output.

Work Stress

Kaveri & Prabakaran (2013) explored stress as a change in one's physical or mental state, in other words disturbance or imbalance from normal state. Stress is caused disturbed events in work environment, social environment, and in routine life (work, family and social life) and also caused by emotional, psychological, mentaland physical illness.

Leadership Styles

Leadership is a concept that originally developed in folk psychology to explain social influence on groups, Tandoh (2011). Many people believe that leadership is simply being the first, biggest or most powerful. Leadership in organizations has different and more meaningful definitions. Very simply put, a leader is interpreted as someone who sets direction in an effort and influences people to follow that direction. Leadership is the process by which a person exerts influence over people and inspires, motivates, and directs their activities to help achieve groups or organizational goals.

Previous Researches

To ensure the organisation's survival and performance, employees of GGBL need to be motivated to go beyond ordinary expectations by appealing to their higher order needs and moral values, Tandoh (2011). Duncan, there are positive aspects of the transactional theory, it has shown to have inherent weaknesses. Additionally, the theory maybe deficient in the long-term in that it does not readily avail itself to allow for change which is increasingly important in today's climate. Kaveri & Prabakaran (2013) It is found that imbalanced work life policies is the significant work stress factor that affects employees job performance followed by increased work load and improper work schedule, lack of supervisory support, unhealthy work environment and role ambiguity and job insecurity. Chandok & Monga (2013) Working hours of LIC is less as compare to B.A.I.C.L. B.A.I.C.L has provided more benefits to reduce the stress level of the employees, is providing them best environment for them.

Research Hypothesis

The Hypothesis of the research are:

H₁: Work stress the negative effect on the performance of employees

H₂: A style of leadership positive impact on the performance of employees.

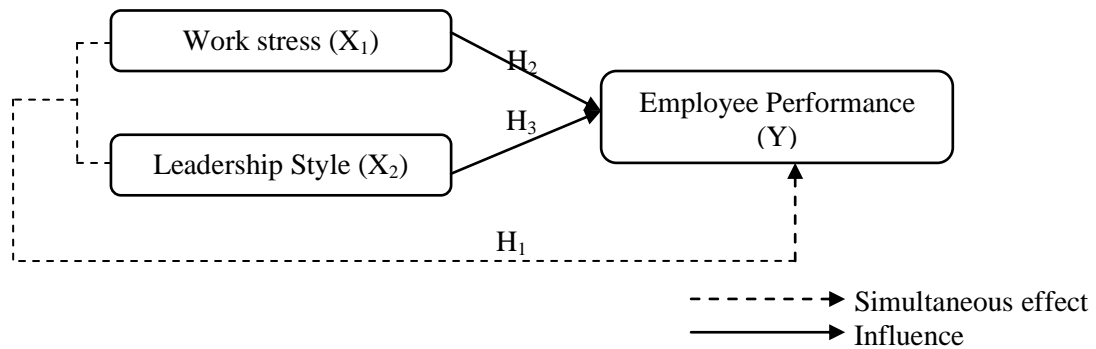


Figure 1. Conceptual Framework

Source: Processed data 2014

RESEARCH METHOD

Type of Research

This research uses a causal type of research where it will investigate the influence of work stress and leadership styles on employee performance at PT. BNI (Persero) Tbk, Branch Manado.

Place and Time of Research

This study is conducted at PT. BNI (Persero) Tbk, Branch Manado which is located in Jl. Dotulong Lasut, Pasar 45, Manado, North Sulawesi.

Population and Sample

In this study, the population that is taken is employees of PT. BNI (Persero) Tbk Branch Manado totaling 50 employees. The population of this research is all the employees at PT. BNI (Persero) Tbk Branch Manado totaling 50 employees.

Data collection Method

In this research, primary data is obtained through a questionnaire given to respondents, namely employees of PT. BNI (Persero) Tbk, Branch Manado. Data obtained in the form of identity and perception or opinion of respondents on the style of leadership, job stress, and performance of employees. Secondary data is data acquired indirectly, either in the form of information or literature that has to do with the nature of research that complements or supports primary data.

Operational Definitions and Measurement of Research Variables

1. Work stress (X_1): The main cause behind the low satisfaction of employees about the job and low job commitment which ultimately hinders the overall performance of the working organizations.
2. Leadership Styles (X_2): Effort to affect many people, through communications to accomplish a purpose way affects a person with directions or commands, the act of causing others act or respond and generate positive change.
3. Employee Performance (Y): Working results achieved someone in carrying out tasks that charged him based on prowess, experience and earnestness and time.

In this research, the instruments will be measured by using Likert Scale, in which some questions with multiple answer will be given to the respondents. The Likert scale is designed 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 of the test used to measure valid or whether a questionnaire. A questionnaire is said to be valid if the questions on the questionnaire were able to uncover something to be measured by the questionnaire.

Reliability test data to measure is a questionnaire that is an indicator of variable or invalid constructs. A questionnaire said reliability or reliable if the answer to one of the statements is consistent or stable over time. Reliability concerns's answer if examined over and over on different samples.

Multiple Regression Analysis

This analysis showed that the dependent variable will depend in more than one independent variable. The formula of multiple regression models in this research :

$$Y = a + b_1 X_1 + b_2 X_2 + e$$

Where:

Y = Employee Performance
 X_1 = Work Stress
 X_2 = Leadership Style
 b_1, b_2 = Regression Coefficient
 a = Constant
 e = error

RESULT AND DISCUSSION

Result

Validity and Reliability

The validity test of independent variables which are work stress (X_1) is 0,322 and leadership styles (X_2) is 0,772 or are (X_1), (X_2) is > above 0.3, which means that all the indicators are valid. The Cronbach Alpha is 0,933 which is more than 0.6. Therefore, the measurement instruments used for this research are reliable and instrument can get the consistent result if used in different times.

Multiple Regression Analysis Model

Table 1. Coefficient Beta

Model	Unstandardized Coefficients		Standardized Coefficients Beta
	B	Std. Error	
1 (Constant)	2.913	.717	
Work Stress (X_1)	.162	.108	.206
Leadership Styles (X_2)	.236	.122	.264

(Source: Data Processed, SPSS Data Analysis, 2014)

The equation is as follows :

$$Y = 3.302 + 0,198 X_1 + 0,557 X_2$$

1. Constant value of 3.302 means that if the independent variables which are (X_1), (X_2) simultaneously increased by one scale or one unit, it will increase the (Y) at 3.302 point.
2. Coefficient value of 0.198 means that if the (X_1) increased by one scale or one unit, it will increase the (Y) at 0.198 point.

3. Coefficient value of 0.557 means that if the (X_2) increased by one scale or one unit, it will increase the (Y) at 0.557 point.

Table 2. Coefficient Correlation (r) dan (r^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson
1	.345 ^a	.119	.081	.32277	2.292

- a. Predictors (Constant) Work stress (X_1), Leadership Styles (X_2)
 b. Dependent Variable: Employee Performance (Y)
 (Source: Data Processed, SPSS Data analysis, 2014)

Table 2, (r) is equal to 0,345 indicating that the independent variables work stress (X_1), and leadership styles (X_2) and dependent variable employee performance at PT. BNI (Persero) Tbk (Y) has strong relationship. The r^2 value in this study 0,846, it shows that the contribution of work stress (X_1), and leadership styles (X_2) on employee performance (Y) is 34,5% while the remaining 12,1% is affected by other variables which are not examined in this study.

Heteroscedasticity

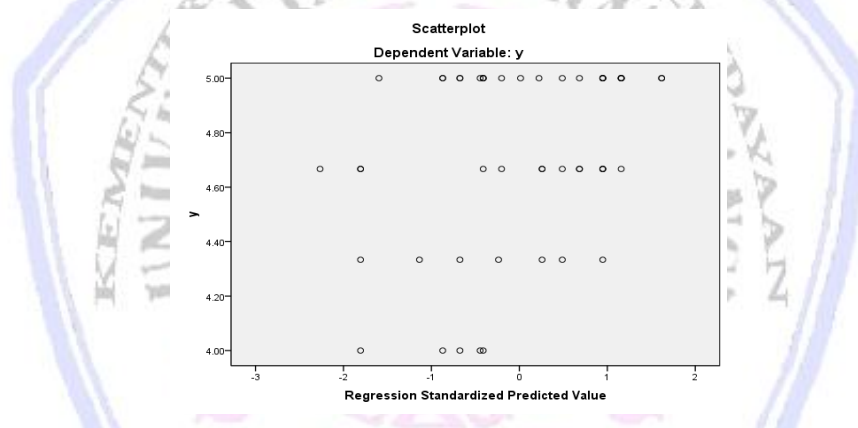


Figure 2. Heteroscedasticity Results
 Source: Processed data 2014

Figure above , it is no established pattern, in other words the points describing the plot spread above and below the number 0 (zero) on the Y-axis. This proves that the independent variables which are (X_1), (X_2) on a dependent variable which is (Y) is free from heteroscesdasticity.

Normality

Normality test aim to test the model regression whether the dependent variable with two independent variables has a normal ditribototion or not. To test the normality, this research uses the one sample Kolmogorov Smirnov Test. Basic decision making is if the 2-tailed>0.05, the regression model meets assumptions normality.

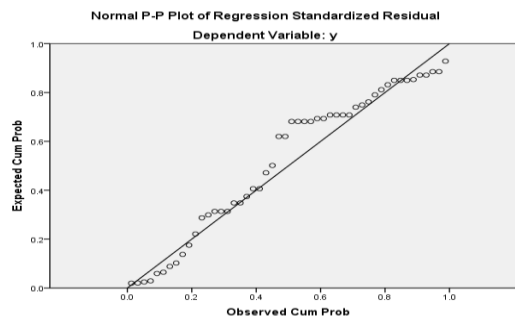


Figure 3. Normality Results

Source: Processed data 2014

Figure 3 shows that the model regression of the influence of (X_1), (X_2) on (Y) innormality test assumption.

Hypothesis Testing

Table 3. Simultaneously Test Analysis (F-Test)

Model	Sum of Squares	Df	Mean Square	F	Sig.
1	.661	2	.331	3.173	.051 ^a
Regression					
Residual	4.897	47	.104		
Total	5.558	49			

a. Predictors (Constant) Work stress (X_1), Leadership Styles (X_2)

b. Dependent Variable: Employee Performance (Y)

(Source: Data Processed, SPSS Data analysis, 2014)

Table 4. Partially Test analysis (T-Test)

Model	T	Sig.
1 Constant	4.060	.000
Works stress (X_1)	1.498	.141
Leadership Styles (X_2)	1.924	.060

(Source: Data Processed, SPSS Data analysis, 2014)

The interpretation is as follows:

1. t_{count} for work stress (X_1) is 1.498 which is greater than the value of t_{table} means that work stress (X_1) has partially significant influence partially on employee performance at PT. BNI (Persero) Tbk Branch Manado (Y). The sig value of 1,41 means that prediction work stress (X_1) influence on employee performance at PT. BNI (Persero) Tbk Branch Manado (Y) errors 0.00% thus the confidence of this prediction is above 95% therefore is accepted.
2. t_{count} for leadership style (X_2) 1.924 greater than the value of t_{table} means that leadership style (X_2) has partially significant influence on employee performance at PT. BNI (Persero) Tbk Branch Manado (Y). The sig value of 0,60 means that prediction of leadership style (X_2) influence on employee performance at PT. BNI (Persero) Tbk Branch Manado (Y) errors is 0.00%. thus the confidence of this prediction is above 95% therefore is accepted.

Discussions

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, such as giving reward to the employees for what they have done, motivate them to get their job done, help employees to develop their skills by giving them a training. Several situation that company have to avoided in order to increasing the employees performance that can happen in the company.

The situations that usually happen on employee are stress and conflict. This research found the relationship between work stress and leadership styles on employee performance. The influence of work stress and leadership styles on employee performance PT BNI (Persero) Tbk, Branch Manado partially and simultaneously are proven by the interpreting data analysis given by the BNI Manado. Simultaneous testis used to determinethe influence of (X_1), (X_2) on (Y), hypothesis test is carried out simultaneously by using F numbers in the table 6.2. Testing is done by comparing the number of significant level of calculation result with significant level of 0.05 (5%). This research found the relationship between work stress and leadership style on employee performance at PT. BNI (Persero) Tbk Branch Manado.

The effect of work stress and leadership style on employee performance partially and simultaneously are proven by the interpreting data analysis given by SPSS. The interpretation shows that all the variable have strong relationship and are supported by significant level. The partial test is used to test the influence of each independent variables which are Work Stress (X_1), Leadership Style (X_2) in partial influence on Employee Performance (Y) by performing comparison between the T_{count} values with T_{Table} value at $\alpha = 0.05$ or comparing the probability of the real level 95% of the partial coefficient correlation (r). Therefore, it can be seen the influence of the independent variables on a dependent variable partially.

This research supports a research by Imtiaz and Ahmad (2009). 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 in adequate feedback on performance and no recognition for a job well done. In 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 and in adequate monetary reward. Work stress has negtive significant influence on job performance at PT. BNI (Persero) Tbk Branch Manado. Every work stress contains a variety of personalities that can sometimes creating a high potential stress. Stress in work cause the loss of employee productivity, poor cooperation and in the extreme situation the company might lose a good employees which finally leads to the loses of the company, by Jamaluddin (2010), which stated that conflicts at the work place give negative impact on employees job outcomes.

CONCLUSION AND RECOMMENDATION

Conclusions

This research findings are concluded as follows :

1. Work stress and Leadership style influence on Employee performance at PT. BNI (Persero) Tbk branch Manado simultaneously.
2. Work stress influence Employee performance at PT. BNI (Persero) Tbk, Branch Manado partially. Work stress has negative significant influence on employee performance PT. BNI (Persero) Tbk, Branch Manado.
3. Leadership style influence employee performance at PT. BNI (Persero) Tbk, Branch Manado partially. Leadership styles too has negative significant influence on employee performance.
4. Company have to aware with the relationship between their employees, because it potentially can lead to the conflict.

Recommendation

1. To management of PT. BNI (Persero) Tbk, Branch Manado, 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 that they are doing a good job and not demanding to much of their employees.

2. Beside work stress PT. BNI (Persero) Tbk, Branch Manado also should about leadership style. To reduce leadership style, leader should give consequences to the employees. Leader should encourage their employees to listen each other to avoid the misunderstanding between leader and employees or opposite. And leader must drive the situation or conflict and one style is communication between leader and employee to create the comfortable work place environment. The change will necessarily put an impact upon the level of stress and further such a stress shall aggravate while adopting to such change. Leadership has to ensure that growth is part of the change vision since it helps reduce stress for the employees and increases their commitment to change.

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