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## The Influence of Work Conflict and Work Stress on Employee Performance at PT. Panin Dai-Ichi Life

Hamsinah

Universitas Pamulang, Tangerang Selatan, Banten, Indonesia Email : <u>dosen00941@unpam.ac.id</u>

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#### ABSTRACT

The high demand for performance or performance target standards determined by the company, makes employees will try and be motivated to achieve the performance targets set by the company. Sometimes in the process, it creates a separate conflict for employees. The type of research conducted in this research is associative research where this research has the highest level compared to descriptive and comparative research because this research can be theory which also works to explain, predict, and control a symptom that occurs. The result is known that Fcount 5.546 > Ftable 3.904 or Sig value 0.000 < 0.05, then Ho is rejected and Ha is accepted, so it can be concluded that work conflict (X1) and work stress (X2) have a simultaneous effect on job satisfaction (Y). Meanwhile, the contribution of Work Conflict (X1) and Job Stress (X2) to Job Satisfaction (Y) is 5.7% and the remaining 94.3% is influenced by other factors.

Keywords : Work Conflict; Work Stress; Employee Performance

### **INTRODUCTION**

It is clear that the development of science and technology has occurred today and in every aspect of life in this Globalization Era, competition between companies and organizations is getting sharper so that human resources (HR) must be prepared mentally, spiritually and behaviorally in order to compete with human resources in another country (Sunarsi, 2018, 2019). The need to develop and improve self-ability proactively and be able to participate in the challenges of globalization becomes a challenge in itself in the next era. So that in the challenges of the global world today, human resources are needed who are able to master and keep up with changes in technology that exist quickly (David-West et al., 2018; Jackson et al., 2011; Kramar, 2014; Russell et al., 2016; Southalan, 2011).

Very fast business changes demand the role of human resources in competitive advantage, because human resources are one of the most decisive for the success or failure of a company's survival because humans are the regulatory element and are the implementers of every company activity, in taking action, in determining goals. as well as making the right decisions to achieve the results expected by the Company, proper management is needed to obtain quality human resources (Gassing et al., 2015; Ismail et al., 2016; Niswaty et al., 2015; Said et al., 2017).

One way related to human resources so that they can become a source of competitive advantage is through increasing capital, namely the human ability to recognize and adapt to a changing environment. An interesting concept where every human resource must add knowledge

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and abilities in order to give good work results. A good concept is that the organization is always a learning environment where every employee must increase knowledge, monitoring the surrounding environment in addition to humans is a determining factor for success.

It is certain that almost everyone who works wants to carry out his work as well as possible, even if it is necessary to give better results than what has been set. A person's ability is the first measure in improving performance which is shown from the results of his work, meaning that whether or not a person is able to carry out his work will only determine his performance.

Understanding performance According to (Daraba et al., 2021) is the output produced by the functions or indicators of a job or a profession within a certain time. Employees who have high performance means that they have high work performance and have a great opportunity for career advancement. Performance is very much needed by organizations/companies, so that work productivity can be optimal and organizations/companies can increase their production results, and can directly increase the amount of production that leads to the progress of the organization/company.

From the expert's understanding of performance, it can be concluded as a result of the work carried out daily by employees to show the best results that are carried out to achieve the targets desired by the company or organization. The high demand for performance or performance target standards determined by the company, makes employees will try and be motivated to achieve the performance targets set by the company. Sometimes the process creates a separate conflict for employees. Conflicts often occur between employees of a company, the background of the conflict occurs because of differences of opinion and misunderstanding, is a situation that occurs due to various goals or various emotions that are not compatible with each other. When the old work has not been completed, but it is added to the new job, it is possible for conflicts to occur in an organization. This is something that cannot be avoided and in the process managing employees is not an easy thing, because of differences in personality in humans they have different desires, thoughts, feelings, status, and backgrounds.

Conflicts that can trigger stress in employees mean that stress arises when employees are unable to meet the demands of the work that must be done so that it affects employee performance. It is unclear what work responsibilities are, lack of time to complete tasks, lack of support for facilities to carry out work, and conflicting tasks.

The danger of stress is caused by the state of physical, emotional and mental exhaustion caused by prolonged involvement with emotionally demanding situations. The process takes place gradually, accumulatively, and over time it becomes progressively worse. In the short term, stress that is left alone without serious handling from the company makes employees feel depressed, so they are not motivated, and frustration causes employee performance to work not optimally so that their performance will be disrupted.

Excessive stress can have an impact on relationships at work and since everyone's stress management is different, the impact of stress on relationships will vary. Stress and conflict, if managed properly, will have positive consequences. But if stress and conflict cannot be overcome, it will result in decreased employee satisfaction. Job satisfaction can reflect an employee's attitude towards his work, emotional satisfaction can be seen in employees who prioritize work over rewards that are actually important.

Feelings related to work that involve aspects such as wages or salaries received, career development opportunities, relationships with other employees, job placement, type of work, company organizational structure, quality of supervision. While feelings related to himself include age, health condition, ability, education. So that employees who do not get job satisfaction will never achieve psychological satisfaction and eventually negative behavior will arise and in turn will lead to frustration, on the contrary employees who are satisfied can work well, full of enthusiasm, active and perform better.

No	Production	2017							
INU	Target	Tar	get	Actual		%			
1	Central Area	1.42	29	1.335		0.93			
2	West Area	1.8	1.851		1.778		0.96		
3	East Area	99	996		473		0.47		
TOTAL		4.276		3.586		0.84			
Na	Production		2018	2019					
No	Target	Target	Actual	%	Target	Actual	%		
1	Central 1	1.689	1.807	107%	410	862	210%		
2	West	1.597	1.866	117%	450	513	114%		
3	Central 2	351	344	98%	2.264	1.577	70%		
4	East	1.107	265	24%	2.244	2.031	91%		
TOTAL		4.744	4.282	90,3%	5.368	4.983	92,8%		

Table 1	
Target and Realization of PT Panin	Dai-Ichi Life

Source: Dept. Agency PT Panin Dai-Ichi Life

Based on the achievement of PT Panin Dai-ichi Life's work targets, it can be assumed that employee performance in 2017 can achieve the highest work target of 96% and the lowest insurance sales of 47%. Then the company began to add work areas and grew into four major areas. In 2018, the sales area grew into 4 major areas with insurance sales figures showing the highest performance of 117% and the lowest insurance sales being 24%. In 2019, the performance of employees with the highest insurance sales figure was 210% and the lowest insurance sales was 70%.

Through the table it can be assumed that with 4 large areas (Central 1, West, Central 2 and East) in insurance sales made by employees. There is a significant range in the achievement of work targets that can exceed the target and some are below the work target of 100% so it is necessary to do research on the phenomena that occur.

Table 1

Table 2   Types of Conflict Resolution					
Company regulations	Information				
Vision and mission	Exist				
Job Description and Position	There isn't any				
Standard Operating Procedure (SOP)	Exist				
Punishment and Reward	Exist				
Guidelines for Work Implementation and Monitoring	Exist				
	Company regulations Vision and mission Job Description and Position Standard Operating Procedure (SOP) Punishment and Reward				

#### Source: PT Panin Dai-Ichi Life secondary data.

The table data above shows that at PT Panin Dai-ichi Life there is still a lack of clarity regarding the division of tasks and jobs for each employee. Because each Department has a division of labor that is adjusted by the Head or Division Manager according to the needs of the division, causing overlaps and causing a lot of friction due to differences in understanding in carrying out the tasks given, each employee has his own method and way of working to complete a job and in understand organizational goals. Work coordination is important to avoid conflict, dependence in carrying out tasks becomes an obstacle and differences in perceptions between employees often occur, then research is needed to determine the magnitude of the effect of conflict on employee performance.

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Month	2017			2018			2019		
Month	Sick	Late	Absent	Sick	Late	Absent	Sick	Late	Absent
January	5	3	4	6	2	4	2	3	4
February	4	4	2	3	3	3	3	2	5
March	6	4	2	4	1	2	3	2	3
April	4	5	1	5	4	4	2	3	2
May	6	4	2	6	5	3	2	4	3
June	9	4	3	5	4	2	3	4	2
July	2	3	3	10	5	3	3	8	3
August	5	3	9	12	4	5	4	5	3
September	5	3	0	3	4	4	4	6	4
October	4	4	2	4	4	6	5	5	4
November	3	5	2	5	5	2	5	5	3
December	10	2	4	12	6	1	-	-	-
Total	63	44	34	75	47	39	36	47	36

**Table 3: Employee Attendance PT PANIN DAI-ICHI LIFE** 

Source: PT Panin Dai-Ichi Life Secondary Data.

The total 245 employees who work at PT Panin Dai-ichi Life, in 2017, there were 63 sick employees, 44 late employees and 34 employees without information. In 2018, there were 75 sick employees, 47 late employees and 39 employees without information. Meanwhile, in 2019 until November, there were 36 sick employees, 47 late employees and 36 employees without information.

In the attendance table, the absence of PT Panin Dai-ichi Life employees from 2017-2019 tends to fluctuate every month and year. The impact will result in the work process of other employees, employees who are present replace the position of employees who are not present to do the work of other employees, so that the volume of work and time to complete work increases.

This raises concerns which will result in losses for the Organization and the employees themselves. The absence of this employee can harm other employees and have an impact on the company's operations. This will clearly affect the completion process so that it is not effective and efficient, work is not on time and requires additional work time (overtime) and in the end employee performance decreases and results in increased expenses due to employees often working overtime.

In the process of replacing work, employees are prone to stress because of the large amount of work that must be done so that it affects the staff at work, this can occur due to work overload, lack of understanding of work, time pressure in completing work and the quality of supervision from superiors who do not understand the work due to changes in leadership. which can also lead to changes in regulations and work patterns.

2017 Production No Actual Target Target % vs Target 1 Central Area 1.064 1.368 1.29

Table 4	
Job Satisfaction PT PANIN DAI-ICHI L	IFE

2	West Area	1.306		1.697		1.3		
3	East Area	316		120		0.38		
TOT	- AL	2.686		3.18	5	1.19		
No	Target	2018			2019			
No	Produksi	Target	Actual	%	Target	Actual	%	
1	Central 1	1.448	1.859	128%	155	472	305%	
2	West	1.648	1.97	120%	126	123	98%	
3	Central 2	178	79	44%	1.866	2.131	114%	
4	East	216	82	38%	2.345	2.207	94%	
TOT	AL	3.49	3.99	1.14	4.492	4.933	1.1	

Source: Dept. Agency PT Panin Dai-Ichi Life

Based on the data on the results of the Agent's annual productivity in selling insurance, it can be assumed that the job satisfaction of PT Panin Dai-ichi Life's employees, in 2017 data obtained work results above 100% with the achievement of annual sales with the highest value of 130% and the lowest 38%. Then the results of job satisfaction in 2018 can be seen from the annual sales value with the highest achievement of 128% and the lowest achievement of 38%. Annual sales continued to grow in 2019 with the highest insurance sales achievement figures being 305% and the lowest being 94%.

From this data, the results of achieving insurance sales in 2019 reached the highest satisfaction rate, but in the previous 2 years there was a range of data that was quite clear and unequal so it was felt necessary to conduct research on job satisfaction at PT. Panin Dai-ichi Life.

#### METHOD

The type of research in this research is associative research. According to (Creswell & Clark, 2017; Creswell & Creswell, 2017; John W Creswell, 2013) associative research is research that aims to determine the influence or relationship between two or more variables. This research has the highest level compared to descriptive and comparative because this research can build a theory that can function to explain, predict, and control a symptom.

In conducting a research, it is very necessary to plan and design research, so that the research carried out can run well and systematically. According to (Creswell, 2010), the notion of research design is as follows: "Research design is an investigation plan and structure that is structured in such a way that it will be able to obtain answers to research questions.

#### **RESULT AND DISCUSSION**

Based on the results of the processed path analysis data with the help of the SPSS version 24 program, the results of the path analysis are obtained as follows:

#### **Structural Model I**

#### 1. The Effect of Work Conflict (X1) on Job Satisfaction (Y)

Based on the results of the Coefficientsa, it is known that tcount 3.268 > ttable 1.976 or the value of Sig 0.001 <0.05, then Ho is rejected and Ha is accepted, so it is concluded that there is

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an effect of Work Conflict (X1) on Job Satisfaction (Y). While the magnitude of the Effect of Work Conflict (X1) on Job Satisfaction (Y) based on Coefficients Beta is 0.230.

#### 2. Effect of Job Stress (X2) on Job Satisfaction (Y)

Based on the results of the Coefficientsa, it is known that tcount 2,068 > ttable 1,976 or Sig value 0,040 < 0,05, then Ho is rejected and Ha is accepted, it is concluded that there is an effect of Job Stress (X2) on Job Satisfaction (Y). While the magnitude of the influence of work stress (X2) on job satisfaction (Y) based on the Beta Coefficients of 0.060.

## 3. The Effect of Simultaneous Work Conflict (X1) and Job Stress (X2) on Job Satisfaction (Y)

Based on the results of ANOVAa, it is known that Fcount 5.546 > Ftable 3.904 or Sig value 0.000 <0.05, then Ho is rejected and Ha is accepted, so it can be concluded that work conflict (X1) and work stress (X2) have a simultaneous effect on job satisfaction (Y). Meanwhile, the contribution of Work Conflict (X1) and Job Stress (X2) to Job Satisfaction (Y) is 5.7% and the remaining 94.3% is influenced by other factors.

#### Structural Model II

#### 1. Direct and Indirect Effects of Work Conflict (X1) on Performance (Z)

- a. The Direct Effect of Work Conflict (X1) on Performance (Z) based on Coefficients Beta is -0.074
- b. Indirect Effect of Work Conflict (X1) on Performance (Z) Through Job Satisfaction (Y) of 0.149
- c. While the total effect of Work Conflict (X1) on Performance (Z) through Job Satisfaction (Y) is =  $-0.074 + (0.230 \times 0.648) = 0.075$ .

### 2. Direct and Indirect Effects of Work Stress (X2) on Performance (Z)

- a. The Direct Effect of Work Stress (X2) on Performance (Z) based on Coefficients Beta is -0.041.
- b. Based on the above calculations, it is known that the Indirect Effect of Work Stress (X2) on Performance (Z) Through Job Satisfaction (Y) is 0.039
- c. While the total effect of work stress (X2) on performance (Z) through job satisfaction (Y) is =  $-0.041 + (0.060 \times 0.648) = -0.002$

#### **3.** Effect of Job Satisfaction (Y) on Performance (Z)

Based on the Coefficientsa table, it is known that tcount 9.737 > ttable 1.976 or Sig value 0.000 < 0.05, then Ho is rejected and Ha is accepted, so it is concluded that there is an effect of Job Satisfaction (Y) on Performance (Z). Meanwhile, the magnitude of the effect of job satisfaction (Y) on performance (Z) based on Coefficients Beta is 0.648.

# 4. The Effect of Simultaneous Work Conflict (X1), Job Stress (X2) and Job Satisfaction (Y) on Performance (Z)

Based on the ANOVAa table above, it is known that Fcount 32.546 > Ftable 3.057 or the value of Sig 0.000 <0.05, then Ho is rejected and Ha is accepted, so it can be concluded that Work Conflict (X1), Job Stress (X2) and Job Satisfaction (Y) have significant influence Simultaneous to Performance (Z). Meanwhile, the contribution of Work Conflict (X1), Job Stress (X2) and Job Satisfaction (Y) to Performance (Z) is 38.4% and the remaining 61.6% is influenced by other factors.

#### CONCLUSION

Based on the results of the path analysis data processing with the help of the SPSS version 24 program, the conclusions in this study can be given as follows: The Simultaneous Effect of Work Conflict (X1), Job Stress (X2) and Satisfaction (Y) on Performance (Z) shows that Fcount 32.546 > Ftable 3.057 or Sig value 0.000 < 0.05, then Ho is rejected and Ha is accepted, so it is concluded that Conflict Work (X1), Job Stress (X2) and Job Satisfaction (Y) Simultaneously Affect Performance (Z). Meanwhile, the contribution of Work Conflict (X1), Job Stress (X2) and Job Satisfaction (Y) to Performance (Z) is 38.4% and the remaining 61.6% is influenced by other factors.

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