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Analysis of the Effect of Conflict and Work Stress on the Performance of Employees of PT Perkebunan ABC Asahan

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KEYWORDS

Conflict, Stress and Employee Performance

ABSTRACT

PT Perkebunan ABC is always encouraged to be able to achieve targets and increase the productivity of its employees. The problem in this study is whether conflict and work stress affect the performance of PT Perkebunan ABC employees with the hypothesis being conflict and work stress affect the performance of PT Perkebunan ABC employees. The theories used in this study are Human Resource Management (HRM), conflict management and organizational behavior related to conflict, work stress and employee performance. The purpose of this study is to determine what factors influence conflict and work stress on the performance of PT Perkebunan ABC employees and formulate managerial policies that can be implied in order to improve employee performance. This research is in the form of correlational research with a research population of 749 people, all of whom are Executive Employees. The analytical method used in this study is the Structural Equation Model (SEM) analysis method. The results showed that conflict was the most dominant factor affecting the performance of PT Perkebunan ABC employees. The conclusion of this study is that the most dominant factor affecting the performance of Executive Employees (Karpel) at PT Perkebunan ABC Asahan is conflict with the magnitude of the influence reaching 91%.

INTRODUCTION

PT Perkebunan ABC Asahan is one of the company's business units headquartered in Medan City which is engaged in agro-industrial business for rubber and palm oil cultivation. (Lindblad, 2008) Kebun Asahan is always triggered to increase employee productivity, but during 2020 to April 2021 employee productivity shows fluctuations(Saptono & Purwanto, 2022). From July 2020 to April 2021, the productivity level of PT Perkebunan ABC employees showed a downward trend (Nurhasan et al., 2022). The decrease in productivity indicates a decrease in employee performance (Lamb & Kwok, 2016). In addition to employee productivity that tends to decrease, it turns out that employee attendance is also relatively low(Ahn, Lee, & Steel, 2013).

The percentage of employee attendance from 2020 to April 2021 was only 83.5%. This indicates that there has been a decrease in employee performance, as explained above that the decline in performance is influenced by many things including conflict and stress(Gittleman & Pierce, 2013).

Based on the description on the background of the problem, it can be seen that there has been a decrease in the level of productivity and employee attendance(Manoppo, 2020). This indicates the potential for conflict and work stress that occurs, so research needs to be done to see if there is an influence of conflict and work stress on the performance of PT Perkebunan ABC Asahan employees.

The objectives of this study are:

a. To identify the factors that influence the occurrence of conflict and work stress on the performance of employees of PT Perkebunan ABC Asahan.
b. Formulate management policies and strategies to optimize conflict and work stress so that employee performance can improve.

METHOD

The research carried out is in the form of correlational research, which is a study that aims to determine the relationship and level of relationship between two or more variables without any effort to influence these variables so that there is no manipulation of variables. According to Faenkel and Wallen (2008), the existence of relationships and the level of these variables is important because by knowing the level of existing relationships, researchers will be able to develop them according to research objectives(Rahi, 2017).

This research was conducted at PT. ABC Asahan Plantation. In this study, the population is all Executive Employees (KarPel) in Asahan, whether they go directly to the field area (plantation) or not, totaling 749 people. For the number of samples to be studied is determined using the Krejcie - Morgan Table(Chaokromthong & Sintao, 2021). Setiawan (2007) suggests that the number of samples can also be determined using the Krejcie - Morgan Table.(Fan et al., 2016) The Krejcie-Morgan table is very simple, easy to use, because functionally it consists of only two important columns: a column for population size (N) and a column for sample size (S)(Muthotho, 2020).

Based on the Krejcie - Morgan Table, the number of samples was determined as many as 254 respondents. The number of samples is sufficient based on the maximum likelihood method for SEM analysis. The number of samples is between 150 data to 400 data (Pulka, 2022) Selection of research respondents using the simple random sampling method.

Sinulingga (2020) suggests that data can be obtained from two main sources, namely primary data and secondary data(Marisa & Sitepu, 2020). In this study the data obtained from the following data:

1. Primary Data is data obtained through direct observation (observation), interviews and distribution of questionnaires to employees of PT. ABC Asahan plantation was the respondent to the study.
2. Secondary data is primary data that has been further processed or called data not directly obtained from the object of research, this data is in the form of literature study sources.

Assumptions - Structural Equation Model (SEM) Assumptions

Assumptions that must be met in the data collection and processing procedure to be analyzed by SEM modeling as follows(Fan et al., 2016) (Pulka, 2022)

Multicollinearity can be detected from the determinants of the covariance matrix. The extremely small determinants of the covariance matrix indicate problem 1. The minimum recommended sample size in the use of SEM is 100 - 200 or using a ratio of 5 - 10 times the number of observations for each indicator used.

1. Normality and linearity

The distribution of data must be analyzed to see if the normality assumption is met so that the data is further processed for this SEM modeling.

2. Outliers

Outliers are observations that appear with extreme values both univariate and multivariate, that is, those that arise because of the combination of unique characteristics they have and look very different from other observations.

3. Multicollinearity and singularity

multicollinearity or singularity. In general, SEM computer programs have provided a "warning" facility (Pulka, 2022)

RESULTS AND DISCUSSION

Respondent Profile

The total number of respondents in this study amounted to 254 people, consisting of men and women. The characteristics of respondents by gender are presented in Table 1.

Table 1. Respondents by Gender

No	Gender	Frequency (people)	Percentage (%)
1	Man	235	82,5
2	Woman	19	7,5
Sum		254	100

Table 1. showed that respondents in this study were dominated by men, namely as many as 235 people or 82.5%. While female respondents were 19 people or 7.5%. This is a natural thing considering that in most of the implementation of tasks in the company more focused on physical activities.

Respondents by age

The age of PT Perkebunan ABC employees who were respondents in this study varied quite a lot, namely between less than 30 years to over 50 years. The characteristics of respondents based on age are presented in Table 2.

Tabel 2. Responden Berdasarkan Usia

No	Age (Years)	Frequency (people)	Percentage (%)
1	19 – 29	87	34,3
2	30 – 40	60	23,6
3	41 – 50	76	30
4	>50	31	12,1
Sum		254	100

Table 2. showed that of the 254 respondents in this study, it turned out that most of them were dominated by employees who were in the highly productive age category, namely 19-29 years old amounting to 87 people (34.3%). Employees aged 41 – 50 as many as 76 people (30%), aged 30 – 40 as many as 60 people (23.6%). While respondents with the smallest number are employees who are in the age range of > 50 years, which is as many as 31 people (12.1%).

Respondents by Length of Service

The tenure of each employee of PT Perkebunan ABC also varies, ranging from less than 1 year to more than 10 years. The characteristics of respondents based on length of service are presented in Table 3.

Table 3. Respondents by Length of Service

No	Length of Service (years)	Frequency (people)	Percentage (%)
1	< 1	16	6,3
2	1 - 5	73	28,7
3	5 – 10	34	13,4
4	> 10	131	51,6
Sum		254	100

Table 3. shows that employees who have worked for more than 10 years have the highest number of 131 people (51.6%), which means that of the 254 respondents in this study, 131 of them have worked and served for more than 10 years. The lowest number was in the category of less than 1 year of service, amounting to 16 people (6.3%).

Respondents by Marital Status

Marital status of working employees consists of married and unmarried. The recapitulation of marital status can be seen in Table 4.

Table 4. Respondents by Status

No	Status	Frequency (people)	Percentage (%)
1	Unmarried	33	13
2	Marry	221	87
Sum		254	100

Table 4. shows that most of the respondents in this study fall into the category of "married" which is 87%. While unmarried respondents amounted to 33 people (13%). This shows that PT Perkebunan ABC employees generally have family dependents who must be supported.

Respondents by Education

The level of employee education is quite variable, with the lowest level of education is elementary to Strata 1 (S-1) level with a description as shown in Table 5.

Table 5. Respondents Based on Recent Education

No	Education	Frequency (people)	Persentasae (%)
1	SD	25	9,8
2	SLTP / SMP	5	2
3	High School / High School	204	80,3
4	D-3	1	0,4
5	S-1	19	7,5
Sum		254	100

Table 5. shows that most employees of PT Perkebunan ABC have a high school education background with the largest percentage at 80.3%. Employees who have an elementary education background of 9.8%, junior high school 2%, D-3 by 0.4% and S-1 by 7.5%.

Model Testing

To relate the latent variables of conflict and stress with performance, a Structural Model analysis is carried out(Khalili-Damghani & Tavana, 2014). At this stage the conflict model is linked The structure model between the latent variables of conflict and stress with employee performance using SEM is presented in Figure 2.

Once designed, the model is analyzed with data sourced from the results of questionnaires that have been collected. The results of the conflict-stress *model* analysis with performance are presented in Figure 2. Table 6. shows that the overall *fit index category* has been met by the Conflict – Stress with Performance model.

Table 6. Conflict Model Test Results - Stress with Performance

INDEX	CUT–OFF VALUE	Model Results	Information
X2 – Chi-square	Expected Small	21,291	Good (X2 where df = 21 is 32.671)
Probability	$\geq$ 0.05	0.441	Good
RMSEA	$\leq$ 0.08	0.007	Good
GFI	$\geq$ 0.90	0,984	Good
AGFI	$\geq$ 0.90	0.957	Good
CMIND/DF	$\leq$ 2.00	1,014	Good
TLI	$\geq$ 0.95	0,999	Good
CFI	$\geq$ 0.94	1.000	Good

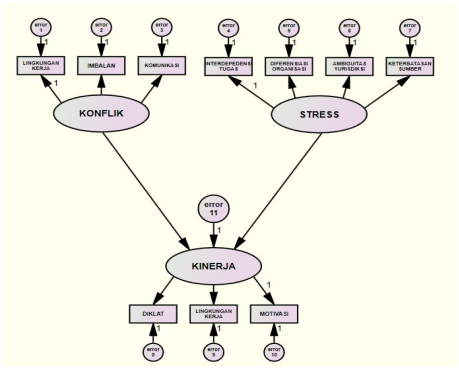

Figure 2. Model Conflict and Stress with Performance

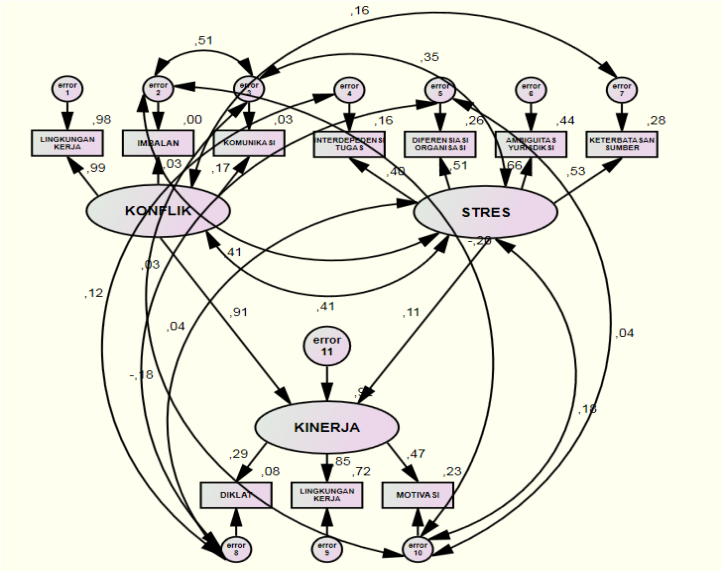

Figure 3. Results of Conflict Model Analysis - Stress with Performance

Test the hypothesis

The results of the hypothesis test are obtained from the results of the analysis of the *Structural Model* of conflict variables – performance. *Critical Ratio* (CR) is obtained for each relationship between variables to indicators and variables to variables.

Tabel 7. *Regression Weights*

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
And	<---	X1	,503	,123	4,099	***	par_8
And	<---	X2	,272	,088	3,095	***	par_9
X11	<---	X1	1,000				
X12	<---	X1	,379	,111	3,416	***	par_1
X13	<---	X1	,348	,102	3,420	***	par_2
X21	<---	X2	1,000				
X22	<---	X2	1,157	,269	4,304	***	par_3
X23	<---	X2	1,508	,334	4,512	***	par_4
X24	<---	X2	1,001	,221	4,526	***	par_5

			Estimate	S.E.	C.R.	P	Label
Y3	<---	And	1,000				
Y2	<---	And	1,795	,238	7,540	***	par_6
Y1	<---	And	,730	,185	3,943	***	par_7

Through the output of the analysis of the Conflict – Performance model obtained df = 21, then with α = 0.05, t-distribution *critical values* are 2.080. Table 7. shows that all CR prices > 2.080 and the overall probability is 0.00 so the probability < 0.05. Therefore H1 ; H2 ; H3 ; H4 ; H5 ; H6 ; H7 ; H8 ; H9 ; H10 and H11 are accepted, namely:

H1: There is a significant influence between the work environment as an indicator work conflicts against employee performance. (Accepted)

H2: There is a significant influence between rewards as an indicator of conflict work on employee performance. (Accepted)

H3: There is a significant influence between communication as an indicator conflicts over employee performance. (Accepted)

H4 : There is a significant influence between task interdependence as indicators of stress on employee performance. (Accepted)

H5: There is a significant influence between organizational differentiation as indicators of stress on employee performance. (Accepted)

H6: There is a significant influence between jurisdictional ambiguity as indicators of stress on employee performance. (Accepted)

H7: There is a significant influence between the limitations of sources as indicators of stress on employee performance. (Accepted)

H8: There is a significant influence between conflicts on employee performance. (Accepted)

H9: There is a significant influence between stress and employee performance. (Accepted)

H10 : There is a significant influence between education and training to employee performance. (Accepted)

H11: There is a significant influence between the work environment and performance employee. (Accepted)

H12: There is a significant influence between motivation and employee performance. (Accepted)

Based on the results of the hypothesis test where H1 ; H2 ; H3 ; H4 ; H5 ; H6 ; H7 ; H8 ; H9 ; H10 and H11 are accepted, so the magnitude of significant influence between each indicator with its variables and variables with variables is presented in Table 6.8.

Tabel 8. Standardized Regression Weights

Standardized Regression Weights: (Group number 1 - Default model)

			Estimate
And	<---	X1	,902
And	<---	X2	,118
X11	<---	X1	,996
X12	<---	X1	,026
X13	<---	X1	,170
X21	<---	X2	,399
X22	<---	X2	,510
X23	<---	X2	,657
X24	<---	X2	,528
Y3	<---	And	,465
Y2	<---	And	,845
Y1	<---	Y	,285

Based on Table 6.8 it can be concluded that:
1. Conflict (X1) significantly affects performance (Y) by 0.91 (91%).
2. Stress (X2) significantly affects performance (Y) by 0.11 (11%).
3. The work environment (X11) significantly affects Conflict (X1) by 0.99 (99%).
4. Reward (X12) significantly affects conflict (X1) by 0.03 (3%).
5. Communication (X13) significantly affects conflict (X1) by 0.17 (17%).
6. Task intervention (X21) significantly affected stress (X2) by 0.40 (40%).
7. Organizational differentiation (X22) significantly affects stress (X2) by 0.51 (51%).
8. Jurisdictional ambiguity (X23) significantly affected stress (X2) by 0.66 (66%).
9. Limited sources (X24) significantly affected stress (X2) by 0.528 (53%).
10. Motivation (Y3) significantly affects performance (Y) by 0.47 (47%).
11. The work environment (Y2) significantly affects performance (Y) by 0.85 (85%).
12. Education and Training (Y1) significantly affected performance (Y) by 0.29 (29%).

Based on these results, it can be explained that the most dominant factor affecting the performance of PT Perkebunan ABC Asahan employees is conflict with a magnitude of 91%, while the effect of work stress on performance is only 11%. This result is in accordance with Budiman's research (2010) which states that conflict is a dominant factor in influencing the performance of PT employees. Bank Sumut Sidikalang Branch.

After further investigation, the most dominant cause affecting the conflict of implementing employees (Karpel) at PT Perkebunan ABC Asahan is the work environment indicator, which is 99%. While the influence of the four indicators that make up stress, the effect on stress is almost as large as the sequence of jurisdictional ambiguity (66%), limited resources (53%), organizational differentiation (51%), and task interdependence (40%).

Discussion

In this study, managerial discussion was obtained from the results of analysis of questionnaires that had been distributed to respondents.(Alaloul, Liew, Zawawi, & Kennedy, 2020) From several statement items, the research factors in the questionnaire selected statement *items* with *the lowest average score results, namely as follows:*

1. Conflict (X1)
    1. Work Environment (X11)
        Q3 : I feel comfortable with the conditions where I work.
    2. Rewards (X12)
        Q2 : I will be lazy to work if I remember that the salary (compensation and compensation) I received did not meet my needs.
    3. Communication (X13)
        Q3 : I did not get clear information (less clear) from the company about my duties (*job description*).
2. Stress (X2)
    1. Task Intervention (X21)
        Q2 : The work in the company emphasizes more on stability than growth.
    2. Organizational Differentiation (X22)
        Q2 : I was able to receive multiple requests to do a work that is incompatible with each other.
    3. Jurisdictional Ambiguity (X23)
        Q2: I can understand when my boss asks me to do tasks that are beyond my responsibility.
    4. Source Limitations (X24)
        Q1 : I can accept a task without being supported by the same resources enough to do it.
3. Performance
    Education and Training (Y1)

Q2 : The company provides a lot of Education and Training to me and other colleagues.

Work Environment (Y2)

Q1 : I always feel comfortable and safe at work.

Motivation (Y3)

Q4 : The income from my job can meet the needs of daily life day.

CONCLUSION

Based dominant on the results of the analysis and discussion, the conclusions of this study are as follows:

1. The most factor affecting the performance of Executive Employees (Karpel) at PT Perkebunan ABC Asahan is conflict with a large 91%, while the effect of stress on employee performance is only 11%.
2. The main cause of conflict is the work environment, which amounts to 99%.
3. The four indicators that make up stress have almost the same role in influencing the onset of stress.

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