

The Effect of Work Involvement and Work Stress on Employee Performance: A Case Study of Forged Wheel Plant, India

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ABSTRACT

Rashtriya Ispat Nigam Limited (RINL) is a “Navratna Company”, Public Sector Undertaking under the administrative control of Ministry of Steel, Govt. of India. RINL is setting up Forged Wheel Plant (FWP) at Modern Rail Coach Factory, Raebareli, Uttar Pradesh based on assured off take of 80% wheels by Railways on Cost Plus model. Envisaged production capacity is one lakh forged wheels per annum.

Forged Wheel Plant is increasing commitment in its employees by providing compensation, allowance, salary, training, and other welfare amenities. Organizational support and high commitment in employees is aims to avoid turnover intentions, so that the company's vision can be achieved. This study aims to analyze the influence of work involvement and job stress on employees' performance. The sample used in this study amounted to 43 permanent employees of Forged Wheel Plant, a Unit of Rashtriya Ispat Nigam Limited. The analysis technique used in this research is multiple linear regression using SPSS version 18.0. The results of this study showed that individually the variable of work involvement had significantly positive effect on employee performance at FWP, however work stress individually have a significant negative effect on employee performance at FWP. Together job involvement and work stress have a significant positive effect on employee performance.

KEY WORDS: Commitment, Organizational Support, Job Involvement.

Introduction

Human Resource in any companies plays an important role as a driver of change and success. The progress and sustainability of the company is influenced by human resources, so making employees as partners in doing business is something that the company needs to do besides that the company should also pay special attention to employees. Being a thinker, planner and controller of company activities

The results of the execution of a job, whether physical / material or non-physical / non-material is a definition of performance according to Nawawi (2008). If the company's goals are to achieve well, the performance of employees must be improved. Performance can be affected by several variables such as job involvement and job stress.

The extent to which an employee recognizes his job and is not passive in participating, considers his performance in the workplace as important to self-respect is job involvement according to Robbins and Coulter (2010). Employees who have a high level of involvement in work always like the type of work done in best form for example ideas will be generated by employees to advance work quality, not object to obeying the rules in the company and always support company policy. Unhappy employees would do the opposite.

Another variable that affects performance besides job involvement is Job stress. Job stress is employees who experience tension due to an imbalance between the ability of employees to complete their work with job demands (Dewi et al, 2014). Reactions in the adaptation of individual differences and psychological processes as a result of environmental actions, situations or events that contain a lot of physical psychological demands on a person are descriptions of stress according to Satrio (2015).

In line with previous research, research conducted by Kakinsale et al. (2015) also states that performance is positively and significantly affected by job involvement.

There is a research that differs from the two previous studies, namely research from Stevanie et al (2015) which states that performance is influenced by work involvement but not in significant manner. The following are some studies that state work stress has a significant negative effect on employee performance, namely research from Dewi. et al (2014); Paramita (2016); Nur (2013) with different research locations.

Research conducted by Chai-feng (2010) has different results. The research results show that job stress has a positive and significant effect on employee performance.

Variables that affect performance at FWP, one of which is work involvement, according to interviews after the survey found common phenomena in terms of involvement in work, such as between departments and between sections, there is a good relationship, a harmonious atmosphere is created because the parts are mutually supportive and harmonious. . Among employees in this company there is good communication to avoid misunderstandings. Additional activities carried out by this company to increase the work involvement of its employees are by holding COC (Coaching Organizing Counseling), which is a meeting held monthly to discuss company targets or conduct evaluations. By holding this meeting, employees can work together in formulating strategies to achieve company goals. A work system in accordance with the SOP (Standard Operational Procedure) has been implemented in this company, the most important points in the SOP that are implemented in this company are safety and cooperation. Not only between employees, between superiors or company leaders and employees can also be categorized as good relationships, it is proved by frequent communication from superiors and subordinates, and the role of superiors in helping their subordinates.

Other variables that affect performance at FWP is job stress. Based on an interview with the managers of the company, they said that work in a stressful state, experienced the highest stress on his job, the employees of this division were a special division in charge of maintaining and performing installations. Too high risk was a major factor in the high work stress in this division. The effort made by the company in overcoming work stress is by conducting a medical examination which is carried out.

Once a year, providing lunch or dinner, and doing refreshing activities, whether on holiday together or certain events. All of this is done so that employees are fit and healthy so as to reduce high work stress. Employees also experience work stress due to external factors for example, unfavorable home situation.

Literature Review and Hypothesis Development

Job Involvement is a measure to which individuals psychologically side with their work and consider the level of performance achieved as self-reward (Kakinsale et al. 2015). When an employee can recognize a job and then his participation can be categorized as active and when the employee thinks that his performance at work is important. According to Kartikaningsih (2007), work is as follows: customers, colleagues, work time, leaders / superiors.

Work Stress Emotion, thought processes and a person's condition which are affected by a state of calm is the definition of stress. A person's ability to face the environment will be threatened if the stress is too great (Handoko, 2011). According to Mangkunegara (2013), employees who feel pressure while working are the definition of work stress. It will look like disturbances such as employee emotions that are far from stable, feeling uneasy, happy to be alone, excessive cigarette consumption, difficult to relax, easily anxious, too tense, look nervous, increased blood pressure and digestive disorders. The imbalance of job demands given by employees that are not in accordance with their abilities causes tension to be experienced by employees is the definition of work stress from Dewi et al.

Indicators of work stress according to Leung et al (2007) are: personal behavior, social support, role conflict, bad environment, work load, home and work situations. According to Satrio ,Paramita et al (2016), indicators of work stress are physical symptoms, behavioral symptoms, psychological disorders, task demands, organizational structure.

Employee Performance Services provided by someone who performs someone's service work in doing work or results from a quantity or quality is the definition of performance according to Lutans (2005).

Performance is an employee based on the process, results and attitudes of employees in one period is the definition described according to Hasibuan (2012) and Wibowo (2012). Mengkunegara (2010) explains that performance is translated from the word Job Performance or Actual Performance, namely the achievement of someone's job that has been achieved.

With the above opinions, it can be concluded that performance is an output from an employee in terms of quality and quantity when given the responsibility, based on job requirements.

The indicators used in this study are indicators according to Lubis (2008) as follows: quantity of work, quality of work, cooperation, understanding of tasks, initiative, discipline, reliability. According to Stevanie et al (2015) performance indicators are the level of error and accuracy. , employee efficiency, cost control, prudence in work, ability to complete tasks, skills possessed, timeliness in completing work, working systematically, employee knowledge, employee creativity, compliance.

Hypothesis

H1: Job involvement has an effect on employee performance at FWP

H2: Work stress affects the performance of employees at FWP

H3: Job involvement and work stress have an effect on employee performance at FWP

Research Methodology

This research is based on a quantitative approach. The type of research used is a conclusive research design. The data sources that are used in this study are primary data and secondary data. Utilize data collection techniques in the form of interviews, observations and questionnaires. A total of 43 people from the employees in the company serve as the population in this study. A population that has characteristics is the understanding of the sample according to Sugiyono (2010). Researchers took samples in this study which contained male or female employees who had worked in this company for more than 2 year. The sampling technique used by researchers in this study is probability sampling which is stratified random sampling, this technique is used in populations that have an arrangement or are stratified. The independent variable of this research is Job Involvement (X1) and Job Stress (X2), while the dependent variable is Employee Performance (Y). The measurement benchmark used is the Likert scale. This research applies multiple linear regression analysis using SPSS version 18.0 software.

Results And Discussion

Characteristics of Respondents: The results of the characteristics of respondents in this company based on age were 2 people aged <30 years (8%), 31-40 years 5 people (14%), 41-50 years 14 people (30%) and most recently 22 people. employees who are over 50 years old or 48%. Based on education, 10 employees have the highest education Post Graduation or equivalent which is 40% of the total respondents, secondly there are 13 employees who have the highest education of graduation which is 34% of the number of respondents, and in the sample taken for this company there is no employees who have Doctorate.

Model Analysis and Model Feasibility in the normality test, the residual data can be said to be normal because the Kolmogorov-Smirnov test produces a significance value of 0.991 more than 0.05. This means that the data has been distributed normally.

In the multicollinearity test, the data is independent of multicollinearity because the tolerance value of the two independent variables is 0.991 which is higher than 0.1 and the VIF value of the independent variable is 1.009 less than 10. This means that this research does not have a large relationship between independent variables, so that the regression model is accepted.

In the heteroscedasticity test, the data is free from heteroscedasticity problems because the weight of the significance of the work involvement variable is 0.193 and the work stress variable has a value of 0.859, all independent variable values are higher than 0.05. This means that this research has a corresponding residual variance in one observation period compared to other observation periods.

Multiple Linear Regression Coefficient Results

Model	Unstandardized Coefficients			
	B	Std Error	T	Sig
1. (Constant)	58.568	6.405	9.189	.000
Work Engagement	1.361	.463	3.123	.003
Job Stress	-.336	.095	-3.517	.001

a. Dependent Variable: Employee Performance

Table.1; Source: Result SPSS 18

Based on Table 1, the job involvement variable (X1) has a positive impact on employee performance of 1.361. This means that the better work involvement so that it will have a good effect on employee performance. It can be concluded that employee performance is negatively affected by job involvement because the table shows that the value of the regression coefficient is -0336.

Out of many variables that affect employee performance at FWP, the variables of job involvement and work stress are able to provide an explanation for employee performance in this company as much as 27%. This can be seen from the Adjusted R Square which shows 0.271.

From the "t test" it can be concluded that employee performance is positively influenced by work involvement because in table 1 it has been shown that the value of the regression coefficient is 1.361. Another conclusion that can be drawn is that employee performance is significantly affected by work involvement. The work involvement variable is said to have a significant influence because the significance value is 0.003 which is less than 0.05. Another conclusion can be drawn is that employee performance is negatively affected by work stress because it has been shown that the value of the regression coefficient is -0336. Another conclusion that can be drawn is the performance of employees is significantly affected. by job stress. Job stress is said to have a significant effect because the significance value is 0.001 which is less than 0.05.

Effect of Job Involvement on Employee Performance Information obtained from this study states that the variable job involvement has a positive and significant influence on employee performance variables, so if work involvement in this company is getting better, the employee's performance will also be better. This is supported by research from Stevanie et al (2015) which states that an individual focuses attention and emotions in the role of their performance form, which means that an individual will be serious in doing his job so that it has a positive impact.

Job involvement is very high in this company, and why this item is the most significant is because this company has a very good culture of cooperation, a phenomenon found by researchers who prove that this company has a good culture of cooperation is that when new employees enter, the old employees welcomes new employees with open heart and provide advice on the basics of work at the company so as to make their work easier, and also because the employees of this company realize that cooperation has an important role in improving company performance, the company also plays a role in making this indicator significant because the company hold COC (Coaching Organizing Counseling) meetings, which are monthly meetings where employees can help each other with the problems of each division, besides employees in the company these have the ability, skills, knowledge and constructive attitude of very high quality so that teamwork becomes more effective and makes cooperation in this company significant.

These results are also supported by research by Kakinsale et al (2015) with their research which states that work involvement has a positive and significant effect on employee performance, along with research from Logahan and Asaria (2014) which also states that job involvement has a positive effect on performance. employees.

Effect of Job Stress on Employee Performance

The information generated through this study is that the performance of employees at FWP is negatively and significantly influenced by work stress, this makes the performance of employees decrease if the work stress increases. This is supported by the theory of work stress from Handoko (2011) which states that emotions, thought processes and a person's condition are influenced by the calm condition of employees and one's ability to face the environment will be threatened if the stress is too great, so that it will make performance decrease.

The statement item that has the highest score is "my job is high risk", through the interview the researcher gets the answer why this statement has a very high value, is because some shop floor workers feel that their job is capable of causing the worker seriously injured, disabled or even death

Researchers are given research boundaries regarding work safety or things that are confidential from the company, such as a list of work accidents that have occurred. Contrary to the risks experienced by shop floor employees, employees in the office have a more non-physical risk, the statement item "my job is high risk" is the most significant because this item is the closest to the employees in this company compared to other items besides this indicator item must be experienced by most employees, because this is part of the main part of their job that they have to go through every day. Judging by the impact, this item received by employees is heavier than other items which can give a lot of losses to both the company and the employees themselves.

Conclusion

Job involvement has a positive and significant effect on employee performance. Work stress has a negative and significant effect on employee performance. In addition, this study has limitations, namely the adjusted R square value of this study is 27%. The researcher who would like to take this study further is expected to add variables such as work discipline etc.

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