

DRIVING PERFORMANCE EXCELLENCE: EXPLORING THE IMPACT OF LEADERSHIP AND JOB STRESS ON EMPLOYEE PERFORMANCE

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Abstract - This study aims to investigate the impact of leadership and job stress on employee performance in a company in Mojokerto. The survey involved 125 respondents. Multiple regression analysis using SPSS to provide an understanding of the extent to which leadership and job stress affect employee performance in the context of the company under study. The results showed the real impact of each independent variable. Through this research, it is expected to provide a more comprehensive understanding of the importance of the role of leadership and the impact of work stress on employee performance. The findings of this study will provide valuable insights for companies in developing effective leadership strategies and managing work stress to improve employee performance.

Keywords: work stress, leadership, employee performance, human resources.

INTRODUCTION

Quality human resources are formed by optimizing the implementation of good management by the company based on the commitment of employees as the main actors and contributors to the relationship between the two parties to fulfill obligations and provide the best results (Wahyudi, 2006). The company is also obliged to monitor and develop employee performance (Issalillah, 2020).

Performance is a work goal for every employee and must be achieved as a form of fulfilling employee obligations (Darmawan et al., 2020). Each employee provides work results that vary in intensity but remain within the limits of the standards set by the company (Munir & Arifin, 2021; Hariani, 2021). According to Robbins (1996), performance is a form of measurement of the expected work results in the form of something optimal. Meneze (2005) states that performance indicates an employee's ability to perform work to the expected standards set by the employer or beyond the expected standards. Work implementation must be monitored continuously by leadership implementation (Mardikaningsih, 2020).

This supervision is carried out through effective leadership in order to have a real impact on employee performance (Putra et al., 2017). The more effective a person's leadership, the more directed the behavior of subordinates, or vice versa. Leadership is an interpersonal influence carried out in a certain situation through a communication process to achieve certain goals or objectives (Ismaya et al., 2023). Leadership today has undergone changes; leadership that is only characterized by personality and charisma is not enough, but leadership is a task that can be successful if carried out by a variety of individuals, and this work involves efforts and initiatives that must be physically and mentally mobilized to achieve results or goals together with others (Djazilan, 2020; 2022). As a leader, of course, it is very synergistic to provide strength, encouragement, and tasks to employees who are led so that they can carry out tasks in accordance with what is ordered. The achievement of this leadership will be possible if it is supported by several supporting aspects that form a more organized, targeted work atmosphere and the strategies used to achieve goals (Gani, 2022). Achieving optimal employee performance is one of the goals of leadership.

However, as a result of the work process, employees may experience stress. Robbins and Sanghi (2006) state that stress is a dynamic condition in which a person is faced with opportunities, constraints, or requests related to what he wants and that the end result seems uncertain and important. Employees can experience mental stress and even physical effects so that they can no longer work optimally (Issalillah et al., 2021; Irfan & Al Hakim, 2022). The emergence of stress must be managed appropriately so that employees remain productive (Mardikaningsih, 2014; Putra et al., 2022). High demands on employees can increase stress levels at work. If they have sufficient qualifications to meet the job requirements, the lack of information and skills contrary to the task demands will end up with internal conflicts and poor job stress (Rao & Borkar, 2012; Varca, 2009).

Workplace stress has a significant impact on employee performance (Anderson, 2003). Stress has a drastic effect on employee performance. Stressed employees are unable to meet the expectations of their organizations as they face physical, psychological, and organizational exhaustion (Khattak et al., 2011). Too much stress is clearly evidenced by a substantial decline in performance and organizational effectiveness (Borucki, 1987). Beehr et al. (2000) found a relationship between work stressors and employee performance in an organization that can affect employees psychologically. Chase et al. (2006) stated that job-related stress may be responsible for organizational outcomes such as

decreased performance, dissatisfaction, a lack of motivation and commitment, and increased absenteeism and turnover. In addition, in every organization and at every level of management and workers, it is found that the average stress level is increasing, which largely affects employee job satisfaction (Rose, 2003; Naufalia et al., 2022). Conversely, stress due to too little or too much load is a negative stress condition as it can lead to lower overall employee performance, high error rates and poor quality of work, high staff turnover, and absenteeism due to health problems such as anxiety, work-life imbalance, depression, and other types of illnesses such as frequent headaches, obesity, and cardiac arrest (Khasanah, 2010; Dessler, 2011; Fitriyani et al., 2011).

Stress can occur in any organization, regardless of its scale. Although stress has been widely viewed as an environmental stimulus for individuals, job stress is also viewed as dysfunctional for organizations and their members and can affect the physical and mental health of employees (Ganster & Schaubroeck, 1991). However, effective leadership involves monitoring and controlling the performance behavior of employees. Both of these can occur and determine work outcomes. Based on the description and previous studies, this research will analyze and determine the impact of work stress and leadership on employee performance.

RESEARCH METHODS

The research to be carried out is a type of quantitative research, especially the survey method. In the process, observations and data collection will be carried out at a company in Mojokerto. Observations on the population are followed by taking certain samples with purposive sampling techniques. There were 271 workers who became the population, and the sample was obtained from as many as 125 on the morning shift of the two existing shifts. Data collection using research instruments yields data results in the form of numbers that will be analyzed statistically with the aim of testing hypotheses.

In this study, there are three variables: leadership variables, work stress, and employee performance. According to Cooper (1999), indicators of job stress are: role conflict; workload; career development; relationships at work; and structure in the organization. Indicators of leadership are charismatic idealizing influence, inspirational motivation, intellectual stimulation, and individual consideration (Colquitt & LePine, 2011). Indicators of employee performance, according to Robbins (1996), are five: quality, quantity, timeliness, effectiveness, and independence.

Data was collected through the collection of questionnaires containing open-ended and closed-ended questions, which were prepared with the help of Google Forms. The collected data was then analyzed using multiple regression analysis with the help of the IBM Statistic SPSS 26.0 application.

RESULTS AND DISCUSSIONS

The respondent profile of this study is aged in the age range of 19–47 years. The gender of the respondents consisted of 89 males and 36 females. The majority of respondents have a high school education background. Respondents come from the production section. Respondents have varied work experience, ranging from 1 to 17 years in the same company. All respondents were involved in the morning work shift.

In this study, validity was tested by observing the corrected total item correlation, which must have a minimum value of 0.3 to be considered valid. The observation results show that all instruments of the three research variables have values above 0.3, so it can be concluded that all of them are valid. Furthermore, the reliability of the leadership (0.765), job stress (0.682), and employee performance (0.803) variables were tested and found to be reliable. All variables also had Cronbach's alpha values above 0.60, indicating that the overall variable measurements can be considered reliable. In addition, the normality test is used to check whether the regression model in the population is normally distributed. Figure 1 shows the results of the normality test in the SPSS output, which indicate that the distribution of data points shows a normal distribution.

Table 1
Reliability test results

No	Variables	Cronbach's Alpha	Status
1	Leadership (X.1)	0.765	Reliable
2	Job stress (X.2)	0.682	Reliable
3	Employee performance (Y)	0.803	Reliable

Source: SPSS Output

Durbin Watson has a value of 1.695, which indicates that there is no evidence of autocorrelation in the data collected. The results of the multicollinearity analysis in the SPSS output show that the VIF value is 1.481, which is smaller than 10. In addition, the tolerance value of 0.675 is also greater than 0.10. Therefore, it can be concluded that there is no indication of multicollinearity in all variables.

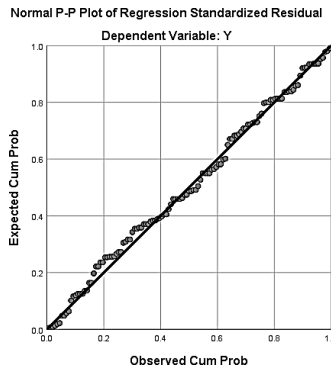


Figure 1. Normality Test
Source: SPSS Output

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Table 2
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	26.645	4.270		6.240	.000		
	X.1	7.083	.858	.558	8.255	.000	.675	1.481
	X.2	-3.710	.771	-.325	-4.814	.000	.675	1.481

Source: SPSS Output

In this regression model, the equation $Y = 26.645 + 7.083X.1 - 3.710X.2$ was found. The interpretation of the coefficients in this model is as follows: The regression coefficient of 7.083 on variable X.1 (leadership) indicates that every one unit increase in leadership will contribute to an increase of 7.083 in employee performance, assuming other variables remain constant. Meanwhile, the regression coefficient of -3.710 on variable X.2 (job stress) indicates that each one-unit increase in job stress will contribute to a decrease of 3.710 in employee performance, assuming other variables remain constant. A t-test was conducted with a significance of 5%. All independent variables have a P-value of 0.000, which is smaller than 0.05, indicating that leadership and work stress variables have a significant effect on employee performance. In addition, the leadership and work stress variables also have a P-value of 0.000, which is smaller than 0.05, so it can be concluded that the two independent variables play a role in shaping employee performance.

Table 3
ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15621.600	2	7810.800	101.156	.000 ^b
	Residual	9420.288	122	77.215		
	Total	25041.888	124			

Source: SPSS Output

The results of testing the joint influence of leadership and work stress variables on employee performance variables can be found in Table 2. Through the F test, the Fcount value is 101.156, with a confidence level of 95% and a significance of 0.05. The p-value of 0.000 indicates that the two independent variables have a simultaneous influence on shaping employee performance.

Table 4
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.790 ^a	.624	.618	8.787	1.695

Source: SPSS Output

Table 3 shows that R Square has a value of 0.624, which is equivalent to 62.4%. From this value, it can be concluded that the leadership and work stress variables contribute 61.8% to the employee performance variable, while the remaining 38.2% is influenced by other factors not included in this model.

Leadership has been shown to have a significant role in shaping employee performance, as confirmed by a number of previous studies. Some of the studies that support these findings include those conducted by Razali (2006), Mardikaningsih (2016), Lestari (2020), Handayani and Khairi (2022), Irfan (2022), and Munir et al. (2022). These findings indicate that effective and motivating leadership can have a positive impact on employee performance. Leadership that is able to inspire, provide clear direction, facilitate collaboration, and provide support to employees can encourage better performance. Therefore, organizations need to pay attention and develop leadership capabilities to achieve optimal performance.

Research findings suggest that job stress has a real impact on shaping employee performance. Nowadays, stress has become an integral part of work in every field and is even considered normal when experienced by employees. Several previous studies support this. Issalillah and Wahyuni (2021) stated that job stress and performance have a real and opposite relationship. Ismail and Hong (2011) argue that employees can experience high levels of work-related stress, which is the main reason for poor employee performance at work. According to Tsauro and Tang (2012), most employees in organizations feel that their jobs are stressful, which consequently lowers their performance. Job stress is often described as strongly related to performance and has serious implications for individual and organizational performance. Stressed employees are likely to be unhealthy, lack work motivation, be less productive, and be less comfortable at work (Goswami, 2015; Lopes & Kachalia, 2016; Park, 2007). However, according to Gibson et al. (2000), stress is not always negative. In working conditions, positive stress will actually encourage employees to perform at a higher level.

CONCLUSIONS

Leadership has a proven role in supporting employee performance. This means that in an organizational context, effective leadership not only affects individual performance but can also impact team and overall organizational performance. Therefore, it is important for organizations to develop and strengthen leadership capabilities to create a productive work environment, motivate employees, and achieve optimal performance.

Stress has been shown to negatively impact performance achievement. The performance of employees who experience stress will decrease and vice versa. Work stress conditions are conditions experienced by employees when fulfilling tasks and there is an overload that they should bear and also experience a lack of resources needed to perform this task. Companies must monitor the mental state of employees and try to create a work environment that shapes the Mental health of employees.

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