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How Work Stress and Work Environment Influence Job Satisfaction, Retention Study at Jakarta Office State-Owned Airlines Employees

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Abstract

Management changes that occurred at PT. XYZ Jakarta office caused several employees to undergo change positions. With the change in position, employees have to adapt again to new responsibilities. Therefore, the purpose of this study was to determine and understand the effect of work stress and work environment on job satisfaction and its impact on employee retention. This research is quantitative descriptive research conducted by distributing questionnaires to all divisions in PT. XYZ Jakarta office as many as 129 respondents. The data analysis used is Path Analysis, after all data has been collected for processing. The results showed that each variable had a significant influence between one variable and another. The highest value that has the most influence on the employee retention variable is the work environment variable. Suggestions for PT. XYZ Jakarta office is to pay more attention to the working environment conditions in the company.

Keywords: Job Stress, Work Environment, Job Satisfaction, Employee Retention.

Abstrak

Perubahan manajemen yang terjadi pada PT. XYZ kantor Jakarta menyebabkan beberapa karyawan harus berubah posisi. Dengan perubahan posisi tersebut menyebabkan para karyawan harus beradaptasi lagi dengan tanggung jawab baru. Maka dari itu, tujuan dari penelitian ini adalah untuk mengetahui dan memahami pengaruh stres kerja dan lingkungan kerja terhadap kepuasan kerja serta dampaknya pada retensi karyawan. Penelitian ini merupakan penelitian deskriptif kuantitatif yang dilakukan dengan menyebarkan kuesioner ke seluruh divisi yang berada di PT. XYZ kantor Jakarta sebanyak 129 responden. Analisis data yang digunakan adalah Path Analysis, setelah seluruh data berhasil dikumpulkan untuk diolah. Hasil penelitian menunjukkan bahwa setiap variabel memiliki pengaruh signifikan antara satu variabel dengan variabel yang lainnya. Nilai tertinggi yang paling berpengaruh ke variabel retensi karyawan adalah variabel lingkungan kerja. Saran bagi PT. XYZ kantor Jakarta adalah untuk lebih memperhatikan kondisi lingkungan kerja di perusahaan.

Kata Kunci: Stres Kerja, Lingkungan Kerja, Kepuasan Kerja, Retensi Karyawan.

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1. Introduction

The process of adapting to the environment is one of the big problems faced by modern organizations. This make organizations sometimes consider it necessary to deliberately make changes in order to increase the effectiveness of achieving the goals that have been set. Since the nature and objectives of organizations are different from each other, the frequency and level of changes that occur are not always the same. Certain organizations experience changes more frequently, while others do so relatively rarely. Facing the ever-changing environmental conditions, there is no wiser way for a leader than to understand the nature of change itself and prepare the right strategy to deal with it.

As a State-Owned Enterprise (BUMN) engaged in domestic and international flight services, PT XYZ is an Indonesia's national airline which flies to more than 40 domestic destinations and 36 international destinations. In running its business, the company has realized the importance of managing and maintaining its human resources. Globally the company has more than 7,905 employees spread over 64 offices in 29 countries. Meanwhile the number of employees at Jakarta branch offices is 205 employees.

In managing its human resources, the company still faces some obstacles related to work stress felt by employees. The visible problem is that employees are still often found doing things outside the job description that has been set by the company. As happened in the Sales Government unit where one employee in this unit holds the most accounts, reaching 72 accounts and one employee holds 11 accounts. These accounts are companies that have a very large contribution to PT. XYZ Jakarta office and has been cooperating for a long time. Based on the information obtained through light interviews with managers and employees, the majority of companies that cooperate with PT. XYZ Jakarta office often asks each sales person a number of administrative and technical matters, so sales must handle things outside their job description, while there is still a lot of works to be done.

In 2018, employees of PT. XYZ Jakarta office underwent a management change, where the President Director was replaced which caused employees to experience a high workload. Moreover, the results of interviews revealed by the Manager of the Government Sales division, this caused the Vice President of the company wants to create a pleasant work environment. Thus, this study tried to identify the factors that cause work stress experienced by employees, and provide solutions to create a more conducive work of environment. Instead Manager Government Sales division, one of the Government Sales Staff also revealed that he experienced stress due to lots of pressure from external parties related to administrative matters as well as pressure from internal parties related to targets set by the government which must be achieved by employees of the company.

In addition to interviews conducted to see the phenomenon, the initial data collection process in the form of a preliminary survey was also carried out by distributing questionnaires to 32 employees as the main respondents. The idea is to derive an early illustration of the problems associated to work stress, work environment, and job satisfaction they felt.

The results of the questionnaire related to work stress show that of the 32 respondents, 19 respondents said that they experienced work stress while working at PT. XYZ Jakarta office. The reasons are that changes affect company policies and have an impact on the employee performance. In addition, the target charged by the company is increasing too high, but not balanced with the bonus given.

The remaining 13 respondents did not feel work stress because they have worked longer in the company and understand the demands of the work that must be completed, based on the leadership shown by their superiors. They also have good relationships with co-workers, so they can support each other and help each other if there are difficulties at work.

The same reaction happens to 19 respondents out of the 32, who said that they experienced an uncomfortable work environment while working at company. The reasons for experiencing an uncomfortable work environment are sometimes the room temperature is too cold or too hot so that it affects their performance while working. In the meantime, some external factors that might affect employee productivity related to work environment is difficulty in accessing the office, due to barriers such as demonstrations, floods, and traffic jams. The rest who felt that their work environment is comfortable, is caused by good lighting and air circulation in the office.

Meanwhile, the results of questionnaires related to job satisfaction show that of the 32 respondents, also 19 respondents said that they did not feel job satisfaction while working at PT. XYZ Jakarta office, due to unclear information regarding available career paths. On top of that, the promotion process is also considered less objective and not based on performance results. Those who felt satisfied to the work is caused by the existence of a salary system in a timely manner. In addition to the salary system, the assessment provided by the company can motivate employees to be more productive at work.

PT XYZ Jakarta office faces the challenge of trying to retain qualified employees. It is expected that employees with good performance are willing to work for a long period of time. The employee

Table 1. Retention rate & Turnover rate

Year	Number of Employees	Employee Exit	Retention Rate	Turnover Rate
2015	218	3	98.62%	1.38%
2016	215	5	97.67%	2.33%
2017	210	24	88.57%	11.43%
2018	186	21	88.71%	11.29%

Total decreased retention and increased turnover is 26.43%

Source: HRD PT XYZ Jakarta office, 2019

retention rate data obtained from the human resource division of PT. XYZ Jakarta office. Employee retention is calculated using the employee turnover calculation formula (Maurer, 2017) The formula for finding employee retention rates is by dividing number of permanent employees with number of employees at the beginning of the period, then multiplied with 100%. In addition, based on available secondary data, information related to employee retention and turnover rates over the past four years can be obtained and summarized on the table 1.

Based on the phenomenon described along with the conditions and problems that exist in the company, there are several factors that will be analyzed further regarding how the level of employee retention at PT XYZ Jakarta branch office can be influenced by the stress in carrying out the work and the work environment variable through the job satisfaction variable.

The problem formulation that can be stated are: 1. Does work stress influence job satisfaction of PT XYZ Jakarta branch office employees? 2. Does work environment influence job satisfaction of PT XYZ Jakarta branch office employees? 3. Does the work stress influence employee retention of PT XYZ Jakarta branch office employees? 4. Does the work environment influence employee retention of PT XYZ Jakarta branch office employees? 5. Does job satisfaction influence employee retention of PT XYZ Jakarta branch office employees?

2. Theoretical Framework

According to Robins and Judge (2013, 595),

stress is a dynamic condition when an individual is faced with a desirable and important opportunity, demand, or resource but the final outcome of the opportunity, demand, or resource is uncertain. While the work environment is the overall tools and materials encountered, the surrounding environment in which a person works, his work methods, and work arrangements both as individuals and groups (Sedarmayanti, 2009). Armstrong (2017:512) described that the work environment consists of the system of work, the design of jobs, working conditions and the ways in which people are treated at work by their managers and coworkers. Moreover, Luthans (2012:411) explained the concept of job satisfaction as a worker's perception of how the company's results provide needs that are considered important for employees. Mathis and Jackson (2010: 158) explained that job satisfaction is a positive emotion resulting from the evaluation of work experience. Job satisfaction will affect organizational commitment, which will have an impact on employee retention and turnover. Employee retention is the company's ability to retain potential employees owned by the company to remain loyal to the company (Mathis and Jackson, 2010:164).

This study consists of two independent variables, work stress (X1) and work environment (X2) that affects the dependent variable, namely job satisfaction (Y), and variable Z, employee retention. Details about the relationship between independent and dependent variables can be seen in the theoretical framework described on figure 1.

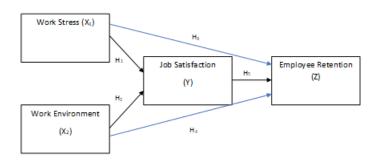


Figure 1. Research theoretical framework

The following are the research hypotheses that have been described previously in the previous theoretical framework:

Hypothesis 1

H0: There is no significant effect of work stress on job satisfaction.

Ha: There is a significant effect of work stress on job satisfaction.

Hypothesis 2

H0: There is no significant effect of work environment on job satisfaction.

Ha: There is a significant effect of work environment on job satisfaction.

Hypothesis 3

H0: There is no significant effect of work stress on employee retention.

Ha: There is a significant effect of work stress on employee retention.

Hypothesis 4

H0: There is no significant effect of work environment on employee retention.

Ha: There is a significant effect of the work environment on employee retention.

Hypothesis 5

H0: There is no significant effect of job satisfaction on employee retention.

Ha: There is a significant effect of job satisfaction on employee retention.

3. Research Method

This study used a survey method with a descriptive-quantitative approach by distributing questionnaire as an instrument to collect data, instead of observation as well as interviews. The unit of analysis for each problem identification is the individual which is the employees of PT. XYZ Jakarta office. Data collected in one period (cross sectional or one-shot). To complete the required information, secondary data obtained from the library as well as literature study.

The population in this study are all employees of PT. XYZ Jakarta office from all existing divisions as much as 189 employees. By using the Slovin formula, it can be calculated that the number of samples needed is 129 respondents. With so many divisions, proportionate random sampling was carried out in order to obtain representative samples from each division.

4. Results and Discussions

The following table summarized the causal relationship, the direct causal effect, indirect causal effect, and total causal effect as well as path coefficients on table 2.

Based on the summary on the previous table, the analysis that can be explained are as follows:

- Analysis of Sub-Structural Pathway 1 "There is a significant effect between work stress (X1) and work environment (X2) on job satisfaction (Y) at PT. XYZ Jakarta office." Likewise, individually all sub-variables are accepted because based on testing the path coefficient of substructure 1, the path coefficients of the X1 and X2 variables are statistically significant. It means that work stress (X1) and work environment (X2) simultaneously contribute to job satisfaction (Y) with the magnitude of the contribution of work stress (X1) to job satisfaction (Y) is $-0.292 \times 100\% = 29.2\%$ and the contribution of the work environment (X2) to job satisfaction (Y) is $0.508 \times 100\% = 50.8\%$. While the contribution of work stress (X1) and work environment (X2) has a simultaneous effect which directly affects job satisfaction (Y) is 29.1% and the remaining 84.2% is influenced by other factors outside of this study.
- 2. Path Analysis Sub Structure 2 "There is a significant effect between work stress (X1), work environment (X2) and job satisfaction (Y) on employee retention (Z) at PT. XYZ Jakarta of-

Table 2. Summary of direct and indirect causal effect among variables

Effect between Variable	Path Coefficients (Beta)	Direct effect	Indirect effect	Total
X1 – Y	-0.292	-0.292		-0.292
X2 - Y	0.508	0.508		0.508
X1 – Z	-0.252	-0.252	-0.292* -0.252= 0.073	-0.179
X2 – Z	0.424	0.424	0.508* 0.424 = 0.215	0.639
Y - Z	0.630	0.630		0.630
R2 Sub 1		0.291		
R2 Sub 2		0.415		

Source: data processed (2019)

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fice." Likewise, individually all sub-variables are accepted because based on the test of the path coefficient of sub-structure 2, the path coefficients of the variables X1, X2, and Y to Z are statistically significant. Thus, work stress (X1) contributes to employee retention (Z). The contribution of work stress (X1) to employee retention (Z) is $-0.252 \times 100\% = 25.2\%$, the contribution of the work environment (X2) to employee retention (Z) is $0.424 \times 100\% =$ 42.4%, and the contribution of job satisfaction (Y) to employee retention (Z) of 0.630 x 100% = 63%. While the contribution of work stress (X1), work environment (X2), and job satisfaction (Y) have a simultaneous effect which directly affects employee retention (Z) is 41.5% and the remaining 58.5% is influenced by other factors outside of this study.

5. Conclusion and Suggestion

Based on the results of the respondent's profile from the results of the study, it can be concluded that the majority of respondents are between 21-30 years old (56%), have worked for 1-5 years (44%), for a monthly income greater than Rp. 7,000,000 to less than Rp. 15,000,000, and employees in the sales & service division (27%).

Based on the results of data processing, in accordance with the purpose of this study, to determine whether there is an influence between work stress (X1) and work environment (X2) on job satisfaction (Y) and its impact on employee retention (Z) at PT. XYZ Jakarta office, it can be concluded that:

- 1. Work stress (X1) has a significant effect on job satisfaction (Y) with a negative or opposite effect. So that it can be interpreted that the higher the job satisfaction, the lower the level of work stress experienced by employees and vice versa
- 2. Work environment (X2) has a significant effect on job satisfaction (Y) with a positive or unidirectional effect. So that it can be interpreted that the increase or decrease in the level of job satisfaction experienced by employees may be affected by the work environment.
- 3. Work stress (X1) has a significant effect on employee retention (Z) with a negative or opposite effect. So, it can be interpreted that the higher employee retention has a direct effect on the lower work stress experienced by employees, and vice versa.
- 4. Work environment (X2) has a significant influence on employee retention (Z) with a positive or unidirectional effect. Thus, the retention of employees is directly caused by the work environment of employees.
- 5. Job satisfaction (Y) has a significant effect on employee retention (Z) with a positive or unidirectional effect. Thus, the increase or decrease

in employee retention can be influenced by job satisfaction of employees of the company.

Suggestion

Partially, the work stress (X1) contributes to employee retention (Z) of $-0.561 \times 100\% = 56.1 \%$, while the contribution of the work environment (X2) to employee retention (Z) is $0.553 \times 100\% = 55.3\%$, and the contribution of job satisfaction (Y) to employee retention (Z) of $0.585 \times 100\% = 58.5\%$. Meanwhile, the contribution of work stress (X1), work environment (X2), and job satisfaction (Y) simultaneously and has a direct effect on employee retention (Z) is 60.6% and the rest is influenced by other factors outside of this study. Therefore, based on the results obtained from the previous part and the conclusions that have been made, below are some suggestions to the company:

Work Stress Variable (X1)

Management of PT. XYZ Jakarta office need to pay attention to the employee work stress variable, since this variable will have a significant effect on employee retention. In the study of the work stress variable, it was found that employees felt they had great work responsibilities, the job descriptions given by the company were clear, but often employees did tasks outside the job description, especially in administrative matters in the sales division. As a consequence,

- 1. Management of the company is recommended to carry out a job analysis in a work position that has not or lack of manpower with a. Identification the position to be analyzed, b. Reorder job description, and c. Preparing job specifications
- 2. Management of the company should make detailed and systematic job descriptions, by including mandatory points that must be done and to whom the work is accountable.
- Management of the company is advised to ensure directly through the manager that the job description information is well understood by employees.

Work Environment Variable (X2)

In the study of physical work environment variables, things that need to be improved include the layout in the office that is less organized, such as the positions in several divisions that are less regular. The advice given by the researcher, is that companies need to consult with people who are experts in layout. With regard to the work environment, companies need to pay attention to factors in the physical work environment, including lighting, temperature, humidity, air circulation, noise, unpleasant odors, colors, decorations, music and security. As for the non-physical work environment factors, including good relations with co-workers and with superiors/subordinates at work.

Job Satisfaction Variable (Y)

In this study that related to job satisfaction variable, it was found that employees had problems with the promotion process which affected job satisfaction. Job satisfaction variable is the strongest variable to influence employee retention at PT. XYZ Jakarta office. Here are things to note:

- 1. Designing performance appraisals to be objective and fair by determining how often the assessment will be given.
- 2. Management is advised to create a flow or promotion system that has the standards required for the position, such as having to follow some basic training from the management, KPI above the average for 3 or 6 consecutive months.
- 3. Communicate the performance appraisal process and encourage employees and managers to be involved in the process.

Employee Retention Variable (Z)

In the study of employee retention variables, the main factor that must be considered is how to improving and maintaining employee retention rates, by correcting deficiencies in the company's organizational management. The management needs to pay attention to employees' career management. The company should realize the appropriate policies on employee careers so that employees feel they have a great opportunity to plan and develop their careers. To overcome this problem the company needs to provide classes, seminars, counseling and guidance both inside and outside the company.

PT. XYZ Jakarta office must continue to make efforts so that employees have a high commitment to the organization, by involving employees in forming decisions including employee involvement in making career decisions that are planned with the manager. Companies also need to be more open to providing understanding to employees about the goals and values of the organization through the organization for both new and old employees. The company should also try to modify the company's goals so that it includes some of the personal goals of the employees, so that employees have clear career goals and goals in this company causing a sense of attachment to the company.

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