



Capability, Job Stress, and Employee Performance: Moderated Mediation Analysis at PT Royal Medicalink Pharmalab Makassar

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Abstract. The objectives to be achieved in this study are the capability to analyze, work stress and employee performance. Work stress variables are variables as moderation in the relationship of capability and employee performance. This type of research is a study that uses quantitative analysis with a sample of 51 employees of PT Royal Medicalink Pharmalab. Techniques to answer research data through a questionnaire with a Likert scale. Data analysis in this study using multiple linear regression analysis. Significance test results of the relationship of variables with the F test and T test and the Moderated Regression Analysis (MRA) test. The results in this study indicate the facts about work stress are not related to employee performance. The capability to positively and significantly influence employee performance. Thus the capability directly to employee performance and work stress is not related as a moderating variable, because work stress cannot be explained in the direct relation between the capability variable through satisfaction with performance.

Keywords: Capability, job stress, employee performance

1 Introduction

The success of a company's business largely depends on the performance of its employees, who play a critical role in achieving organizational goals. Advanced technology alone is not sufficient for achieving these objectives without active employee participation. The rise of online sales has made it difficult for sales personnel to reach targets due to competition with similar products at lower prices. Employees cannot be managed like machines or other resources; they are social beings and the company's primary asset. They function as planners, implementers, and controllers in the pursuit of company goals, and their attitudes affect their performance and dedication. Stress is defined as an imbalance between demands and response capability and can have significant consequences if not managed. Positive attitudes should be encouraged, while negative attitudes, which can lead to stress and frustration, should be addressed. Stress can arise from various factors both within and outside the workplace, and it affects individuals differently. According to Robbins [1], work stress is characterized by changes that lead employees to deviate from normal functions. There are two types of stress: eustress, which is beneficial and

motivating, and distress, which is harmful and can reduce performance. Employee performance is crucial to organizational contribution and is defined by their effectiveness in completing job responsibilities[1]. High demands can increase stress levels, which may negatively impact performance if not managed properly. The study focuses on PT Royal Medicalink Pharmalab, which has a significant number of employees and faces turnover challenges related to work stress. Recent employee turnover data highlights that stress is a major factor contributing to resignations, which negatively affects company progress. The company has low sales achievement percentages, which also indicates a potential impact on employee performance. The research aims to explore the influence of work stress on employee performance at PT Royal Medicalink Pharmalab in Makassar, underlining the need for further investigation into the relationship between stress factors and employee output.

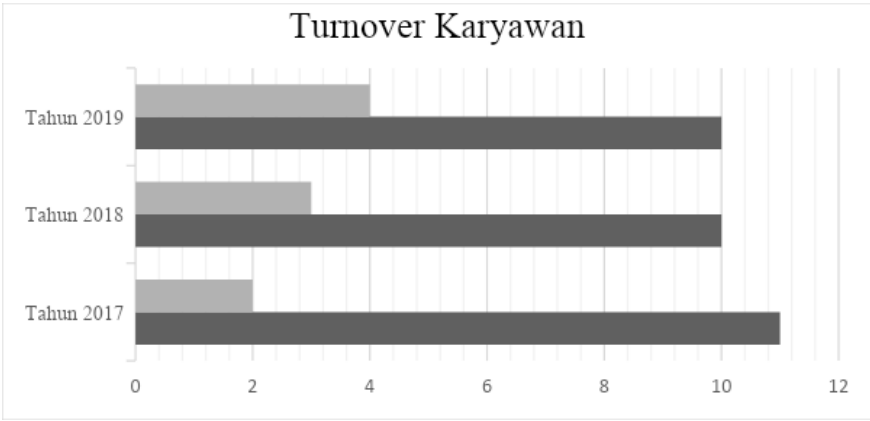


Fig. 1. Employee Turnover of PT Royal Medcalink Pharmalab Makassar 2017 – 2019

2 Literature Review

Employee performance is a critical component in the success of any organization. Understanding the factors that influence performance, such as capability and job stress, is vital for creating a productive work environment. This review examines the influence of capability and job stress on employee performance, exploring how these factors interact and may be mediated by moderating variables at PT Royal Medicalink Pharmalab Makassar. Capability and Employee Performance Capability refers to an individual’s ability to perform tasks effectively, encompassing both learned skills and innate talents. Robbins emphasizes that recognizing individual differences in capabilities is essential for improving job performance[1]. Capability is a combination of cognitive abilities, such as problem-solving and decision-making, and physical abilities required for specific job tasks. Kreitner further highlights that capability enhances performance when coupled with effort and motivation, contributing to both the quality and quantity of output [2]. In a pharmaceutical setting, such as PT Royal Medicalink Pharmalab, capability plays a crucial role in ensuring operational accuracy, efficiency, and compliance with health regulations. Job Stress and

Employee Performance Job stress is a widely recognized factor affecting employee performance. Stress can be categorized as both positive and negative, but it is typically associated with negative impacts on productivity, leading to tension, anxiety, and even burnout [3]. Robbins underscores that job stress is often caused by individual and organizational factors, such as workload, work environment, and managerial expectations [1]. Excessive stress can disrupt an employee's physical and psychological balance, making them irritable, less cooperative, and ultimately less productive. In high-pressure environments like the pharmaceutical industry, where precision and attention to detail are critical, the effects of stress on performance can be particularly pronounced. The Relationship Between Capability, Job Stress, and Performance The interaction between capability and job stress is significant in determining employee performance. High capability can buffer the negative effects of stress, allowing employees to better manage their tasks and responsibilities despite challenging conditions [4]. Conversely, employees with lower capabilities may be more vulnerable to stress, leading to decreased performance. As Kreitner points out, when capability is paired with effort, it can drive performance, but under high stress, the ability to maintain this effort diminishes[2]. In the context of PT Royal Medicalink Pharmalab, balancing capability and stress is essential to ensure that employees remain productive and perform their duties with precision. Moderating Factors in the Capability-Stress-Performance Relationship Moderating factors, such as organizational support, leadership, and work-life balance, can influence the relationship between capability, job stress, and employee performance. Organizational support systems, such as stress management programs, training, and professional development opportunities, can help employees manage stress and enhance their capabilities [5]. Effective leadership also plays a role in mitigating stress by creating a positive work environment and providing guidance. Furthermore, a good work-life balance can reduce stress levels, allowing employees to perform at their best. Conclusion The relationship between capability, job stress, and employee performance is complex and influenced by various moderating factors. At PT Royal Medicalink Pharmalab Makassar, fostering employee capability while managing stress through organizational support and leadership can enhance performance outcomes. As the pharmaceutical industry demands high precision and accountability, understanding and addressing these dynamics is crucial to sustaining productivity and ensuring organizational success.

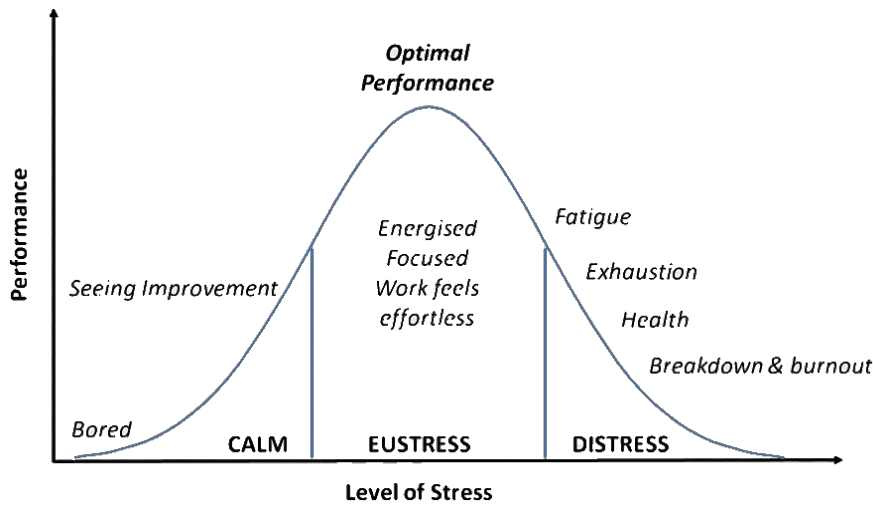


Fig. 2. Yerkes-Dodson Curve level of stress

3 Research Method

3.1 Location

The subjects of this research are employees of PT Royal Medicalink Pharmalab. Data will be collected through questionnaires filled out by the employees of PT Royal Medicalink Pharmalab.

3.2 Sources

This research employs a scientific method to gather data for specific purposes, focusing on associative methods to examine how capability impacts work stress and employee performance at PT Royal Medicalink Pharmalab Makassar. Associative research aims to understand the relationships between two or more variables, potentially leading to the development of theories for explanation, prediction, and control of phenomena. The sampling technique used is simple random sampling, involving 105 employees from the company, ensuring each population member has an equal chance of selection. Slovin's formula is applied to determine the sample size for representative results. Data collection is conducted through surveys using questionnaires, which provide structured questions for respondents to answer.

3.3 Collection Technique

The data collection method used in this research is a survey method through questionnaires distributed to respondents, which is a method used to obtain the data needed in a study using certain tools. The data collection method in this research is a

survey and the data collection method tool used is a questionnaire. A survey is data collection carried out by giving a collection of questions or written statements to respondents to answer [6].

3.4 Processing

Work stress can be understood using the input-process-output model through three main approaches: stress as a stressor, as a process, and as a response. Stress as a stressor focuses on external factors such as unfair salaries, unsafe work environments, and non-conducive organizational cultures. These factors are sources of stress that create tension for employees. Stress as a process is viewed as an interaction between stressors and an individual's ability to cope. This determines whether the response is positive or negative. A positive response can motivate employees, while a negative one may suppress their performance. This approach highlights that stress can be either beneficial or harmful, but in daily life, it is often associated with negative effects. Stress as a response looks at how individuals react physically and psychologically to stress. According to Chaplin, stress manifests through both physical and mental tension. When work demands become overwhelming, stress can hinder employees' abilities to perform tasks and affect their well-being[7]. Schult & Schult emphasize that this psychological disruption can threaten one's existence and overall health[8]. Overall, work stress is a condition that disrupts both mental and physical balance, influencing emotions, thoughts, and behavior. It results from either personal or organizational factors and can lead to symptoms like anxiety, aggression, and reduced productivity. As Hasibuan [3] and Robbins [2] point out, stress is a dynamic state that can have significant consequences on employee performance, impacting their ability to cope with workplace demands.

4 Result and Discussion

The research conducted at PT Royal Medicalink Pharmalab Makassar reveals distinct effects of capability and work stress on employee performance. The findings indicate that capability has a positive and significant impact on employee performance. With a t-value of 3.858, which exceeds the t-table value of 1.67722, and a significant value of 0.000 (below the threshold of 0.05), the first hypothesis (H1) is accepted. This suggests that the higher the capability of employees, the better their performance. These results are consistent with previous studies, such as those by Vera Berliana Tutuk and Ari Arsanti [9], which demonstrated a similar positive relationship between self-efficacy, capability, and performance. Thus, it can be concluded that employees who possess higher levels of capability contribute more effectively to organizational success at PT Royal Medicalink Pharmalab Makassar. On the other hand, the research shows that work stress does not have a positive and significant effect on employee performance. The t-value for work stress is -0.481, which is below the required t-table value, and despite the significant value being 0.000, the hypothesis (H2) is rejected. This indicates that work stress does not enhance performance and may even detract from it. These results suggest that excessive work stress disrupts an employee's ability to maintain physical and psychological balance, making them less effective in their

tasks. In terms of descriptive analysis, the capability variable (X1) had an average score of 1.92, indicating that most respondents agreed with statements related to capability. For the work stress variable (X2), the average score was 3.07, suggesting that respondents generally agreed with statements regarding stress. Employee performance (Y) had an average score of 2.06, showing that respondents largely agreed with the items reflecting performance. The hypothesis testing through the F-test showed that capability and work stress together have a significant positive effect on employee performance, with a significant value of 0.000, further confirming the importance of capability in driving performance.

However, while capability positively influences employee performance on its own, work stress does not serve as a moderating factor in the capability-performance relationship, as shown by a significant value of 0.005, which rejects the moderating role of stress. The model's explanatory power, indicated by an R-squared value of 26%, reveals that capability and work stress together explain 26% of the variance in employee performance, while the remaining 74% can be attributed to other factors not covered in this study. In conclusion, the research underscores the importance of capability in improving employee performance, while work stress does not positively contribute to performance, emphasizing the need for organizations like PT Royal Medicalink Pharmalab Makassar to focus on enhancing employee capabilities rather than simply managing stress.

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