

The effect of motivation, work stress, and self esteem on employee performance through locus of control

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Abstract

This study aims to investigate the effect of motivation, work stress, and self-esteem on employee performance through locus of control at PT. Procity Surabaya. The sampling technique was purposive sampling that observed 90 employees as samples. Moreover, the analysis technique applied a data processing application, i.e., the SmartPLS 3.0. As the results of data analysis, this study indicated that the motivation had significant effect on employee performance; the work stress had insignificant effect on employee performance, the motivation had insignificant effect on employee performance through locus of control; the work stress had insignificant effect and on employee performance through locus of control; and the self-esteem had significant effect on employee performance through locus of control.

Keywords: Employee performance, motivation, job stress, self-esteem, locus of control.

Abstrak

Penelitian ini bertujuan untuk menguji pengaruh motivasi, stres kerja, dan self-esteem terhadap kinerja karyawan melalui locus of control pada PT. Procity Surabaya. Teknik pengambilan sampel dalam penelitian ini menggunakan metode purposive sampling dan menghasilkan 90 sampel karyawan. Sedangkan teknik analisis yang digunakan dalam penelitian menggunakan bantuan aplikasi pengolahan data Smart PLS 3.0. Berdasarkan hasil analisis data menunjukkan bahwa motivasi berpengaruh dan signifikan terhadap kinerja karyawan, stres kerja berpengaruh dan tidak signifikan terhadap kinerja karyawan, motivasi berpengaruh dan tidak signifikan terhadap kinerja karyawan melalui locus of control, stres kerja berpengaruh dan tidak signifikan terhadap kinerja karyawan melalui locus of control, dan self-esteem berpengaruh dan signifikan terhadap kinerja karyawan melalui locus of control.

Kata Kunci: kinerja karyawan, motivasi, stres kerja, self-esteem, locus of control.



Introduction

Property and real estate companies are one of the most important sectors as a driving force of the country's economy. In Indonesia itself, the real estate activity has expanded, indicating that the Indonesian economy is also growing. The rapid development of the property business requires a company to be better able to follow the dynamics that exist in the business environment. The rapid growth of property and real estate companies makes many companies in the same field vying to improve their performance to avoid losing to their competitors, all innovations and development strategies are carried out to increase customers.

PT. Procity is a property and real estate business headquartered in Surabaya. PT. Procity has a high commitment to its business, all projects are developed independently by Procity starting from land selection, housing design, unit construction, marketing, to managing paperwork, in contrast to other developers who generally develop a project by submitting it to other contractors. Just as businesses will generally have ups and downs, the same goes for Procity. Based on an interview with Mr. Tjandra Sundjaja, as the President Commissioner of PT. Procity, noted that in several years property sales at Procity were as follows:

In the figure 1, it can be seen that nearing the end of the year property and sales in Procity experienced a significant escalation because at the end of the year employees were competing to increase their sales targets by improving employee performance, especially marketing who had direct contact with prospective buyers. The large number of property units sold at the beginning of the offering year to the public was also a factor that was speculated to trigger a decline in employee performance in the following years.

Companies that have productive, innovative, creative, and loyal employees will have a competitive advantage that is very difficult to imitate, allowing companies to compete in similar industries. Poor employee performance will impact the assessment of customer trust in the company which results in decreased sales as people's trust decreases, so it becomes a challenge for each company to coordinate the management system within the company in order to optimize the performance of employees who work within the company.

Employee performance has a big role in the company's achievement. Good employee performance is a valuable asset for the company. According to Falikhatun (2003) stated that increasing employee performance at work is influenced by certain conditions originating from outside the individual called situational factors including leadership style, work environment, and organizational culture, while conditions emanating from individuals include gender, locus of control, personality, self-esteem, and self-efficacy. In achieving good employee performance, it is necessary to understand the individual's perception of who is dominant in regulating the things that happen in his life (locus of control).



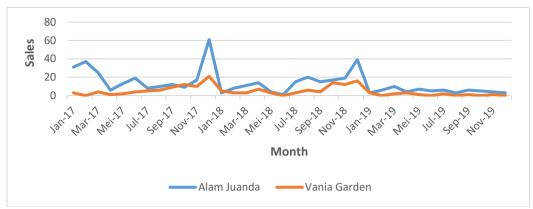


Figure 1. Sales Graph PT. Procity Surabaya

Locus of control is a perception from within the individual about the concept of who plays an important role in determining the events in his life (Rotter, 1996). Locus of control affects employee performance because the perception that is built by individuals, in terms of performance achievement, will be the main foundation in determining the next steps. People who have an internal locus of control will tend to consider themselves dominant and ignore aspects from outside themselves, while people who tend to be external locus of control will assume that what happens in his life is the fruit of things outside himself so that the individual tends to ignore aspects of himself (Spector, 1988).

Murti & Hudiwinarsih (2017) described that motivation is a condition or action that a person uses as an encouragement to do work to the fullest, this encouragement will increase employee morale in achieving their performance. If the motivation has been maximally carried out, but does not also improve employee performance, it could be because the individual is experiencing burnout or work stress which can be a barrier between encouragement and the reality of action.

Work stress is a fundamental issue that certainly occurs at work. Individual saturation in carrying out monotonous work routines can exacerbate work stress. According to Maharani & Akde (2018), work stress is a symptom of emotional exhaustion experienced by individuals in completing job demands. Work stress can be caused by work that does not vary, tasks are unclear, the workplace is dysfunctional and work control is insufficient. Employee performance is inseparable from matters relating to individual attitudes and behaviour at work which are called self-concepts (Robbins & Timothy, 2008). Self-concept when viewed from an employee's internal perspective is also known as self-esteem and when viewed from an employee's external perspective is known as self-efficacy. Self-esteem is the belief that individuals have as a result of the overall assessment. Self-esteem possessed by individuals will enhance their ability to do their best in their performance, in accordance with their assigned duties and responsibilities.

Based on the identification of the problems outlined above, the formulation of the problem is as follows: (1) Does motivation affect employee performance?; (2) Does work stress affect employee performance?; (3) Does self-esteem affect employee performance?; (4) Does motivation affect employee performance through locus of control as an intervening variable?; (5) Does work stress affect employee performance through locus of control as an intervening



variable?; (6) Does self-esteem affect employee performance through locus of control as an intervening variable?; The objectives of this study are as follows: (1) To determine and analyze the effect of motivation on employee performance; (2) To find out and analyze the effect of work stress on employee performance; (3) To find out and analyze the effect of self-esteem on employee performance; (4) To determine and analyze the influence of motivation on employee performance through locus of control as an intervening variable; (5) To determine and analyze the effect of work stress on employee performance through locus of control as an intervening variable; (6) To find out and analyze the effect of self-esteem on employee performance through locus of control as an intervening variable.

Research Methods

This type of research was quantitative and the population observed was employees who worked at PT. Procity Surabaya. PT. Procity Surabaya is a property company that provides housing for all people in Indonesia, including in Surabaya, Sidoarjo, Jember, and Madura. The company, which began operations in 2002, is a very successful, publicly trusted real estate company. The sampling technique used in this study is a non-probability sampling technique and through a purposive sampling technique. The purposive sampling technique is a sampling technique with certain considerations in selecting Sugiyono (2017). The criteria used in the selection of the sample include employees who had a minimum education of bachelor degree and were not managers and the company's board of directors, because the manager and the board were assessors of the company's human resources, thus they were not included from the total population of 105 employees, so those who meet the sample criteria were 90 employees. The data analysis technique used to solve the problems in this research was the PLS 3.0 application.

Result and Discussions

In the model equation 1 shows that the path coefficient value b1 which connects the motivation variable to the locus of control has a value of 0.265 which means that motivation and locus of control have a positive or unidirectional relationship, this indicates that if motivation increases, the locus of control will increase with the assumption that other variables are constant. Path coefficient b2 is 0066 and positive, it indicates that the relationship of work stress in line with the locus of control when work stress increases, the locus of control will increase, assuming other variables constant. While the path coefficient b3 is 0.387 and in positive direction, this indicates that self-esteem has a direct relationship with the locus of control, if self-esteem has increased, the locus of control will increase with assuming other variables are constant.



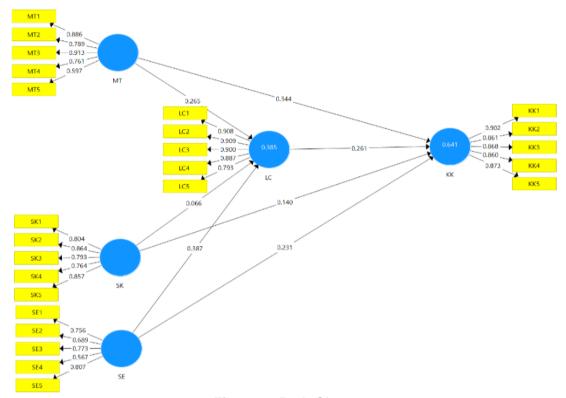


Figure 2. Path Chart Source: Output Smart PLS 3.0

$$LC = 0.265 MT + 0.066 WS + 0.387 SE + e1$$
 (1)

$$EP = 0.344 MT + 0.140 WS + 0.231 SE + 0.261 LC + e2$$
 (2)

The model equation 2 shows that the path coefficient value b4 is 0.344 and has a positive value, which shows that motivation has a direct relationship with employee performance, if motivation increases, employee performance will also increase. The path coefficient b5 shows a value of 0.140 and is positive, which indicates that work stress has a direct relationship with employee performance, if work stress increases, employee performance will increase. The path coefficient b6 presents a value of 0.231 and positive, which means that self-esteem has a direct relationship with employee performance, if self-esteem increases, employee performance will increase. While the path coefficient b7 has a value of 0.261 and positive, which means that the locus of control has a positive and unidirectional effect on employee performance, if the locus of control increases then employee performance will increase with the assumption that other variables are worth constant.

The analysis of measurement models (outer model) indicates that the value of Cronbach's alpha and composite reliability for all constructs in this study has a value greater than 0.7. Thus, it can be concluded that the questionnaire used as the research model is reliable in reflecting the variables used. Convergent validity shows that the outer loadings for the variables of employee performance, locus of control, motivation, work stress, and self-esteem have an outer loading value of more than 0.5 and the Average Variance Extracted (AVE) value on all variables in this study has a value above 0. ,5



which means that it meets the requirements of convergent validity. The cross loading value in this study is above 0.5 which means that each indicator used in this study has its own uniqueness and is able to capture phenomena that are not captured by other constructs, so that each indicator does not correlate with other variable measuring tools. In addition, the AVE root value has a high correlation in each variable. It can be concluded that the variables used in the study meet the requirements of discriminant validity.

The path coefficient value obtained from the original sample value in bootstrapping can be seen in table 1 below

Table 1. Path Coefficient Value

Variable	Original Sampel	
Locus of control → Employee Performance	0.261	
Motivation → Employee Performance	0.344	
Work Stress → Employee Performance	0.140	
Self esteem → Employee Performance	0.231	
Motivation → Locus of control	0.265	
Work Stress →Locus of control	0.066	
Self esteem → Locus of control	0.387	

The original sample value above shows the influence of the independent variable on the dependent variable. Furthermore, the R-square value of this study is given in the table below:

Table 2. R-Square Value

Variable	R-Square
Employee Performance	0.641
Locus of Control	0.385

This shows that 64.1% of changes in employee performance variables can be explained by variables of motivation, work stress, self-esteem, and locus of control, the remaining 35.9% is explained by other variables not included in the study. In addition to being an independent variable, locus of control is also included in the dependent variable. Locus of control as the dependent variable has an R square value of 0.385 or 38.5%. This shows that 38.5% of changes in the locus of control variable can be explained by the variables of motivation, work stress, and self-esteem, the remaining 61.5% can be discovered by other variables outside this study.

Table 3. Hypothesis Test Results

Variable	P value	Significance Value (α)	Information
Locus of control → Employee Performance	0.023	0.050	Accepted
Motivation → Employee Performance	0.022	0.050	Accepted
Workplace stress → Employee Performance	0.256	0.050	Rejected
Self esteem → Employee Performance	0.020	0.050	Accepted

Based on the results of the bootstrapping test on the motivation variable on employee performance, it shows a P value of 0.022 < 0.050. This proves that motivation has a significant effect on employee performance. Along this lines, the 1st hypothesis which states that motivation affects employee performance is accepted (H1



is accepted). P value for H2 is 0.256 < 0.050. This indicates that workplace stress has no significant effect on performance. Therefore, the second hypothesis which states that work stress affects employee performance is rejected. (H2 is rejected). P value for H3 is 0.020 < 0.050. Hence, the third hypothesis which states that self-esteem affects employee performance is acceptable (H3 is accepted).

Table 4. Specific Indirect Effect

Variable	Original Sample	P Value
MT→LC→KK	0.069	0.363
SK→LC→KK	0.017	0.674
SE→LC→KK	0.101	0.050

P value for H4 is 0.363 < 0.050. Thus, it can be concluded that the effect of motivation on employee performance through locus of control is not significant. Therefore, the fourth hypothesis which states that motivation affects employee performance through locus of control is rejected (H4 is rejected). The P value on H5 is 0.674 (greater than 0.05) so it can be seen that the effect of work stress on employee performance through locus of control is not significant. Consequently, the fifth hypothesis which states that work stress affects employee performance through locus of control is rejected (H5 is rejected). P value for H6 is 0.050 (equal to 0.050), then it can be signified that the effect of self-esteem on employee performance through locus of control is significant. Therefore, the 6th hypothesis which states that self-esteem affects employee performance through locus of control is accepted).

Motivation variable has a positive and significant effect on employee performance. The results of this significance level explain that with a change in motivation given to employees, it will have a significant influence on the performance of employees of PT. Procity. Viewed from the positive value of the coefficient, it can be seen that the direction caused by the influence of motivation on employee performance is unidirectional. In other words, if the company increases motivation to employees, the performance of employees working in the company will also increase. The results of this study support the research conducted by Sukmana & Gede (2019) which stated that motivation has a positive and significant effect on employee performance at Radio Republik Indonesia (RRI) Mataram. Work stress variable has a positive and insignificant effect on employee performance. The results of this significance level explain that changes in workplace stress do not have a significant effect in improving the performance of employees of PT. Procity. Workplace stress faced by employees, due to the addition of workloads and responsibilities, does not really show an increase in performance as expected with the addition of workloads and vice versa. This is because the increasing workload and often adding to work stress actually exacerbates the psychological and emotional state of workers in completing the work, so that the efforts that are expected to improve performance are less than optimal. The results of research and surveys show that the addition of work stress will not always lead to an increase in performance as stated in the attribution theory by Heider (1958) where an environmental condition full of demands will have a negative impact on a person. The results of this study support previous research conducted by Sutanto & Jesslyn (2018) who took the subject of research at the Duck King



Imperial Chef restaurant, Galaxy Mall Surabaya, in their research stating that work stress has no significant effect on employee performance.

The variable self-esteem has a positive and significant effect on the employee performance variable. The results of this significance level explain that a change in self-esteem in employees will have an influence on the performance of employees who work at Procity. This is due to the employees who pay attention to their psychological aspects are better able to handle themselves and set strategies to achieve job performance. The results of this study prove that the self-concept theory by Kreitner & Kinicki (2005) which argued that self-concept is a schema of ourselves compared to others and our role in the environment has an important role in the development of self-character, where a high self-concept will make us confident to achieve our goals which in the work environment is optimal performance. This study supports research previously conducted by Widyawati & Ni (2018) which stated that self-esteem had a positive and significant effect on employee performance.

The motivation variable has a positive and insignificant effect on employee performance through locus of control. The significance result proves that motivation is able to directly affect employee performance without involving locus of control or this is called Ummediated. The results of this study strengthen the attribution theory of Heider (1958) where all forms of employee actions must have causes and effects. It is similarly to optimal performance which has underlying causes such as providing sufficient motivation and perceptions of who is dominant in determining work results. The results of this study support the research conducted by Fadila (2016) with the results of the research stated that the relationship between motivation and employee performance through locus of control was not significant.

Job stress has a positive and insignificant effect on employee performance through locus of control. This significance result justifies the direct relationship of workplace stress to employee performance which previously stated that it was not significant, it can be said that the intervening variable cannot mediate the relationship between exogenous variables and endogenous variables. This is in line with Heider's attribution theory (1958) which states that a person's actions must have causes and effects. One of the causes in this case is the addition of work stress and the result is a decrease in innovation and creativity at work due to the decreased level of self-confidence of the employee. This study is in line with the research conducted by Wiriani, et al. (2017) where the research that took samples of Rural Bank employees in Badung Regency stated that work stress had no significant effect on employee performance through locus of control.

Self-esteem has a positive and significant effect on employee performance through locus of control. These significant results mean that the locus of control functions as a partial mediation where exogenous variables are able to influence endogenous variables directly or indirectly by involving mediator variables. The results of this study support the attribution theory by Heider (1958) where all human actions must have causes and effects. A sense of initiative, improvement, and competitiveness at work can arise because of how the company respects and trusts employees to be able to complete the work given, departing from this, employees of course do not want to disappoint the



company so they will do their best for their work so that employee performance is always under evaluation. optimal. This research is aligned with research conducted by Deany et al. (2016) which stated that self-esteem has a positive and significant effect on employee performance through locus of control.

Conclusion

Motivation has a positive and significant influence on employee performance. Workplace stress has a positive and insignificant effect on employee performance, which means that the higher the work stress, the better the performance. employees, but this is not fully applicable at PT. Procity Surabaya. Employees who think that the work stress they experience is too excessive will feel pressured in completing the task, so that even though the work stress is given because the company believes that the employee is able to complete the task well, in fact their performance is stable and there may be a decrease in employee performance.

Self-esteem has a positive and significant effect on employee performance. Motivation has a positive and insignificant effect on employee performance through locus of control, which means that the locus of control functions as Ummediated, which means that the intervening variable cannot do its job of mediating exogenous variables to endogenous variables. This proves that motivation is stronger, if it has a direct effect on employee performance than is mediated by locus of control. Job stress has a positive and insignificant effect on employee performance through locus of control, which means that locus of control does not mediate the relationship between exogenous variables and endogenous variables.

Work stress that is still within reasonable limits can slightly improve employee performance, but with employees who are dependent on external parties and lack confidence in themselves, their work results are less than optimal and tend to be stable. Self-esteem has a positive and significant effect on employee performance through locus of control, which means locus of control functions as a partial mediation where locus of control can clarify the effect of self-esteem on employee performance. Employees who have high self-esteem will believe that whatever happens in life, both positive and negative, is the result of their actions.

Managers and company leaders should maintain the provision of motivation that directly intersects with employee performance because according to research results, motivation has been proven to significantly improve employee performance. Companies should not only increase the workload, but also have to manage work stress that can be caused by these factors, because the results of the study prove that adding job descriptions and leadership pressure will not always improve employee performance. In fact, giving excessive work stress will cause performance to stagnate or even tend to decrease. The company should maintain how the company respects its employees by treating employees and maintaining good working conditions because according to the results of this study it proves that how the environment respects us will produce good self-esteem, as a result it can improve employee performance.

Companies should provide motivation that is considered to be able to



improve performance because according to the results of research motivation can directly improve performance. Besides, companies should look for other variables that can scientifically mediate the relationship between motivation and employee performance better than locus of control which according to research results does not mediate the relationship of motivation to employee performance. Companies should pay attention to the factors that will make employees experience workplace stress, especially stress caused by additional workloads because according to the results of this study work stress does not have a significant impact on increasing employee performance, either directly or mediated by the locus of control variable. Moreover, the company should conduct research on other variables that can mediate the indirect relationship of work stress to employee performance which was not examined in this study. Companies should maintain and manage how to respect employees properly because this can affect the formation of self-esteem which is proven to improve employee performance optimally. In addition, companies must control how to maintain employee perceptions of their destiny (locus of control) because these perceptions can clarify the relationship of self-esteem to employee performance.

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