The Influence of Work-Life Balance, Work Stress on Work Engagement and Performance at PT. PLN (Persero) UIW Aceh during the Covid-19 Pandemic: Collectivism and Individualism as Moderators

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ABSTRACT

This study is to test the work-life balance, work stress on work engagement, and performance of PT. PLN (Persero) UIW Aceh (PLN Aceh) during the COVID-19 pandemic: collectivism and individualism as moderators. The population was employees at PLN Aceh, totaling 879 people. The number of samples was determined using a formula 5 times the number of indicators, totaling 135 samples. The result showed that work-life balance affects work engagement, work stress affects work engagement, work-life balance does not affect organizational performance, work stress affects organizational performance, collectivism and individualism affect organizational performance, work engagement influences organizational performance, work engagement fully mediates the work-life balance impact on organizational performance, work engagement partially mediates the work stress impact on organizational performance, collectivism and individualism moderate the work-life balance impact on organizational performance, and collectivism and individualism moderate the work stress impact on organizational performance. These findings reveal that the model for improving performance at PLN Aceh during the COVID-19 pandemic is a function of balancing work-life, reducing work stress, strengthening work engagement, and strengthening collectivism and individualism. These findings, which are a form of managerial model, can contribute to theory development and strengthen further research.

Keywords: Organizational Performance, Work Engagement, Collectivism and Individualism, Work-Life Balance, and Work Stress

1. Introduction

The company as an organization has a goal of making a profit, by increasing employee performance, the company's performance will automatically increase. The PLN company became a State-Owned Enterprise (BUMN) in 1985 and played the role of Holder of Electricity Business Authorization (PKUK) with the obligation to provide electricity for the public interest. This company has a vision "to become the best generation, distribution, and customer service management unit in Southeast Asia and the #1 choice of customers for energy solutions in Aceh Province". Supporting this vision, PLN determines a mission that consists of (1) managing small-scale generation activities, distributing electricity with the quantity, quality, and reliability according to established standards, (2) managing trade and customer management as well as selling electricity to meet needs and customer satisfaction levels and improve company performance, (3) manage company resources and assets efficiently. The
vision and Mission of PLN Aceh demonstrate the company's focus on improving HR quality management to meet customer satisfaction. This is also stated in PLN's values which are a guide for all PLN personnel in the mindset, attitude, and daily behavior at work to contribute to the company. These values are formulated in the form of AKHLAK (Trustful, Competent, Harmonious, Loyal, Adaptive and Collaborative). The values that lead to improving the quality of human resources with good management are listed in the competent and adaptive points. Competent means HR at PLN company must (1) continue to learn and develop capabilities, with behavioral guidelines, (2) improve self-competence to respond to ever-changing challenges, (3) help others learn, and (4) complete assignments with the best quality. The next point is Adaactive which means HR at PT. PLN Persero must (1) continue to innovate and be enthusiastic in driving or dealing with change, with behavioral guidelines, (2) adapt quickly to become better, (3) continuously make improvements following technological developments, and (4) act proactively. However, the performance of PLN Aceh in recent years has shown inconsistent figures. For the 2017-2021 period, it experienced fluctuations whereas in 2021 performance decreased by -3.42 percent from 2020. The following is PLN Aceh performance distribution for the 2017-2020 period.

![Figure 1 Performance of PLN Aceh in the 2017-2021 period](image)

One measure of organizational success is human resources. Low performance is part of the behavior of employees who are not attached to their work. In everyday life, one can find the phenomenon of employees who do not have work engagement, namely employees who are defined as someone who break away from their work, and are not physically, cognitively, and emotionally attached while carrying out their role. (Kompas & Sridevi, 2010) stated that employees who are not engaged may spin (wasting their efforts and talents on tasks that may be problematic), show no full commitment, disengage, and have further doubts about their organization.

Employee engagement is needed by every organization. Companies with employees who have work engagement will get various benefits. (Robertson-Smith & Markwick, 2009) explain that engaged employees are people who are happy and fulfilled in their jobs, feel motivated to do well, and help the company succeed. They know that their work makes a difference, and they are committed to helping the company. To achieve their goals, people want to be part of what's happening in the company. They feel proud to work for the company and often talk about how the company helps them. The research by (Yongxin, D, Xie, & Lei, 2017) shows that engagement is positively related to performance. Luh et al's (2016) research also shows that engagement affects performance. (Kim, Kolb, & Kim, 2013) proved that work engagement affects performance. The pre-survey with 40 respondents to the Work Engagement variable
shows a mean value of 3.72, which means that Work Engagement is good, this indicates that many employees are already able to carry out Work Engagement in carrying out their duties. However, there are still indicators whose scores are still low, namely feeling attached to work because the average value is 3.05 on the Likert scale unit. This is one of the main focuses that must be found in positive solutions in realizing Work Engagement because it will also have an impact on improving performance.

One of the factors that influence work engagement and organizational performance is Work-Life Balance (Kort, 2016). The results by (Orogbu, Onyeizugbe, & Onyeizugbe, 2015) have proven that Work-Life Balance has a significant positive correlation with the performance of commercial bank employees in the state of Lagos. According to (Mendis & Weerakkody, 2018), Workers who have high work engagement are individuals who can work hard, of course, this will have a big impact on the success of a company or organization (Macey & Schneider, 2008). In general, workers look for opportunities to learn and improve their skills, where there is employee welfare so that individuals can work for organizations with a reputation as a good company. The driving factor for Work Engagement is the quality of life owned by workers where there is a balance between life and work or Work-Life Balance (Hewitt, 2011). The higher the Work-Life Balance owned by an employee, the higher the Engagement he has. Conversely, if an employee has a low level of Work-Life Balance, the lower the level of Engagement he has (Kort, 2016). Pre-survey with 40 respondents to the Work-Life Balance variable, provides a mean value of 3.54 was obtained, which means that the Work-Life Balance is good. However, there are still indicators whose scores are still low, namely, employees do not have a balance of time between work and personal life and employees are not satisfied with what I do both at work and other things. This is one of the main focuses that must be found in positive solutions in realizing Work-Life Balance because it will also have an impact on improving performance.

The next factor that affects work engagement and performance is work stress. Work stress is a condition of tension that affects emotions, thought processes, and a person's condition in carrying out work. So, when nurses and midwives experience work stress in carrying out their work, this will have an impact on work enthusiasm, dedication, and appreciation for the work being carried out. Sources of Occupational Stress in the nursing and midwifery professions are related to interactions with patients and other health professionals. The monotonous work process and the obligation of nurses and midwives to always be friendly to patients can cause work stress. According to (Robbins & Judge, 2017), the symptoms of Work stress consist of physiological symptoms, psychological symptoms, and behavioral symptoms, where the factors cause stress in employees come from environmental factors, organizational factors, and individual factors. The occurrence of work stress cannot be considered trivial, because work stress can hinder employee performance and productivity, which in turn affects the organization. (Ariawa & Sriath, 2018) shows that work stress affects work engagement. Stress is a dynamic condition in which individuals face opportunities, constraints, or demands related to their desires and the results of which the certainty is unknown and this is perceived as important. According to (Hon & Chan, 2013), stress is the result of a feeling of dissatisfaction with the work situation and this causes withdrawal behavior from work. (Aulia, 2017) reveal that work stress experienced by employees has a negative correlation with performance. Research conducted by (Tampi, Pio, & Tampi, 2017) shows that if the stress value is high, the performance value will be low, and the opposite is true. Pre-survey with 40 respondents to the
work stress, provides an average value of 3.64, which means that Work Stress is good. However, there are indicators whose scores are still low, namely, employees feel the workload is too high and the available work time is not enough to complete the job. Thus, reducing employee work stress is the main focus for improving performance.

The next factors are Collectivism and Individualism. Idiocentrism.allocentrism stands for individualism and collectivism personal level orientation (Gabel-Shemueli, Westma, Chen, & Bahamonde, 2019). Based on a pre-survey with 40 respondents to the Collectivism and Individualism variables, an average value of 3.56 was obtained, which means that Collectivism and Individualism are good. However, there are still indicators whose scores are still low, namely, employees do not give maximum work for the progress of the company and employees always expect more than what the company has given them. Thus collectivism and individualism are still not optimal. This study uses the variables Collectivism and Individualism as moderators because Collectivism and Individualism are ways of behaving in an employee's work. Good behavior will cause employees to have a balance in life and have less work pressure. Thus the existence of Collectivism and Individualism is expected to increase the Work-life balance and Work Stress impact on organizational performance.

2. Literature

Organizational Performance

Organizational performance is how well a company does and shows if it is successful. It comes from how the people in the company behave. For a group, good results come from working together to achieve the goals of the organization. Organizational performance refers to the overall work results that an organization achieves. When an organization successfully reaches its goals, it means that the organization is performing well and can reach the goals set beforehand (Surjadi, 2009). Organizational performance means how well a company is doing over a certain period. This includes things like what goes into the company, what comes out of it, the results and benefits, and the overall effect it has. Service performance measurement according to (Zeithaml, Bitner, & Gremler, 2018) consists of ten service indicators, including:

1. Physical appearance; facilities, equipment, employees, and communication equipment.
2. Reliability; the ability to perform the promised service accurately.
3. Responsiveness: willingness to help customers and provide service sincerely.
4. Expertise; Emphasize skills and knowledge in providing services.
5. Politeness; polite, respectful, considerate, and friendly in their dealings with customers.
6. Credibility; value customer trust, trustworthiness, and honesty in service providers.
7. Security; service free from harm, risk, or penalty.
8. Communication; inform customers in a language that is easy to understand and hear what they are talking about.
9. Access; closeness and ease in the relationship between the customer and the service provider.
10. Understanding of the customer (understanding the customer); make an effort to find out what the customer wants.

Work Engagement

According to (Albrecht, 2010), work engagement is a mysterious force that makes employees committed to their organization, feel proud of their work, put in a lot of effort and time, and
have a passion and interest in what they do. This force motivates employees to perform better at work. (Bakker & Xanthopoulou, 2013) say that work engagement means feeling good and satisfied with your job. It has three parts: having energy and enthusiasm (vigor), being dedicated and committed to your work, and being so focused on your work that you lose track of time (absorption). According to (Schaufeli, Bakker, & Salanova, 2006), the indicators of engagement are:

1. Passion for doing work
2. Not easily give up
3. Take pride in doing a complete job
4. Putting my heart and soul into one job
5. Feel attached to work
6. Focus when working

Work-Life Balance

In working, an employee must be able to balance the time when working and the time before and after work. (Ramadhani & Hendrasti, 2013) revealed that Work-Life Balance is a person's ability to balance work demands with personal and family needs. In line with the theory above, Work-Life Balance is defined as the ability of an individual to fulfill their work and family commitments and other non-work responsibilities (Ganapathi, 2016). According to (Pangemanan, Pio, & Tumbel, 2017), indicators for measuring work-life balance consist of:

1. Time balance: the time amount that can be given to individuals, for work and things outside of work.
2. Involvement balance: the amount of psychological involvement and individual commitment to work and matters outside of work.
3. Satisfaction balance: the total level of satisfaction of an individual with his work activities and things outside his work

Work Stress

Work stress is when people have to deal with things at work that they find difficult or demanding, and they are not sure what the outcome will be, but it is important to them (Robbins & Judge, 2017). Stress is when someone feels tense and it affects how they feel, think, and their body. When someone cannot manage stress well, it often makes it hard for them to communicate and deal with their surroundings, both at work and outside of work.

Indicators of Work Stress according to (Mangkunegara, 2017) are as follows.

1. Workload
2. Working time
3. Feedback
4. Responsibility

Collectivism and Individualism

Idiocentrism-allocentrism stands for individualism and collectivism personal level orientation (Gabel-Shemueli et al., 2019). Society plays an important role in causing the two dimensions above the average to be higher. However, individual trends may differ from the community because personal experience is very influential. At the individual level,
idiocentrism and allocentrism can be characterized as a set of values that can influence the way a person behaves, perceives, and controls the situations he encounters at work. (Dorfman & Howell, 1988), assessed the cultural orientation dimensions of Collectivism and Individualism at the individual level with four items, namely:

1. Group well-being is more important than individual rewards
2. Group interests are more important than individual interests
3. Work optimally for the progress of the company
4. Don't expect more than what the company has provided

3. Method

The population who took part in this study was 879 employees working at PLN Aceh. The formula used to determine the number of samples was 5 times the number of indicator variables, which is one of the sampling techniques for the Structural Equation Modeling (SEM) testing method (Ferdinand, 2014), which is used to test this research model, via AMOS software. In this case, there were a total of 27 indicators used. Therefore, the total number of samples needed was 135. The hypothesis for the case is as follows.

H1: Work-life balance affects work engagement at PLN Aceh.
H2: Work stress affects work engagement at PLN Aceh.
H4: Work Stress affects organizational performance at PLN Aceh.
H5: Collectivism and Individualism affect organizational Performance at PLN Aceh.
H6: Work engagement affects organizational performance at PLN Aceh.
H7: Work Engagement mediates the Work-Life Balance impact on Organizational Performance at PLN Aceh.
H8: Work Engagement mediates the Work Stress impact on Organizational Performance at PLN Aceh.
H9: Collectivism and Individualism moderate the Work-Life Balance impact on Organizational Performance at PLN Aceh.
H10: Collectivism and Individualism moderate the Work stress impact on Organizational Performance at PLN Aceh.

4. Result

The model test was carried out after analyzing the SEM, as shown below.

**Table 1. Standardized Regression**

<table>
<thead>
<tr>
<th></th>
<th>Estimates</th>
<th>SE</th>
<th>CR</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Engagement --- Work-life balance</td>
<td>0.640</td>
<td>0.077</td>
<td>3.542</td>
<td>0.000</td>
</tr>
<tr>
<td>Work Engagement --- Work Stress</td>
<td>-0.438</td>
<td>0.073</td>
<td>-3.181</td>
<td>0.001</td>
</tr>
<tr>
<td>Organizational Performance --- Collectivism and Individualism</td>
<td>0.198</td>
<td>0.052</td>
<td>2.860</td>
<td>0.004</td>
</tr>
<tr>
<td>Organizational Performance --- Work-life balance</td>
<td>0.080</td>
<td>0.105</td>
<td>-0.080</td>
<td>0.936</td>
</tr>
<tr>
<td></td>
<td>Estimates</td>
<td>SE</td>
<td>CR</td>
<td>P</td>
</tr>
<tr>
<td>--------------------------------</td>
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<td>--------</td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>-0.271</td>
<td>0.163</td>
<td>2.402</td>
<td>0.044</td>
</tr>
<tr>
<td>Work Stress</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Performance</td>
<td>0.540</td>
<td>0.072</td>
<td>2.724</td>
<td>0.005</td>
</tr>
<tr>
<td>Work Engagement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**H1: Work-Life Balance Contribution to Work Engagement**

The work-life balance impact testing on engagement obtained significance 0.000, which means Work-Life Balance influences the increase in Work Engagement. The Work-Life Balance impact size on Engagement is 0.640 or 64.0%, indicating that better Work-Life Balance will have a positive and real influence on increasing Engagement.

**H2: Work Stress Contribution to Work Engagement**

The work stress impact testing on engagement obtained significance 0.001, which means work stress affects the increase in work engagement. The Impact size of Work stress on Work Engagement is -0.438 or -43.8%, indicating the higher the stress, the lower the engagement.

**H3: Work-life Balance Contribution to Organizational Performance**

The impact model of Work-Life Balance on Organizational Performance obtained significance 0.936, which means Work-Life Balance does not affect Organizational Performance because the significance > 0.05.

**H4: Work Stress Contribution to Organizational Performance**

The work stress impact testing on organizational performance obtained significance 0.044, which means stress influences Performance. The Impact size of stress on Performance is -0.271 or -27.1%, indicating a higher level of Work stress will further reduce Organizational Performance.

**H5: Collectivism and Individualism Contribution to Organizational Performance**

The impact model of collectivism and individualism on performance obtained significance 0.004, which means collectivism and individualism affect performance. The Work-Life Balance impact size on Performance is 0.198 or 19.8%, indicating a higher level of Collectivism and Individualism will further improve Organizational Performance.

**H6: Work Engagement Contribution to Organizational Performance**

The impact model of Engagement on Performance obtained significance 0.005, which means Work Engagement affects Organizational Performance. The impact size of Engagement on Organizational Performance is 0.540 or 54.0%, indicating that higher Work Engagement will have a direct influence on Organizational Performance.

**H7: Work-life Balance Contribution to Organizational Performance through Work Engagement**

The Sobel test reveals the result is 5.568 and p 0.000. Thus, Work Engagement acts as a mediator of Work-Life Balance impact on Organizational Performance. So, because
Engagement has a significant effect and acts as a mediating variable, and Work-Life Balance has no significant effect on Organizational Performance, so the Engagement role in mediating the Work-Life Balance impact on Organizational Performance is fully mediating. Full means work-life balance can only influence organizational performance through engagement.

Table 2. Work-Life Balance Impact on Organizational Performance Through Work Engagement

<table>
<thead>
<tr>
<th>Input:</th>
<th>Test statistic:</th>
<th>Std. Error:</th>
<th>p-value:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a 0.640</td>
<td>Sobel test: 5.56821224</td>
<td>0.0620666</td>
<td>3e-8</td>
</tr>
<tr>
<td>b 0.540</td>
<td>Arolan test: 5.54613062</td>
<td>0.0623137</td>
<td>3e-8</td>
</tr>
<tr>
<td>s_b 0.077</td>
<td>Goodman test: 5.59055952</td>
<td>0.0618185</td>
<td>2e-8</td>
</tr>
</tbody>
</table>

H8: Work Stress Contribution to Organizational Performance Through Work Engagement

The Sobel test figures the result is -4.685 and p 0.000. Thus, Work Engagement acts as a mediator of Work stress impact on Organizational Performance. So, because work engagement has a significant effect and acts as a mediating variable, and work stress affects performance, so the work engagement role in mediating work stress impact on organizational performance is partially mediating. Partial means that work stress can affect performance either through engagement, or without engagement (directly).

Table 3. Work Stress Impact on Organizational Performance Through Work Engagement

<table>
<thead>
<tr>
<th>Input:</th>
<th>Test statistic:</th>
<th>Std. Error:</th>
<th>p-value:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a -0.438</td>
<td>Sobel test: -4.68621286</td>
<td>0.05048223</td>
<td>0.0000028</td>
</tr>
<tr>
<td>b 0.540</td>
<td>Arolan test: -4.66002336</td>
<td>0.05075511</td>
<td>0.00000316</td>
</tr>
<tr>
<td>s_b 0.073</td>
<td>Goodman test: -4.7108153</td>
<td>0.05020787</td>
<td>0.00000247</td>
</tr>
</tbody>
</table>

Moderation Effect Testing (H9 and H10)

Table 4. Moderation Effect

<table>
<thead>
<tr>
<th>Performance</th>
<th>Collectivism and Individualism</th>
<th>Estimates</th>
<th>SE</th>
<th>CR</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Collectivism and Individualism</td>
<td>0.125</td>
<td>0.085</td>
<td>1.395</td>
<td>0.163</td>
</tr>
<tr>
<td>Performance</td>
<td>Work-life balance</td>
<td>-0.056</td>
<td>0.057</td>
<td>-0.900</td>
<td>0.368</td>
</tr>
<tr>
<td>Performance</td>
<td>Work Stress</td>
<td>-0.042</td>
<td>0.127</td>
<td>-0.343</td>
<td>0.730</td>
</tr>
<tr>
<td>Performance</td>
<td>X1.M</td>
<td>0.726</td>
<td>0.008</td>
<td>6.130</td>
<td>0.000</td>
</tr>
<tr>
<td>Performance</td>
<td>X2.M</td>
<td>-0.152</td>
<td>0.102</td>
<td>-1.490</td>
<td>0.140</td>
</tr>
</tbody>
</table>

Testing the first (H9) moderating effect on the moderating role of Collectivism and Individualism on the impact model of Work-Life Balance on Organizational Performance. The test results show that the coefficient β4 = 0.125 with significance 0.163, where collectivism
and individualism have no significant effect on organizational performance. The coefficient $\beta_5 = 0.726$ with significance 0.000, where the interaction between Collectivism and Individualism and Work-Life Balance affects Organizational Performance. This shows that Collectivism and Individualism are pure moderators of the impact model of Work-Life Balance on Performance.

Testing the second (H10) moderation effect on the moderating role of Collectivism and Individualism on the impact model of Work stress on Organizational Performance. The test results show that the coefficient $\beta_4 = 0.125$ with significance 0.163, where collectivism and individualism affect organizational performance. The coefficient $\beta_6 = -0.152$ with significance 0.016, where the interaction between Collectivism and Individualism, and Work stress also affects Organizational Performance. This shows that Collectivism and Individualism are pure moderators of the impact model of stress on Organizational Performance.

5. Conclusion

The result concludes that at PLN Aceh during the COVID-19 pandemic, work-life balance affects work engagement, work stress affects work engagement, work-life balance does not affect organizational performance, work stress affects organizational performance, collectivism and individualism affect organizational performance, work engagement influences organizational performance, work engagement fully mediates the work-life balance impact on organizational performance, work engagement partially mediates the work stress impact on organizational performance, collectivism and individualism moderate the work-life balance impact on organizational performance, and collectivism and individualism moderate the work stress impact on organizational performance. These explain the model for improving performance at PLN Aceh during the COVID-19 pandemic is a function of balancing work-life, reducing work stress, strengthening work engagement, and strengthening collectivism and individualism. These findings, which are a form of managerial model, can contribute to theory development and strengthen further research. Empirically, the results of the model's findings and the data can be a basis for practitioners, especially PLN Aceh leaders, to develop their company's strategy in the future. Some of the resulting recommendations are as follows.

1) To improve Work-Life Balance, organizations must provide a good quality work environment.
2) In reducing employee work stress, organizations must provide changes to the job design system so that employees can easily complete work.
3) For the work-life balance variable, the lowest average value is obtained at having a balance of time between work and personal life. This can be a concern for the organization to provide direction to employees to be able to share their interests in work and personal life.
4) For the work stress variable, the lowest average value is obtained at feeling the workload is still acceptable. This can be a concern for the organization so as not to give workload to employees beyond the ability of employees.
5) For the work engagement variable, the lowest average value is obtained for choosing focus while working. This can be a concern for the organization so as not to give directions to employees to focus more on work when they are in the office and put aside personal matters.
6) For collectivism and individualism variables, the lowest average value is obtained at do not expect more than what the company has provided. This can be a concern for
organizations to provide a lot of attention to employees by providing appropriate compensation or incentives to increase employee motivation.

7) For the organizational performance variable, the lowest average value is obtained for providing closeness and ease with customers. This can be a concern for the organization so that in the future it can provide convenience to customers in obtaining services.

References


