

To cite this article: Ruslianyah Rusliansyah, Tetra Hidayati and Siti Amalia (2023). Antecedents of Employee Performance Moderated by Employee Engagement at PT. Adimitra Baratama Nusantara–Kutai Kartanegara, Indonesia. International Journal of Education, Business and Economics Research (IJEER) 3 (1): 1-17

**ANTECEDENTS OF EMPLOYEE PERFORMANCE MODERATED BY EMPLOYEE ENGAGEMENT AT PT. ADIMITRA BARATAMA NUSANTARA–KUTAI KARTANEGARA, INDONESIA**

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**ABSTRACT**

Every organizational structure is required to maintain commitment and work atmosphere, so that it synergizes with a conducive work environment. The research motive is to analyze the direct and indirect effects of work stress, compensation, and quality of work life on the performance and work involvement of employees of PT. Adimitra Baratama Nusantara. A total of 95 respondents who were invited to be interviewed were employee oriented at PT. Adimitra Baratama Nusantara. To test the hypothesis analysis, the authors use data analysis that focuses on: compensation, quality of work life as an exogenous variable, work involvement as a moderating variable, and performance as an endogenous variable. The output of this study are: (1) work stress has no significant effect on performance, (2) compensation has a significant effect on performance, (3) quality of work life has a significant effect on performance, (4) work involvement has a significant effect on performance, (5) work involvement as a moderation has a negative and significant effect on performance, and (7) work involvement as a moderation has a significant effect on quality of work life on performance. The practical implications highlighted indicate that the more work stress increases, the more performance decreases. In addition, the paper output also discusses several suggestions for managerial policies, theoretical contributions, and academic implications that can help improve employee performance.

**KEYWORDS:** work stress, compensation, QWL, job involvement, employee performance, survey, SEM–PLS.

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Published Online: Jan 2023

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## 1. INTRODUCTION

The mining sector is one of the pillars of a country's economic development, because of its role as a provider of energy resources that are very necessary for a country's economic growth [1]. The rich potential of natural resources will be able to grow the opening of companies to carry out mining exploration for these resources. One of the mining sectors in Indonesia is the coal sector [2]. Indonesia is one of the largest coal producers and exporters in the world. In the competitive mining business competition, this cannot be separated from the quality of its human resources.

Many publications have studied the various influences on employee performance. One of the main topics considered in each study is compensation, also known as employee bonuses. Bonuses are given to employees by their companies for completing the responsibilities and obligations assigned to them. In turn, this encourages high performance from employees because they know they are being rewarded for their work.

Compensation according to Dessler [3] is all forms of payment or gifts given to employees and arise from their work. Many organizations consider indirect payments to be an important aspect of their overall financial strength. Subekhi [4] stated that this is because it affects the quality of human strength of employees. One can pay employees directly or indirectly instead. Suwanto & Priansa [5] and Kreitner & Kinicki [6] suggest that compensation motivates employees to work. Both statements from these books suggest that more than financial gain is important when considering compensation. This includes benefits and opportunities for personal growth, as well as a positive work environment. Besides, both statements state that the development of professional relationships and a comfortable work environment motivate employees to work.

The second factor that affects employee performance is work stress. Job stress is a mental disorder that is faced by a person due to pressure that comes from within and from outside. Feelings of pressure experienced by employees in dealing with their work. Bhui et al. [7] stated that work stress is a condition that suppresses a person's self and soul beyond the limits of his ability, so if it continues to be left without any solution, then this will have an impact on his health. Stress does not just arise, but the causes of stress arise are generally followed by event factors that affect a person's psyche and the event occurs beyond his ability so that the condition has suppressed his soul. Gaol [8] and Schneider man [9] define stress as a person's adaptive response to stimuli that place excessive psychological or physical demands on him.

Quality of work life (QWL) improves employee performance. One of the other goals of the QWL concept is to improve employee performance at work. A study by showed that the quality of work life affects employee performance [10-11]. This proves that the higher the quality of work life, the better the performance of employees. Because the relationship between employees and companies is dominant, companies must pay special attention to human resource management.

The third factor that affects employee performance is involvement, which has a positive impact on employees who behave positively in carrying out the duties and responsibilities given to the company about performance. In the perspective of Bakker [12], Macey & Schneider [13], and Rout [14] employee engagement is often understood as a psychological or effective state, for example

commitment, involvement that influences role performance, business, organizational behavior, or attitudes.

During the Covid-19 outbreak, there was a change in working hours. The normal shift schedule that applies to this mining company during normal times (without a pandemic) there are 2 groups. The first group 5 with 2 days of field rest workers working a day (i.e., a worker is entitled to two days of field rest after working one day). During that time, employees at PT. Adimitra Baratama Nusantara (ABN) has four weeks of work and two weeks of field rest. This shift time system is well known in the mining world with a roster system. This is further divided into two working hours (called shifts) for daily work performance, where 1 shift is 12 hours. The first distribution is from 06.00 to 18.00, then from 18.00 to 06.00.

After two weeks, field service employees change shifts (first to night, then from night to 14 days of field rest). For each department that goes to the production department, there are 3 work units (crews), and no work unit maintains the continuity of production time. On the other hand, employees who do not work in field service departments have an average of 12-hour shifts per day. Then work 14 days, then take time off, work another 14 days, and finally get 14 days off the field. With the implementation of strict health protocols, companies are required to think about ways to be able to carry out production without neglecting the health and safety of their employees. Uniquely, changes were made during shifts to minimize the effect of restrictions of the Covid-19 protocol, both starting at the district, provincial, and even national scale.

With a system of changing shifts and reduced production and export of coal, the work situation has decreased, employee performance has decreased because the number of employees working on one shift has decreased, this is because some employees are exposed to Covid-19 and must self-isolate even to the point of being hospitalized, with a reduced number of employees increasing work stress, the amount of compensation is also reduced because new stone exports are reduced. Too, there is a drastic reduction in employees, the quality of work life is also low, concern for the work of fellow co-workers is decreasing, employee work involvement is decreasing, and this has an impact on employee performance.

The contributions and study agenda are expected to provide benefits to several companies, academics and employees as described below:

- Exploring the effect of work stress, compensation, quality of work life, and work involvement on employee performance at PT. Adimitra Baratama Nusantara.
- Exploring the effect of work involvement as a moderator in the relationship of work stress, compensation, and quality of work on employee performance at PT. Adimitra Baratama Nusantara.

## **2. THEORETICAL FOUNDATIONS AND HYPOTHETICAL LITERATURE**

### **2.1 Work stress and performance**

Work stress is a state of tension that causes physical and psychological imbalances that affect emotions, thought processes, and the state of an employee. In this context, pressure is caused by the work environment or the place where the employee works [15]. Meanwhile, Anderson & Pulich [16] consider that this is a dynamic state, where individuals are presented with opportunities, coercion, or demands about what they want, and the results are considered uncertain.

Sopiah [17] confirmed that optimal work stress management can improve performance, but poor handling of work stress can trigger job dissatisfaction. In line with Dessler [3] who showed that work stress can trigger poor employee performance. Eliyana et al. [18] showed that employees who are satisfied with their jobs have a positive impact on achieving personal performance. This was confirmed by the opinion of Jaafar [19], who showed a strong negative relationship between feelings of stress and job satisfaction of employees in achieving their own results. The findings by Rachman [20] and Wulan et al. [21] found that work stress has a positive impact on performance.

*H1: Work stress has a positive effect on employee performance.*

### **2.2 Compensation and performance**

For companies, employees are a complex HR urgency to achieve company goals. Providing compensation to employees is a form of remuneration provided by the company for the performance that employees have provided. If the compensation in the company is considered appropriate by employees, it can affect employee performance and loyalty. Most of the work demonstrations that were voiced were caused by dissatisfaction with the wages given. Compensation payments are generally given based on achievements and abilities, but if employees with minimal achievements and abilities will feel pressured. Therefore, the provision of compensation is adjusted to the needs of these employees.

Organizational productivity and HR management have a one-way relationship with other components. If employees are properly managed it includes: job analysis, recruitment, training, and motivational tools such as compensation. That way, compensation is one way to increase employee motivation. The studies highlighted by Candradewi & Dewi [22], Saman [23], and Samodro & Kustini [24] concluded that compensation has a significant effect on employee performance. Cahyanugroho et al. [25] and Permana & Bharoto [26] show that compensation has no effect on employee performance.

*H2: Compensation has a positive effect on employee performance.*

### **2.3 Quality of work life and performance**

QWL is a way of thinking about people, work, and organizations that focuses on the impact work has on employees and organizational effectiveness. Besides providing participatory ideas in solving organizational problems and decision-making, QWL is intended as a personnel reaction at work, especially in relation to work needs satisfaction and psychological health. According to QWL, it refers to whether the work environment is pleasant or not [27].

QWL is a key issue for organizational sustainability towards competitive advantage [28]. In essence, relative QWL contributes to the progress of organizational members. Many companies often ignore employee welfare conditions such as: poor placement, job rotation, job security, and premature payments, so this situation is a cause for concern that should be investigated. The main polemic in QWL must receive special attention from the organization. In practice, QWL indicates a notion of increasing the responsibility of members to the organization. Studies discussing the relationship between QWL and its positive effect on performance were investigated [29-30].

*H3: QWL has a positive effect on employee performance.*

#### **2.4 Work involvement and performance**

Work involvement is the level of work to maintain self-esteem and employee performance. Razak et al. [31] explained that job involvement is related to individual psychology, which is important for company image. At the same time, work involvement is also related to personal characteristics and the nature of tasks that support social aspects, for example teamwork, decision-making participation, how many employees support organizational goals, show achievement, and progress [32]. When employees are given the opportunity to accommodate their ideas in a decision-making, then their involvement can build a more optimal performance. Viewed from various points of view, the employees' aspirations are automatically bridged by the company, which ultimately determines a comprehensive policy.

In certain instances, participation in work has a positive effect on performance [33]. Encouraging employee involvement in work is an efficient strategy for improving performance. But, employees who don't want to be more involved in work are seen as paying less attention to the company and those who do tend to work on a regular basis. Low employee participation causes a lack of sensitivity and concern for the organization, thus slowly decreasing performance. For some employees, believing that their role is not really necessary for the company stimulates a situation that is contrary to the intensity of responsibility, achievement, recognition, and self-esteem.

*H4: Work involvement has a positive effect on employee performance.*

#### **2.5 Work stress and work involvement with performance**

In essence, management needs to improve the quality of the employee's organizational environment to ward off the stress they face that affects their performance. Controlling stress levels can help employees to be more concentrated, alert, and creative at work. Conversely, excessive stress levels lead to poor performance [34-35].

Although stress at work is not a new phenomenon, it has the potential to become a major threat to the health and well-being of workers in the future [36]. Employees can respond to these stressful conditions in a relaxed way or vice versa. Stress is seen as positive if it is an opportunity if stress can stimulate them to increase their productivity, but it is negative if employees reduce their performance. As a result, there are both constructive and destructive consequences for employees and the company. The effect of these results is a decrease or increase in productivity within a certain period of time.

*H5: Work involvement mediates the relationship between work stress and employee performance.*

## **2.6 Compensation and work involvement with performance**

Giving compensation from the company to employees must be considered seriously to maintain sustainable performance. Also, compensation also considers other factors such as labor force participation. Elements of professional involvement, active participation, and psychological identification in a job, are seen as important items of individual life. Fostering a high level of job involvement among employees, can stimulate performance and encourage behavior in an inclusive direction. The ability of individuals to complete work, the effort required, and organizational motivation as parts that affect employee performance [37].

Organizations should not only consider providing compensation to maintain performance, but also have to actualize other factors. Commitment to this work is represented by offering ideas in further work related to willingness to comply with company regulations and support for company policies. Previous work by Auer et al. [38], Hur et al. [39], Khalid & Nawab [40], Liu & Liu [41], and Manzoor et al. [42] explained that compensation for participation in work has a positive effect on performance.

*H6: Work involvement mediates the relationship between compensation and employee performance.*

## **2.7 QWL and work involvement with performance**

Intensive work involvement has a strong influence on the organization, especially the success of the organization in achieving its mission [43-44]. Employee involvement in organizational targets by building integrated performance. The QWL concept reflects the enthusiastic appreciation of the employee's work environment. Thus, QWL functions to change the organizational climate technically and humanly to channel an ethical work atmosphere [45]. Operationally, QWL is useful for formulating that every company decision-making is a response to what the employees want and hope in it [46]. This is realized by sharing problems and unifying their (company-employee) views into the same motive, namely creating productivity. Furthermore, work involvement as one of the pillars is an instrument for growing employee performance [47]. Work involvement is closely related to employees, where their participation implies achievement. Work performance is generally a symbol of self-esteem for employees, so that work involvement can boost performance and productivity.

*H7: Work involvement mediates the relationship between QWL and employee performance.*

## **3. METHODS**

### **3.1 Demarcation**

The study procedure employs a quantitative method that tests theories by examining the relationships between applied hypotheses [48-49]. In case studies in organizations such as PT. Adimitra Baratama Nusantara, research standards are set with empirical statistics that describe the characteristics of the variables that study the relationship between work stress, compensation, QWL, and work involvement on employee performance. The influence of these five indicators was tested after obtaining the responses from the informants based on the questionnaires distributed.

The form of data collection adopts a survey, where the samples invited are 95 employees from PT. Adimitra Baratama Nusantara. Those involved as informants are the entire study population. That



way, the type of sample implemented is in the form of a saturated sample. After the primary data is collected, the data is tabulated and developed into 5 intervals [50]. In the Likert scale, there is a measure to measure the attitudes, opinions, and understanding of the informant group on the objectivity of the questions which are summarized into the following categories: score 1 = very bad, score 2 = bad, score 3 = moderate, score 4 = good, and score 5 = very good [51].

### 3.2 Measurements

The form of analysis interpretation is divided into 2: direct effects and moderating effects. First, the direct test parameters are formed by the independent variables on the dependent variable. The components of the independent variables include: work stress, compensation, QWL, and work involvement, while employee performance is the dependent variable. Then, in the indirect influence scenario, work involvement plays a moderating role.

The five variables have different versions, where work stress consists of 6 items: work conflict, differences in values between employees and leaders, workload, work climate, work time, and quality of work supervision, while compensation is structured into 2 items: financial compensation direct and fringe benefits. Furthermore, QWL is summarized into 7 materials, including employees having the opportunity to influence decisions, employees participating in solving problems, employees getting complete information about developments within the organization, employees getting constructive feedback, employees enjoy being empowered by a team in collaboration, employees feel that their work is meaningful and challenging, and employees feel the security of job opportunities. The next phase is the work involvement variable, which is supported by 3 materials: employees voluntarily doing tasks outside of working hours, self-identity, and self-attachment. Finally, performance includes 6 ingredients: quality, quantity, timeliness, cost-effectiveness, need for supervision, and interpersonal impact.

### 3.3 Model

Hypothesis testing is instructed via the Structural Equation Model and Partial Least Square (SEM–PLS) approach. In its terminology, SEM–PLS is articulated into components or variants [52]. In principle, the SEM–PLS for this study identifies a connection between variables simultaneously. Practically, this analysis includes 2 subs, which are often called measurement model and structural model. The measurement mode shows how the manifest or observed variables represent the latent variables in review, the structural model (inner model) aims to investigate the influence between variables or the correlation between constructs using the t–statistic.

The moderating effect is designed to explore the interaction of predictor variables on the dependent variable. Analyzing the effect between the moderator variable and the moderating variable is proven via the probability output in the total effect, where the moderating effect is not only carried out on testing the direct effect of the independent variable on the dependent variable, but also the interaction of the independent variable and the moderating variable on the dependent variable. Fundamentally, the moderating relationship can be seen from the two-way interaction between work stress, compensation, and QWL with work involvement in predicting employee performance. Specifically for testing the moderating effect, the output parameters are seen in the total effect. The specifications in determining the hypothesis are as follows:

- If the  $t$ -statistic  $> 1.96$ , the alternative hypothesis is accepted and the null hypothesis is rejected.
- If the  $t$ -statistic  $< 1.96$ , the alternative hypothesis is rejected and the null hypothesis is accepted.

#### 4. RESULTS

Convergent validity is instructed to measure the size of the correlation between constructs in latent variables. In the convergent validity evaluation of individual item reliability evaluations, the review refers to the standardized loading factor. A correlation is concluded to be valid if the discriminative validity score is  $> 0.7$ , or it can also apply the sample mean variance (AVE). Discriminant validity refers to certain conditions, where different constituent scales may not be highly correlated. The discriminant validity compares the AVE roots of each configuration with the correlation of other models. The average variance of the extracted scores does not exceed 0.7.

Referring to Table 1, the outer loading score obtained from the work stress variable (WS) for the smallest value on the WS1 indicator is 0.753 and WS2 is the highest, reaching 0.834. Second, for the compensation variable (Cs), the lowest score is the Cs1 indicator of 0.703 and the most dominant is the Cs4 indicator, reaching 0.849. Third, on the quality of work life (QWL) variable, the smallest score is on the QWL5 indicator (0.771), while the highest is for QWL7 which is 0.876. Fourth, the work involvement variable (WI), the WI1 indicator score as the lowest outer loading reaches 0.704 and the largest indicator is WI3 reaching 0.857. Finally, for the employee performance variable (EP), where the indicators that have the highest outer loading scores are EP4 and EP5 reaching 0.836 and the smallest is the EP3 indicator of 0.747. Overall, the indicators for each of the above variables have an outer loading above 0.7, so that all indicators as construct measurements are proven to meet converged validity. Too, it was found that none of the variables were eliminated because the condition was that the outer loading score was  $> 0.5$ .

**Table 1: Summary of outer loading**

Indicators	WS	Cs	QWL	WI	EP
WS1	0.753				
WS2	0.834				
WS3	0.819				
WS4	0.805				
WS5	0.820				
WS6	0.799				
Cs1		0.703			
Cs2		0.870			
Cs3		0.738			
Cs4		0.849			
Cs5		0.774			
Cs6		0.754			
Cs7		0.735			
QWL1			0.781		
QWL2			0.814		
QWL3			0.791		
QWL4			0.814		
QWL5			0.771		



QWL6			0.843		
QWL7			0.876		
WI1				0.789	
WI2				0.857	
WI3				0.805	
EP1					0.775
EP2					0.771
EP3					0.747
EP4					0.836
EP5					0.836
EP6					0.811

Source: own; Abbreviations: work stress = WS, compensation = Cs, quality of work life = QWL, work involvement = WI, and employee performance = EP.

In Table 2 below, the AVE score on work stress: 0.648, compensation: 0.643, QWL: 0.797, work involvement: 0.619, and employee performance: 0.784. Thus, this illustrates that each variable meets the validity assumption, where the AVE score is more than 0.5 ( $AVE > 0.5$ ). Next is the assumption of reliability to map the internal consistency of measuring instruments. This assumption shows accuracy, consistency in making measurements. Besides, reliability also uses two general methods, including Cronbach's alpha which is said to be good if  $> 0.7$  or composite reliability which is concluded to be good if the score is  $> 0.7$ .

**Table 2:** Summary of AVE

Variables	AVE	Remarks
Work stress	0.648	Valid
Compensation	0.643	Valid
QWL	0.797	Valid
Work involvement	0.619	Valid
Employee performance	0.784	Valid

Source: own.

**Table 3:** Summary of Cronbach's alpha and composite reliability

Variables	CA	CR	Remarks
Work stress	0.892	0.917	Reliable
Compensation	0.795	0.846	Reliable
QWL	0.830	0.872	Reliable
Work involvement	0.892	0.829	Reliable
Employee performance	0.772	0.844	Reliable

Source: own.

In Table 3, it is explained if the CA score on all variables is above 0.7 or in the range of 0.7–0.8 which indicates that the five variables meet the reliable requirements to be a model measure. Reliability testing also detects composite reliability. The CR score on work stress: 0.917, compensation: 0.846, QWL: 0.872, work involvement: 0.829, and employee performance: 0.844.

Finally, the CR score on these five variables is above 0.7 which indicates that the level of reliability is good.

Structural model assumptions (inner model) are developed on the R-square score, which concludes how much influence the variables in the model have. The R-square score is used to assess the degree of variability of changes in the independent variable relative to the dependent variable. Higher R scores reflect better predictions in the proposed model.

**Table 4:** Summary of R-square

Variables	R <sup>2</sup>	Remarks
Employee performance	0.454	Moderate

Source: own.

The structural model that places employee performance as the dependent variable reaches 0.454 (45.4%) and the remaining 0.546 (54.6%) is influenced by other factors outside the model. The Q2 predictive relevance for the structural path is calculated as follows:

$$Q2 = 1 - (1 - R21)$$

$$Q2 = 1 - (1 - 0.454)$$

$$Q2 = 1 - (0.546)$$

$$Q2 = 0.546$$

Based on the acquisition of an R-Square score on employee performance reaching 0.454, the predictive relevance represented by Q2 has a range of  $0 < Q2 < 1$ . Therefore, this research model is feasible to use for hypothesis testing. Testing the hypothesis about the direct effect of the independent variable on the dependent variable is calculated based on the path coefficient, t-statistic, and probability in the PLS bootstrapping method. Classification on probability refers to a significance level ( $\alpha$ ) of 5% and a t-statistic score of 1.96.

**Table 5:** Summary of direct hypotheses

Linkages	To	OS	t-statistic	Prob.
Work stress	Employee performance	-0.155	1.319	0.188
Compensation	Employee performance	0.418	4.729	0.000
QWL	Employee performance	0.230	2.311	0.000
Work involvement	Employee performance	0.319	3.469	0.001

Source: own.

As a result, compensation, QWL, and work involvement have a significant effect on employee performance. Partially proven effect of compensation on employee performance ( $t = 4.729$ ;  $\rho = 0.000$ ), QWL on employee performance ( $t = 2.311$ ;  $\rho = 0.000$ ), and work involvement on employee performance ( $t = 3.469$ ;  $\rho = 0.001$ ). Surprisingly, only work stress has a non-significant effect on employee performance ( $t = 1.319$ ;  $\rho = 0.188$ ). Interestingly, compensation and QWL are variables that have a dominant impact on improving employee performance. Yet, an increase in work stress is proven to reduce employee performance in the opposite or negative direction (see Table 5).

**Table 6:** Summary of indirect hypotheses

Linkages	Moderation	To	OS	t–statistic	Prob.
Work stress	Work involvement	Employee performance	-0.077	2.367	0.018
Compensation	Work involvement	Employee performance	0.095	2.095	0.037
QWL	Work involvement	Employee performance	0.125	2.731	0.007

Source: own.

The next step is the calculation of the effect of moderation. Specifically for moderating variables, they are classified into 4 categories [53-55]. First, pure moderation, if the variable Z to Y in the first estimate has a positive effect and the X\*Z interaction in the second estimate also has a positive effect. The second alternative is quasi moderation, where the effect of Z on Y for the first estimate has a negative effect, but the effect of the X\*Z interaction on the second estimate has a positive effect. Third, potential moderation is articulated if the effect of Z on Y from the first estimate is negative and the effect of the X\*Z interaction in the second estimate is also negative. Fourth is predictor moderation. If the effect of Z on Y in the first estimate is positive and the effect of X\*Z interaction in the second estimate is negative. To answer the interrelationships in the indirect relationship, they are summarized in Table 6. It appears that work involvement is successful as an intermediary in the relationship between work stress, compensation, and QWL on employee performance. Of the three, the effect of work stress on employee performance which is moderated by work involvement is significant ( $t = 2.367$ ;  $\rho = 0.018$ ), a significant effect between compensation on employee performance which is moderated by work involvement ( $t = 2.095$ ;  $\rho = 0.037$ ), and followed by a significant influence between QWL on employee performance which is moderated by work involvement ( $t = 2.731$ ;  $\rho = 0.007$ ). However, only work stress is contrary to the hypothesis. It is proven that although the results are significant, the role of work involvement actually leads to a negative relationship from work stress to employee performance.

## 5. DISCUSSION AND CONCLUSION

The concentration of this study is to investigate the relationship between work stress, compensation, QWL, and work involvement on employee performance at PT. Adimitra Baratama Nusantara. The composition of the test is divided into 2 parts: direct effect and moderating effect. Then, the scenario analysis is framed by the SEM–PLS technique. From this session, of the seven hypotheses proposed, 5 of them were accepted and 2 were rejected. Based on the observation tempo, the more compensation, QWL, and work involvement increased, the more significant effect on employee performance. Surprisingly, only work stress has been shown to have no strong effect on employee performance. The more work stress increases, the lower the employee's performance. Then, on the moderating effect, it was found that compensation and QWL consistently improve employee performance as evidenced by the significant role of work involvement. Although job stress which is moderated by work involvement is proven to affect employee performance, contrary to empirical expectations, the direction is negative. In fact, the work routine actually creates pressure and has the potential for work conflicts to occur. This is under the thinking by Bhui et al. [56], Macdonald [57], Ornek & Esin [58], Dana Ridhayanti et al. [59] who explained that the work cycle is not always balanced with tendencies or interventions in work rules, workload, and impressive control from company management which actually triggers work stress.

Referring to statistical findings, compensation has guaranteed employees. Providing fair and timely compensation, as a company commitment to stimulate employee performance [60-62]. Security and job opportunities are important items in QWL in an effort to improve the performance of PT. Adimitra Baratama Nusantara. Ideally, employees who are guaranteed security and conducive opportunities, relatively work more optimally. If employees feel that they are not involved in the team, then their happiness will decrease and this will affect their cooperative relations with co-workers. Cooperation among colleagues can affect performance [63]. In the aspect of work involvement, work accuracy according to expertise in their field, can support work involvement that encourages employee performance at PT. Adimitra Baratama Nusantara (ABN). Those who work optimally can achieve goals that are aligned with the company's mission. Meanwhile, self-esteem is also something that must be prioritized. Psychologically, Krauss & Orth [64], Kundi et al. [65], and Pierce et al. [66] emphasized that organizations that are unable to raise employee self-esteem will lead to poor job engagement and have a negative impact on performance.

Learning from the experience of this study, work involvement moderates significantly, but the effect is negative in the relationship between work stress and lower performance, so that work involvement in this moderation is classified as potential moderation. On other results, it is explained by work involvement, which has succeeded in becoming an intermediary in the influence between compensation and QWL on employee performance at PT. Adimitra Baratama Nusantara systematically. In other words, the moderation of these two relationships is categorized as pure moderation.

## 6. SUGGESTIONS AND FUTURE STUDIES

Suggestions are addressed to the next agenda for corporate, academic, and theoretical management. In the dynamics of work stress, company mechanisms must prioritize conflict prevention, which can lead to employee frustration. The emergence of divisions, also triggered by ethical pressures that risk encouraging protracted conflict. Regarding the compensation system and QWL which are the determinants in strengthening employee performance, it is also improved through collaboration, company participation, training and integrated technical guidance with a transparent recruitment format and a mature career path pattern. Managerial implications also balance involving employees for every decision-making in completing work, including problems to be solved. The technical recommendations recommend creating a conducive work environment through cooperation among employees.

Future academic contributions are expected to convey complex thinking that emphasizes transactional leadership and harmonious commitment based on empirical findings. Finally, theoretical continuity is pursued with the application of the literature, which enables the development of concepts from this paper.

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