

THE INFLUENCE OF WORK LIFE QUALITY ON INDIVIDUAL PERFORMANCE IN E-COMMERCE IN EARLY COVID-19

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ABSTRACT

Large-Scale Social Restriction (PSBB) has been in place since March 2020 in response to the COVID-19 pandemic. Of course, this has an impact on many things, one of which is the restriction of activities outside the home, especially for employees who are required to work. At this time, many companies have issued policies to continue working from home. This new habit certainly requires employees and companies to be able to provide similar facilities as in the office. In addition, employees are also required to be able to adapt and continue to complete their duties properly. The purpose of this study was to examine the effect of quality of work life on the individual performance of e-commerce employees at the beginning of the COVID-19 pandemic. To achieve this goal, the Individual Working Performance Questionnaire (IWPQ) and Quality of Work Life (QWL) were used to collect data from 122 participants. A direct structural equation model (SEM) is used to analyze the data using Lisrel 8.80 program. This is done to investigate the effect of quality of work life on individual work performance. Our findings show that there is a strong correlation between QWL and IWP in e-commerce employees at the beginning of the COVID-19 pandemic with a gamma coefficient of 0.73 and an R^2 value of 54%. Future research is expected to be carried out longitudinally by adding personality variables.

Keywords: Individual work performance, quality work of life, covid-19

1. PREFACE

The modern workplace demands a high level of employee flexibility, rapid innovation, efficient ideas to implement, and requires working efficiently according to Frese. The modern workplace usually follows the current developments so as not to be left behind. Especially companies engaged in internet-based services, such as e-commerce.

E-commerce is the concept of buying and selling activities with online services or via the internet. The goal is to provide information, services, payments, and products using computer networks, telephone networks, and other electronic means [2]. Due to technological advances, many businesses can perform e-commerce functions more easily and efficiently and have become more competitive by using telecommunication network facilities, one of which is PT X.

PT X is an e-commerce platform company from Singapore which was founded in 2011. PT X has expanded to several countries such as Singapore, Malaysia, Thailand, Taiwan, Indonesia, Vietnam, Philippines, Korea, Japan, and countries in ASEAN.

During the large-scale social restrictions (PSBB) PT X enacted the working from home policy. After the policy took place, employees are asked to be able to adapt to existing changes. The company is also trying to provide facilities so that employees can work from home. However, what happened was a 2.28% decrease in employee performance for the next 3 months. The decline in performance directly affects PT X's customer satisfaction. The indicator of customer

satisfaction set by the company is 90%. However, in the week of enactment of the new policy, the value is always below 90%.

Many factors cause a decrease in employee performance. These factors include the COVID-19 pandemic. PT X, which handles sales from abroad needs to adjust its Standard Operational Procedure (SOP) to the current situation. As a result, there are many new SOPs and frequent changes to SOPs to meet existing needs. The problem is even more complicated when employees are asked to work from home, disrupting communication between peers and superiors. This may happen due to poor internet service in the employees' home. In addition, an inadequate workplace is also a problem.

The sudden lockdown prevents the company to provide the best facilities in a short notice. As a result, employees cannot work efficiently. This is included in factors or dimensions in the quality of work life, namely safe and healthy environment, and social integration, where the company ideally provides a good workplace and facilities for its employees.

The research entitled A Study of the Impact of Quality of Work Life on Work Performance states that Quality of Work Life (QWL) has a significant influence on employee performance. QWL was found to explain a significant proportion of variance in the overall performance dimensions with a value of $R^2 = 0.56$, $F(1,268) = 333.74$, $p < 0.0001$ [3]. As seen in the phenomenon at PT X, if the quality of work life decreases, it will affect the performance of its employees during the COVID-19 pandemic.

Individual work performance

Campbell (1990) defines performance as behavior or actions that are relevant to organizational goals [4]. Performance is behavior that is under individual control, so it does not include behavior that is limited by the environment. The level of achievement with which an employee fulfills the organizational mission at work is referred to as performance [11].

Borman & Motowidlo (1993) argue that the entire performance domain can be covered by two dimensions, namely task performance and contextual performance [5]. This makes the concept of performance a multi-dimensional construct. Task performance is described as behavior that directly or indirectly contributes to the technical core of the organization. Contextual performance is behavior that supports the organizational, social and psychological environment in which the technical core must function [5]. Task activities usually vary between jobs, whereas contextual activities are common in many or all jobs.

Koopmans and colleagues (2014) collect data related to performance and create a framework that performance is divided into 3 major dimensions, where every idea presented by previous predecessors can be summarized into these 3 dimensions. According to him, there are three main dimensions of performance, namely task performance, contextual performance, and counterproductive work behavior [6].

Koopmans and colleagues classify performance into 3 main dimensions [6]. The first dimension in performance is task performance. Task performance is defined as the effectiveness with which employees carry out activities that contribute to the organization's technical core either directly by implementing part of its technological process, or indirectly by providing the required materials or services (Borman & Motowidlo, 1993). Task performance can be defined as the skills (ie competencies) that employees use to perform their job duties [6]. Indicators of task

performance include completing work tasks, maintaining up-to-date knowledge, working accurately and neatly, planning and organizing, and solving problems [6].

The second dimension of performance is contextual performance. Contextual performance includes activities that contribute to organizational effectiveness by establishing a social, psychological, and organizational context that serves as a driving force in work activities and the process of doing tasks. Some examples of contextual behavior are volunteering to carry out task activities that are not a formal part of the job and helping and cooperating with others in the organization to complete tasks (Borman & Motowidlo, 1993) [6].

The third dimension is counterproductive work behavior. Robinson & Benner (1995) explained that counterproductive work behavior is behavior that violates organizational norms and threatens the welfare of the organization with its members [3].

Quality of work life

Quality of work life is generally defined as the evaluation made by employees or individuals on their work environment based on their experience, satisfaction, opportunities to participate in decision making, and based on their relationship with co-workers, or their psychological well-being. This is a provision that companies systematically make to give their employees greater opportunities to determine how they do their jobs, and the contribution they make to organizational effectiveness [7].

Walton (1975) describes the quality of working life into eight conditions, namely, adequate and fair compensation, safe and healthy environment, development of human capacities, growth and security, social integration, constitutionalism, the total life space, and social relevance [8].

Walton (1975) divides the quality of work life into 8 dimensions [8]. The first dimension is adequate and fair compensation. The first dimension includes wages, compensation, bonuses, benefits, and facilities provided by the company as remuneration for the performance produced by employees, and this is expected to be appropriate and fair. In other words, it demands that the company provide wages and compensation according to standards when compared to the same position, and competitive when compared to other companies.

The second dimension is a safe and healthy environment which includes the relationship with the physical condition of the workplace, such as cleanliness, safety, and low risk of accidents. The third dimension is the development of human capacities, namely how the organization provides opportunities for its employees to develop and use the abilities or skills to do their job and keep developing at their job level.

Growth and security are the fourth dimension. This relates to how the organization provides facilities that can improve the ability of employees to work. In addition, clarity in their career in the company, as well as a sense of security that they can continue to work for the company are also factors in this dimension. The fifth dimension is social integration, which relates to the relationship between employees and their co-workers as well as with the company. This is marked by having a good relationship and being able to work with colleagues and superiors, as well as having a sense of attachment to the company.

The sixth dimension of constitutionalism includes the rights of employees as workers in the organization, the availability of a democratic environment for employees, as well as freedom and

equality in all things. The seventh dimension is the total life space, in the form of the influence of work on the personal roles of employees where work, family, and personal life can be kept in balance. The last dimension is social relevance which includes corporate social responsibility towards the environment and the surrounding community, as well as employees who work within the company. This can be seen from employee assessments such as the provision of high-quality products, the relationship with the surrounding community that has been carried out by the company, and the employee's sense of pride in the company.

Quality of work life with performance

Research conducted by Mohammadi & Karupiah (2019) found that the Quality of Work Life dimension on the performance of academic staff at public and private universities has a positive and significant relationship [9]. In addition, the relationship between co-workers has a significant positive relationship with the performance of academic staff at private universities. Research in another article entitled A Study of the Impact of Quality of Work Life on Work Performance by [3] shows that the quality of work-life has a significant relationship with performance with $R^2 = 0.56$, $F(1,268) = 333.74$, $p < 0.001$. Therefore, the researcher has a hypothesis:

H0: Quality of work life does not have a significant role in determining the performance of PT X employees during the COVID-19 pandemic

H1: The quality of work life has a significant role in the performance of PT X employees during the COVID-19.

Our contribution

This research is expected to support other research in the future related to employee performance with quality of work life during the Pandemic. In addition, it contributes to the companies being researched to be able to overcome problems that occur related to employee performance during the pandemic. As an anticipatory measure in the future if a pandemic occurs and requires employees to work from home.

2. RESEARCH METHOD

The participants of this study were 122 e-commerce employees of PT X Indonesia consisting of 39% male and 61% female. This research is quantitative and non-experimental research. The data were analyzed using the regression method to determine the role of quality of work life on individual work performance.

Scale of individual work performance

Measurement of individual work performance uses the Individual Work Performance Questionnaire 0.1 (IWPQ 0.1) developed by Koopmans. This measuring tool consists of 3 dimensions, namely task performance, contextual performance and counterproductive work behavior. In this measuring tool there are 18 items, including 5 items from task performance, 8 items from contextual performance and 5 items from counterproductive work behavior. The CFA of the three dimensions has a positive loading factor and a t-value above 1.96. This shows that the 18 items are valid in forming their respective dimensional constructs. Reliability test shows a reliability construct of 0.95.

Scale of quality of work life

The measurement of quality of work life uses the Quality of Work Life measurement tool from Walton which was developed by Timossi, Pedroso, Francisco, and Pilatti (2008) using 8 dimensions and has 35 items [10]. The eight dimensions are adequate and fair compensation, safe and healthy environment, development of human capacities, growth and security, social

integration, constitutionalism, the total life space, and social relevance. The CFA of the eight dimensions has a positive loading factor and a t-value above 1.96. This shows that the 35 items are valid in forming their respective dimensional constructs. Reliability test shows a reliability construct of 0.85.

3. RESULT AND DISCUSSIONS

Descriptive analysis result

Table 1 shows that employees of PT X exhibit a high average task performance and contextual performance. This means that the average employee has a good performance when in a COVID-19 pandemic situation. Employees also have good adaptations when faced with pandemic situations. Although most of them work from home, the average employee still has low counterproductive work behavior. This means that employees are still doing their job well and are still taking care not to take actions that harm the company as best they can.

Table 1

Descriptive statistics of individual work performance variables

Dimensions	SD	Mean	Category
Task Performance	0.636	4.17	High
Contextual Performance	0.595	4.11	High
Counterproductive Work Behaviour	0.586	1.60	Low

Table 2 shows that employees of PT X exhibit a high quality of work life in all eight dimensions. The lowest value is found in the dimensions of Adequate and Fair Compensation and Adequate and Fair Compensation. During the COVID-19 pandemic, employees were dissatisfied with the compensation provided. In addition, there are concerns about clarity in careers and inadequate office facilities to work from home.

Table 2

Quality of work life descriptive statistics

Dimension	SD	Mean	Category
Adequate and Fair Compensation	0.64	3.67	High
Safety and Healthy Environment	0.55	3.88	High
Development of Human Capacity	0.57	3.84	High
Growth and Security	0.56	3.67	High
Social Integration	0.62	3.99	High
Constitutionalism	0.57	3.97	High
Total Life Space	0.68	3.81	High
Social Relevance	0.59	4.13	High

Hypothesis Testing Result

To examine the role of quality of work life on individual work performance, the researchers used the direct structural equation model (SEM) method. This is done to discover the direct relationship between the quality of work life variables and the performance variables of PT X employees during the COVID-19 pandemic. The statistical program Lisrel 8.80 student version was used in the data processing. It can be seen in figure 1 and figure 2, through the SEM test, the direct relationship between quality of work life and performance obtained a fit model with indicators such as NFI: 0.94 (>0.90) CFI: 0.97 (>0.90), and IFI: 0.97 (> 0.90), meaning that the data obtained from the field fit or is in accordance with what is described in the theory. In addition, the value of the gamma coefficient obtained is 0.73 with a t-value of 7.92 (> 1.96 sig.).

This indicates that the quality of work life has a significant role in the individual variables of work performance.

Figure 1

Path diagram standardized solution quality of work life on individual work performance

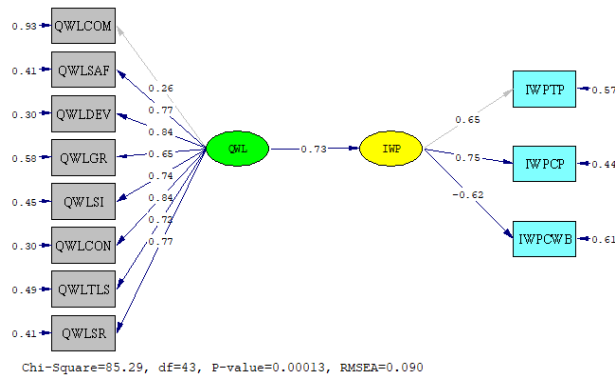
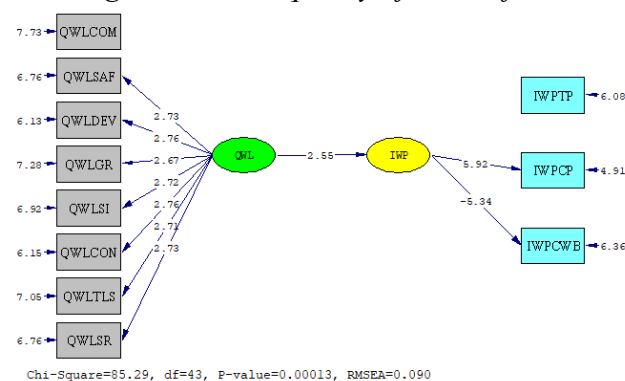


Figure 2

Path diagram T-Value quality of work life on individual work performance



Contribution (R^2) of the quality of work life towards performance is 54%. It is found that: the dimensions of development of human capacity and the dimensions of constitutionalism have the largest contribution ($R^2 = 70\%$) and the smallest contribution is the dimension of adequate and fair compensation ($R^2 = 7\%$).

Referring to the data above, it can be concluded that the variable quality of work life has a significant direct role in performance. It is explained by the value of the gamma coefficient which is quite high (0.73) and the R^2 value of 54%. Therefore, the hypothesis can be accepted. In addition, the dimensions of development of human capacity and constitutionalism were found to be the dimensions that most influence the performance of PT X employees.

This study shows that there is a significant direct influence between the quality of work life on individual work performance, with a fairly high correlation value of 0.73. This indicates that the higher the quality of work life of employees, the higher their work performance. This study is in line with previous research conducted by [3], that the quality of work life has a significant role in the overall dimensions of work performance with a gamma coefficient value of 0.745. The correlation value obtained is 0.01 lower than the previous research [3].

In addition, this research was conducted in the context of the COVID-19 pandemic because the participants are affected by the situation. One of the effects is working from home policy. This is done because the company has a policy that offices can only be filled at 25% of normal capacity. Since the enactment of the PSBB in March 2020 until now, PT X still implements the working from home policy. Policies that are made certainly have an impact on the pros and cons. Where initially all employees need adaptation to the new work environment, namely working from home. In addition, due to the pandemic the Standards Operational Procedure (SOP) or the policies applied often change according to the situation. This forces employees to adapt quickly, and in line with the findings showing that employee performance is in the high category on the contextual performance dimension with a mean of 4.11. In addition, during this pandemic, PT X has discovered many findings and provided many necessities to connect with each other from home. Office equipment can be taken home in June 2020, and laptops that used to be rented have been replaced with new laptops. In addition, the company provides monthly internet allowances of up to 400 thousand rupiah. Therefore, the value of the quality of work life of employees is considered high.

4. CONCLUSION AND RECOMMENDATION

Based on the analysis that has been conducted, it can be concluded that there is a significant direct influence between the quality of work life and individual work performance. The hypothesis in this research is accepted. This means that the higher the quality of work life perceived by PT X's employees, the higher the work performance of its employees.

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