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Work Environment, Work Conflict, and Employee Performance: A Literature Review

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Abstract: The aim of this paper is to provide a structured literature review on the constructs of work environment, work conflict, employee performance, and empirical evidence on the relationship between work environment, work conflict, and employee performance in Indonesia context. 24 (twenty four) papers published during 2018-2022 that investigates work environment, work conflict, employee performance, and the relationship between work environment, work conflict, employee performance were reviewed. The results of the literature review regarding the effect of the work environment on employee performance show different results. The majority (83.33%) indicated that the work environment has a positive and significant effect on employee performance, while the remaining (16.67%) indicated that the work environment has insignificant effect on employee performance. The effect of work conflict on employee performance also shows different results. The majority (91.67%) indicated that work conflict has a significant effect on employee performance and the remaining (8.33%) indicated that work conflict has insignificant effect on employee performance. Of all the empirical results showing that work conflict has a significant effect on employee performance, it is obtained evidence that 54.54% has a positive effect, while 45.46% has a negative effect. For this reason, it is recommended that organizations 1) create a work environment (both physical and non-physical) that is conducive to improving employee performance; 2) manage conflicts that occur in the workplace effectively.

Keyword: Work Environment, Work Conflict, Employee Performance, Literature Review.

INTRODUCTION

Employee performance is a crucial factor for the organization. Organizational performance as a whole is largely determined by the performance of employees. There are many factors that can affect employee performance and organizational managers must pay great attention to these factors. Two of the factors that affect employee performance will be reviewed in this paper, namely the work environment and work conflict. Research on the

effect of the work environment and work conflict on employee performance is a research topic in the field of human resource management that has received great attention from academics in Indonesia.

LITERATURE REVIEW

Work Environment

In general, the environment includes the "small universe": the room, office, or home where we pass day and night and the "big universe": the city, country, and region in which we live (Afandi, 2016). Regarding the work environment, Mangkunegara (2014) defines it as everything that is around the workers that can affect him in carrying out the tasks assigned. According to Edward and Purba (2020), work environment is a place where employees carry out their duties and is a working condition of employees who live and work together and continue continuously and produce memorable actions in carrying out each task and work. Meanwhile Nitisasmito (2000) defines the work environment as everything that is around workers that can affect individuals in carrying out assigned tasks. Thus, the work environment can be defined as everything that exists (both physical and non-physical) that is around employee who can influence employee in carrying out the tasks and responsibilities assigned to them.

The work environment plays an important role in carrying out the tasks assigned to employees. A good work environment provides a sense of satisfaction and comfort so that it affects employee performance. According to Serdamayanti (2012), working environment is said to be good if the employees get a safe, comfortable and healthy atmosphere so that all the work done can be completed optimally, quickly and well. A good work environment can improve employee performance.

Work Conflict

In general, Rivai (2009) define conflict as a conflict in humanitarian relations (intrapersonal or interpersonal) between one party and another in achieving a goal, which is due to differences in interests, emotions or psychology and values. Regarding the work conflict, Erliana and Hadi (2020) define work conflict as a difference of opinion or idea that occurs between two or more members in a group in an organization caused by differences. According to Mangkunegara (2014), conflict at work is a conflict that occurs between what is expected by someone to himself, others, and organizations with the reality of what is expected. Thus, the work conflict can be defined as differences that arises between employees in the workplace related to the implementation of work that is their duty and responsibility.

Conflicts usually arise in an organization as a result of the various problems in terms of communication, personal relationships or because of the problem of the structure of the organization. Conflict is frequently unavoidable and impedes attaining organizational objectives, organizational resources, human and financial resources, and organizational productivity resources.

Employee Performance

In general, performance is the result of work achieved by a person based on job requirements. Paramita and Suwandana (2022) define employee performance as the result achieved by a employee in carrying out the duties and responsibilities assigned to him in order to realize the goals, objectives, vision and mission of the organization. According to Sinambela et al., (2018), employee performance is the ability of workers to execute specific abilities. Tua et al.,(2014) define work performance as a work achieved by a person in carrying out the tasks assigned to him based on skills, experience and sincerity and time.

Thus, employee performance can be defined as the results/ourcomes achieved by employees as a result of carrying out their duties and responsibilities.

RESULT AND DISCUSSION

Empirical Evidence about the Relationship between Work Environment, Work Conflict, and Employee Performance

1. Work of Erawati, Sitiari, and Indiani (2019)

Erawati et al (2019) investigated the effect of work environment on employee performance at International Restaurant in Badung Bali (Indonesia). Data collection technique is questionnaire. The number of participants was 80 employees. The analysis technique uses structural equation modeling using Partial Least Square. The results of hypothesis testing indicate that work environment has insignificant effect on employee performance.

2. Work of Fithri, Mayasari, Hasan, and Wirdianto (2019)

Fithri et al (2021) investigated the effect of work environment on employee performance at Local Government of Padang City (Indonesia). Data collection techniques are questionnaire, observation and interview. The number of participants was 384 employee. The analysis technique uses structural equation modeling using Partial Least Square. The results of hypothesis testing indicate that work environment (physic and non-physic) has a positive and significant effect on employee performance..

3. Work of Putri, Ekowati, Supriyanto, and Mukaffi (2019)

Putri et al (2021) investigated the effect of work environment on the employee performance at PT. Gatra Mapan, Malang (Indonesia). Data collection technique is questionnaire. The number of participants was 137 employees. The analysis technique uses path analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant effect on employee performance.

4. Work of Sitohang (2019)

Sitohang (2019) investigated the effect of work environment on employees performance at PT. PT Dwigunatama, Bekasi (Indonesia). Data collection technique is questionnaire. The number of participants was 50 employees. The analysis technique uses simple regression analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant effect on employee performance.

5. Work of Badrianto and Ekhsan (2020)

Badrianto and Ekhsan (2020) investigated the impact of work environment on employee performance at PT. Neginak Industries (Indonesia). Data collection technique is questionnaire. The number of participants was 88 employee. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant effect on employee performance.

6. Work of Cahyaningtyas and Santosa (2021)

Cahyaningtyas and Santosa (2021) investigated the effect of work environment on employee performance at Bank BJB S. Parman ((Indonesia). Data collection technique is questionnaire. The number of participants was 100 employees. The analysis technique uses path analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant effect on employee performance.

7. Work of Sadewo, Surachman, and Rofiaty (2021)

Sadewo et al. (2021) investigated the effect of work environment on employee performance at retail store in Malang (Indonesia). Data collection technique is questionnaire. The number of participants was 152 employees. The analysis technique uses structural equation modeling using partial least square. The results of hypothesis

- testing indicate that work environment has a positive and significant effect on employee performance.
8. Work of Sari, Ribhan, and Erlina (2021)

Sari et al (2021) investigated the effect of work environment on employee performance at DPRD Bandar Lampung City (Indonesia). Data collection technique is questionnaire. The number of participants was 267 employees. The analysis technique uses structural equation modeling using AMOS. The results of hypothesis testing indicate that workload has a positive and significant effect on employee performance.
 9. Work of Sipayung and Purba (2021)

Sipayung and Purba (2021) investigated the effect of work environment on employee performance at Environmental Service Office of Deli Serdang Regency (Indonesia). Data collection technique is questionnaire. The number of participants was 37 employees. The analysis technique uses path analysis using SPSS. The results of hypothesis testing indicate that work environment has insignificant effect on employee performance.
 10. Work of Tasman, Siregar, and nasution (2021)

Tasman et al (2021) investigated the effect of work environment on employee performance at PT. Cakra Adi Dharma in Kotapinang, South Labuhanbatu (Indonesia). Data collection technique is questionnaire. The number of participants was 34 employees. The analysis technique uses path analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant effect on employee performance.
 11. Work of Kirana, Sriathi, and Suwandana (2022)

Kirana et al (2022) investigated the effect of work environment on employee performance at CV. Mertanadi (Indonesia). Data collection technique is questionnaire. The number of participants was 58 employees. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant effect on employee performance.
 12. Work of Muslih and Hardani (2021)

Muslih and Hardani (2021) investigated the effect of work environment on employee performance at PT. Perkebunan Nusantara IV (Persero) Medan. (Indonesia). Data collection technique is questionnaire. The number of participants was 81 employees. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work environment has a positive and significant impact on employee performance.
 13. Work of Kurniawan, Sularso, and Titisari (2018)

Kurniawan et al. (2018) investigated the effect of work conflict on employee performance at Jatiroto Sugar Factory (Indonesia). Data collection technique is questionnaire. The number of participants was 150 employees. The analysis technique uses structural equation modeling using AMOS. The results of hypothesis testing indicate that work conflict has a negative and significant impact on employee performance.
 14. Work of Solatiah, Siti, Muhammad (2019)

Solatiah et al. (2019) investigated the effect of work conflict on employee performance at sub-district throughout the city of Mataram (Indonesia). Data collection techniques are interview, documentation, and questionnaire. The number of participants was 92 employees. The analysis technique uses structural equation modeling using Partial Least Square. The results of hypothesis testing indicate that work conflict has a negative and insignificant effect on employee performance.
 15. Work of Wahyuni, Musnadi, and Faisal (2020)

Wahyuni et al (2020) investigated the effect of work conflict on employee performance at Aceh Financial Management Board (Indonesia). Data collection technique is questionnaire. The number of participants was 130 employees. The analysis technique uses structural equation modeling using Partial Least Square. The results of hypothesis testing indicate that work conflict has a negative and significant effect on employee performance.

16. Work of Fitria (2021)

Fitria (2021) investigated the effect of work conflict on employee performance in at PT. ISS Indonesia in Cilandak (Indonesia). Data collection technique is questionnaire. The number of participants was 57 employee. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a negative and significant effect on employee performance.

17. Work of Tamara, Mirza, Wijaya, and Kosasih (2021)

Tamara et al. (2021) investigated the effect of work conflict on employee performance in at PT Pratama Makmur Jaya, Medan (Indonesia). Data collection technique is questionnaire. The number of participants was 106 employee. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a positive and significant effect on employee performance.

18. Work of Adirinekso and Zeppelin (2022)

Adirinekso and Zeppelin (2022) investigated the effect of work conflict on employee performance in Jakarta (Indonesia). Data collection technique is questionnaire. The number of participants was 114 employee. The analysis technique uses multiple structural equation modeling using partial least Square. The results of hypothesis testing indicate that work conflict has a negative and significant effect on employee performance.

19. Work of Alhidayat, Made, Putra (2022)

Alhidayat et al (2021) investigated the effect of work conflict on employee performance at PT. Indomarco Adi Prima Bengkulu Branch South Part (Indonesia). Data collection technique is questionnaire. The number of participants was 44 employees. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a positive and significant effect on employee performance.

20. Work of Alma'rif, Respati, and Nasir (2022)

Alma'rif et al (2022) investigated the effect of work conflict on employee performance at Kartika Husada Health Unit of Regional Military Command XII/Tanjungpura Hospital, Pontianak (Indonesia). Data collection technique is questionnaire. The number of participants was 76 employees. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a positive and significant impact on employee performance.

21. Work of Batubara (2022)

Batubara (2021) investigated the effect of work conflict on employee performance at PT PLN (Persero) Binjai City (Indonesia). Data collection technique is questionnaire. The number of participants was 43 employees. The analysis technique uses simple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a positive and significant effect on employee performance.

22. Work of Djawoto, Setyorini, Cahyono, and Widiani (2022)

Djawoto et al. (2022) investigated the effect of work conflict on employee performance at local company in Indonesia. Data collection technique is questionnaire. The number of participants was 102 employees. The analysis technique uses path

analysis using SPSS. The results of hypothesis testing indicate that work conflict has a negative and significant impact on employee performance.

23. Work of Paramita and Suwandana (2022)

Paramita and Suwandana (2022) investigated the effect of work conflict on employee performance at PT. Family Circus in Badung (Indonesia). Data collection technique is questionnaire. The number of participants was 50 employees. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a positive and significant impact on employee performance.

24. Work of Yusuf and Darlis (2022)

Yusuf and Darlis (2022) investigated the effect of work conflict on employee performance at PT. Sulsehrabar (Indonesia). Data collection technique is questionnaire. The number of participants was 70 employees. The analysis technique uses multiple regression analysis using SPSS. The results of hypothesis testing indicate that work conflict has a positive and significant effect on employee performance.

CONCLUSION

Based on a literature review on empirical results regarding the relationship between the work environment and employee performance, it was found that the majority (83.33%) of the empirical results indicated that the work environment has a positive and significant effect on employee performance, while the remaining (16.67%) indicated that the work environment has insignificant effect on employee performance. Meanwhile, the empirical results regarding the relationship between work conflict and employee performance show that the majority (91.67%) of the empirical results show that work conflict has a significant effect on employee performance while the remaining (8.33%) show that work conflict has a insignificant effect on employee performance. Of all the empirical results showing that work conflict has a significant effect on employee performance, it is obtained evidence that 54.54% has a positive effect, while 45.46% has a negative effect.

Based on the conclusions above, it is recommended that organizations 1) create a work environment (both physical and non-physical) conducive to improving employee performance; 2) determine workload, communication patterns, compensation systems that can reduce workplace conflicts or in other words the organization to manage conflicts that occur in the workplace effectively.

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