

Original Article

# The Empirical Testing of Daily Stressors, Conflict Management, Internal Control and Mood on the Business Environment and Work Effectiveness of Frontline Employees

<sup>1</sup>Yoga Tri Susantyo, <sup>2</sup>Purnamie Titisari, <sup>3</sup>Hadi Paramu  
<sup>1,2,3</sup>Jember University, Faculty of Economics and Business

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**Abstract:** *The study aimed to determine the effect of daily stressors, conflict management, internal control and mood on the business environment and work effectiveness of Bank X frontliners in the Jember area. This research was explanatory research. The location was at Bank X, including Bank X. The research was conducted from May to October 2023. The research population were frontliner employees who were customer service employees in all units, and the offices of Bank X had 109 employees. The variables of research included daily stressors, conflict management, internal control, mood, business environment and work effectiveness. The analysis used a structural equation model. The results showed 1) Job transfers had a significant effect on work motivation. If mutations are carried out well, work motivation would increase; 2) Organizational culture didn't have a significant effect on work motivation. Organizational culture could not increase work motivation; 3) Transformational leadership style had a significant effect on work motivation; 4) Job transfers had a significant effect on performance. If job transfers are carried out according to procedures, performance will also increase; 4) Organization is higher, performance will also increase.*

**Keywords:** *Daily Stressors, Work Effectiveness, Conflict Management, Internal Control, Mood And Business Environment.*

## I. INTRODUCTION

Organizational performance is a measure of an organization's effectiveness [1]. Organizational performance is the primary key to understanding the organization itself for the effective organization of any organization. Hence, many organizations compete to demonstrate efficacy [2]. When an organization's management fails to produce satisfactory results, the organization remains ineffective [3],[4]. Four elements influence effectiveness: organizational features, environmental characteristics, job duties, and management procedures and guidelines. Organizational effectiveness is linked to the business environment, which includes the banking industry [5].

Bank X cannot be distinguished from its frontline function as the company's spearhead in the service industry; therefore, it must be able to project a positive image. This is entirely dependent on the frontline employees who provide banking services. If the frontline staff, which includes customer service representatives and security personnel, do not deliver excellent service, customers will file numerous complaints. The quality of frontliners is, of course, inextricably linked to work effectiveness; in this situation, customer service does more than just perform routine tasks; frontliners also contribute to the efficiency of the organization. Every day, frontline staff carry out specified procedures, one of the duties of the frontliner. Before customers arrive, Bank X staff must clean off the dining area, turn on the computer and printer, dress according to Bank X standards, learn about goods, and participate in morning briefing tasks alongside other employees. Following that, frontline personnel must be prepared to greet and assist customers. Based on these results, it also shows that customers of Bank X still have a lot of customer complaints, which is a cause of stress for frontline employees. The high number of complaints made to frontline employees shows that frontline employees are still less effective in carrying out their work. Initial observation results also show that in the bank complaint box. There are still customer complaints that are still coming in and are of concern to Bank X. This must also be overcome by increasing work effectiveness.

Increasing the effectiveness of organizational work is also related to the business environment of Bank X. Organizations that have a conducive environment supported by all the resources around them can show good and effective results [6]. The business environment has an impact on organizational effectiveness [6]. Organizational effectiveness is effect by conflict and conflict control; organizational structure, environment, performance and control are important aspects in seeing the effectiveness of the organization [1]. Conflict management has an important role in organizational effectiveness. There are various conflicts in the banking world, for example, with consumers and between bank employees, causing problems to occur. Conflict is needed to maintain the organization's work rhythm and increase the competency of each human resource [7]. The existence of conflict will reduce organizational effectiveness due to inappropriate conflict management. Conflict management effects organizational



effectiveness [8].

Meanwhile, conflict management had no effect on organizational effectiveness [9], [10]. Internal control has no effect on the business environment [10]. Whether there is internal control over banking quality and conflict is the main problem because it is not able to run effectively. Internal control in an organization will help the organization run more stably and consistently in accordance with the organization's vision and mission [11], [12]. Internal control will increase organizational effectiveness [13], [14]. Mood and productivity had a positive relationship with employees at the University of Sindh, Pakistan [15]. The mood had a significant effect on employee work effectiveness at the Ayam Geprek Mak Sunah Madiun Restaurant [16]. The purpose of this research is to determine the Effect of Daily Stressor, internal conflict management, and Mood control on the business environment and work effectiveness of frontliners in the Jember area.

## II. LITERATURE REVIEW

### A) *Theoretical Framework and Hypothesis Formulation*

#### a. **The Effect of Daily Stressors on the Business Environment**

Stress is an approach that combines stresses and strains while also taking into account the person's connection with the environment. The interaction between humans and the environment that effects each other is called a transactional relationship. Based on the context of stress as an interaction between the individual and the environment, stress is not seen as a stimulus or response only but also a process in which the individual is also an active intermediary (agent) who can effect the stressor through cognitive and emotional behavioral strategies. The daily stressors that occur in employees will affect the business environment [17]. Based on this description, the hypotheses that can be proposed are:

**H1: Daily Stressors effect the business environment.**

#### b. **The Effect of Conflict Management on the Business Environment**

Conflicts that cannot be handled properly can cause delays in existing processes in the organization's internal environment. Strategy and the development of ideas that can move the business environment will not work effectively if there is a conflict that cannot be managed well [18] [19]. This is because conflict usually involves a clash of ideas, interests and personalities [20]. This is because conflict management can produce strategies that can be used to handle conflicts that occur in the organization so that the organization's internal environment can be controlled [21]. Conflict management can play a role in maintaining and shaping the business environment. Proper conflict management in an organization can create a feeling of comfort for each organization so that the business environment will also run conductively. The hypotheses that can be put forward are:

**H2: Conflict management effects the business environment**

#### c. **The Effect of Internal Control on the Business Environment**

Internal control is vital in the business world [22]. Organizational performance is determined by an organization's ability to regulate the environment in which it operates [23]. Internal control plays an important part in the commercial world [22]. In my opinion, the connection between dispute resolution and the business climate can be successful if internal oversight in the organization is equally strong. It has been scientifically established that effective control of the business environment improves organizational performance [22]. A well-functioning internal control system can foster a healthy internal atmosphere. The hypotheses that can be proposed in this research are:

**H3: Internal control effects the business environment**

#### d. **The Effect of Mood on the Business Environment**

Mood is feelings that tend to be intense due to the situations and conditions experienced by individuals, so internal and external factors can effect the ups and downs of a person's mood [16]. Changes in mood come suddenly; unexpected events also effect a person's mood, so it has an impact on thinking and acting activities in daily life. In general, a person's mood is divided into two dimensions, namely positive and negative affect. The positive affect dimension presents a person as happy and enthusiastic, active and always ready to face life. The hypothesis proposed is:

**H4: Mood effects work effectiveness.**

#### e. **The Effect of Daily Stressors on Work Effectiveness**

Stress experienced by employees at work is a common thing experienced by employees. The problem of off-the-job stress is stress experienced by individuals and experiences problems outside the workplace, whereas on-the-job, in this case, stress is something that cannot possibly be avoided [24]. Work stress can occur when there are other problems outside of work. The hypotheses that can be proposed in this research are:

**H5: Daily Stressors effect work effectiveness.**

**f. The Effect of Conflict Management on Work Effectiveness**

Conflict is frequently regarded negatively, and most individuals avoid it both individually and collectively. Conflict management can help businesses become more efficient, professional, and capable of learning from each conflict [25]. Each dispute that emerges in an organization adds a new color that might motivate the organization to improve its performance and function more effectively [8]. Several studies have shown that handling disputes in businesses has an impact on productivity at work. The hypotheses that can be proposed in this research are:

**H6: Conflict management effects work effectiveness.**

**g. The Effect of Internal Control on Work Effectiveness**

Internal controls provide control in the form of policy-making, evaluation or other regulations that regulate the running of the organization both from within and from outside the organization [11]. Internal control has an impact on work effectiveness [11]. Control that is too binding will have a negative impact on employee work effectiveness [7]. At the same time, control that is too free will make employees unmanageable. This means that internal control needs to be carried out so that the organization is able to run effectively with good performance from all the resources within it. The impact that internal control has on work effectiveness is closely related to the relationship between each person and the units within the organization [11]. Organizational performance is a benchmark for whether the organization is running effectively or not [13]. This organizational performance can be determined from the internal control carried out by the organization for everything that is done. The a close relationship between internal control and organizational performance, with internal control providing space for the organization [11]. Internal control in an organization will help the organization run more stably and consistently in accordance with the organization's vision and mission [12]. Therefore, the hypothesis proposed is:

**H7: Internal control on frontliner work effectiveness**

**h. The Effect of Mood on Work Effectiveness**

Moods are feelings that tend to be less intense and occur due to situations and conditions experienced by individuals and can affect a person's daily activities, way of thinking and acting. In general, a person's mood is divided into two dimensions, namely positive and negative affect. The positive affect dimension presents a person as happy and enthusiastic, active and always ready to face life. A bad mood can affect work effectiveness [26]. Mood and work effectiveness had a positive relationship among employees at the Bank of Sindh Pakistan [27]. The hypotheses that can be proposed in this research are:

**H8: Mood on work effectiveness.**

**i. The Effect of the Business Environment on Work Effectiveness**

Both the internal and external business settings have a significant impact on work effectiveness [22], given that the environment affects all of the organization's operations and policies. Organizations with a suitable climate and all available resources can achieve good and successful results [5]. The business environment influences organizational effectiveness. Furthermore, in order to maintain order in the corporate environment, businesses must constantly regulate the flow of knowledge as well as how to secure material sources and finance [6], [28]. The hypothesis of this research is:

**H9: Environment on work effectiveness**

**j. The Effect of Daily Stressors on Work Effectiveness Through the Business Environment**

The business environment is able to mediate the effect caused by stress on work effectiveness. This is because there is a clear hierarchy in stress, which shows that the more resources there are, the more employee stress increases in controlling the organization [29]. Work stress can sharpen the business environment within the organization through power and authority [29]. Employees who have strong stress can control the internal business environment, while organizations that have weak stress will actually cause the organization to be less able to operate optimally in uncertain business environment conditions, thereby impacting organizational effectiveness [30]. In addition, organizational efforts to achieve work effectiveness can be done by reducing stress which is driven by internal business environmental factors.

**H10: Daily Stressors had a significant effect on work effectiveness through the business environment**

**k. The business environment mediates the effect of conflict management on work effectiveness.**

The business environment in achieving work effectiveness is needed in conflict management, considering that the business environment is a factor that often triggers the emergence of various conflicts [31]. This means that the business environment plays a role as a factor in the relationship between conflict management and work effectiveness. Conflict management can effect the achievement of goals in an organization because poor conflict management will have a good impact on organizational performance [25]. To achieve good performance, every conflict, whether big or small, must be managed properly so as not to disrupt the process of achieving good performance. Organizations with good conflict management create a conducive internal organizational environment so that work effectiveness can be achieved [32]. Based on this description, the hypothesis of this research is:

**H11: Conflict management Effects work effectiveness mediated by the business environment**

## **1. The Effect of Internal Control on Work Effectiveness Through the Business Environment**

The role of internal control in the organization significantly in the running of the organization is emphasized that organizational performance depends on the internal way the organization manages the running of the organization and determines organizational success [33]. Internal control has an impact on work effectiveness [11], [7]. Control that is too binding will have a negative impact on employee work effectiveness, while control that is too free will make employees unmanageable. Organizations that are able to control their internal well usually have a good internal environment, too [31]. No organization can run well if its internal conditions are unstable and frequent crashes occur between its resources.

In addition, with effective internal control, identification of the effect of the internal business environment can be minimized because risk identification can be carried out in a timely manner so that work effectiveness can increase. [34]. The internal dynamics of an organization can be controlled through internal control so that the organization's internal environment becomes more conducive and, ultimately, work effectiveness can be achieved [10][10]. This means that internal control plays a role in controlling the business environment situation in the organization to achieve work effectiveness. Based on this description, the hypothesis of this research is:

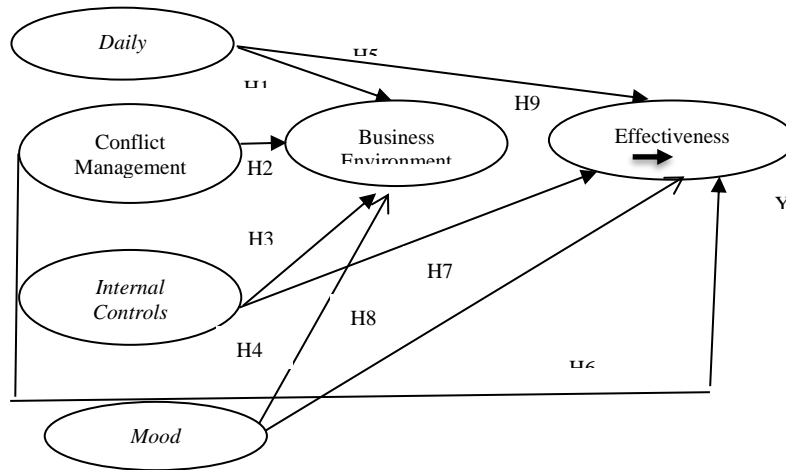
**H12: Internal control Effects work effectiveness mediated by the business environment**

#### m. The Effect of Mood on Work Effectiveness Through the Business Environment

The mood is something that exists in our feelings. The feelings felt will determine whether employees can face challenges and risks or lose confidence and optimism. But when in a bad mood, employees can feel bad for a long time [16]. For example, when an employee's work results do not meet the target, there will be sanctions from superiors even though energy and thought have been devoted, which will cause feelings of discomfort, anxiety and even stress [27]. An organization has realized that employee moods also permeate the workplace. Mood is not only part of work life but also has an important role in employee work. Therefore, organizations do a lot of work that involves the environment around employees in increasing work effectiveness. Based on this description, the hypothesis of this research is:

### H13: Mood Effects work effectiveness mediated by the business environment

### Figure 1: Research Framework



### ***B) Method***

Based on the type of research, this research approach is a quantitative approach with hypothesis testing, which is causal or causal in nature. The location of this research is at Bank X, including the unit office in the Jember area. The research was conducted from May to October 2023. The research population was liner employees who were customer service employees in all units and offices of Bank X has 109 employees. The variables of this research include daily stressors, conflict management, internal control, mood, business environment and work effectiveness. The analysis used to test the hypothesis in this research is a Structural Equation Model (SEM).

### III. RESULTS AND DISCUSSION

The results of model testing show that all indices do not meet the required values. The revised SEM model is explained in Figure 1.

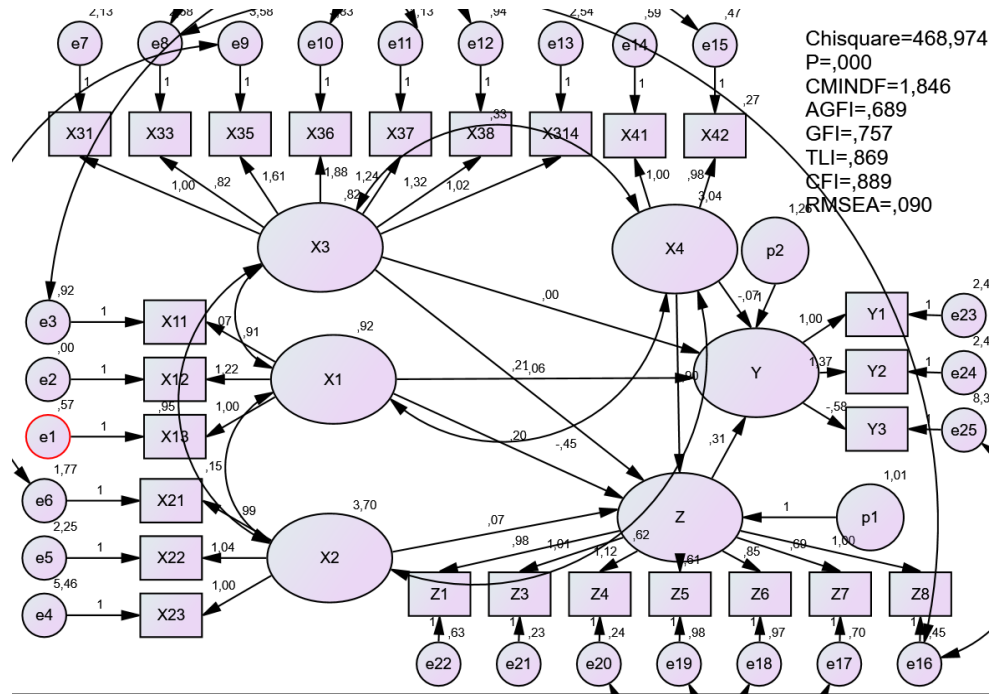


Figure 1. SEM analysis results

The initial model construct test results presented in Figure 1 were evaluated based on the goodness of fit index, model criteria and critical values for data suitability, which can be seen in Table 1 below.

Table 1. Evaluation of Goodness of Fit Index Criteria

<i>The goodness of the fit index</i>	<i>Cutt of value</i>	Model Results	Information
<i>Chi-Square</i>	Expected to be small	468,974	<i>Marginal Fit</i>
<i>Significant Probability</i>	$\geq 0.05$	0.000	<i>Marginal Fit</i>
RMSEA	$\leq 0.08$	0.090	<i>Good Fit</i>
GFI	$\geq 0.90$	0.757	<i>Marginal Fit</i>
AGFI	$\geq 0.90$	0.689	<i>Marginal Fit</i>
CMIN/DF	$\leq 3.00$	1,846	<i>Good Fit</i>
TLI	$\geq 0.95$	0.869	<i>Good</i>
CFI	$\geq 0.90$	0.989	<i>Good Fit</i>

Based on Table 1, there is one criterion that meets the requirements with other criteria in the marginal fit position. Because the basic model (default model) meets one of the goodness of fit criteria, based on parsimony theory, this model is acceptable, and no modification is needed because it can be ensured that the modification will produce a better chi-square value. In this case, the path coefficient values between variables will be presented along with the significance of the hypothesis test results in Table 2, as follows:

Table 2 Path Coefficient Values and Hypothesis Testing

Variable			Path Coefficient	CR	P	Information
Business Environment	<---	Daily Stressors	0.100	1,575	0.115	Not significant
Business Environment	<---	Conflict management	0.074	0.896	0.370	Not significant
Business Environment	<---	Internal control	0.098	1,194	0.232	Not significant
Business Environment	<---	Mood	0.823	10,494	0,000	Significant
Work effectiveness	<---	Daily Stressors	-0.037	-0.295	0.768	Not significant
Work effectiveness	<---	Conflict	-0.338	-2,893	0.048	Significant

		management				
Work effectiveness	<---	Internal control	0.197	2,184	0.037	Significant
Work effectiveness	<---	Mood	-0.115	-0.443	0.658	Not significant
Work effectiveness	<---	Business environment	0.512	2,759	0.009	Significant

The analysis results shown in Table 2 show that daily stressors do not have a significant effect on the business environment. This can be seen from the path coefficient, which has a positive sign of 0.100, and a significance probability (p) of 0.115 is obtained, which is greater than the significance level ( $\alpha$ ) determined at 0.05. This means that every daily stressor does not affect the bank's business environment. These results do not provide support for the hypothesis that daily stressors had a significant effect on PT's business environment. Mandiri, Tbk Jember area. The conflict management variable is proven to have no significant effect on the business environment. The path coefficient value between conflict management as a conflict management variable in the business environment is 0.074 in the positive direction, and the p-value is  $> 0.370$  (p-value = 0.370). These results do not support the hypothesis that conflict management has a positive effect on the business environment.

Internal control does not have a significant effect on the business environment. The internal control path coefficient value is 0.143 with a positive direction towards the business environment, and a p-value  $> 0.05$  is obtained (p-value = 0.143). This means that better internal control does not improve a more conducive business environment. These results do not support the hypothesis which explains that internal control had a significant effect on the business environment. Mood variables had a significant effect on the business environment. The Mood path coefficient value is 0.823 with a positive direction towards the business environment, and a p-value  $< 0.05$  (p-value = 0.000) is obtained. This means that customer service mood improves a more conducive business environment. These results support the hypothesis, which explains that mood had a significant effect on the business environment of Bank X. Daily stressors do not have a significant negative effect on work effectiveness. This can be seen from the path coefficient, which has a negative sign of -0.037, and a significance probability (p) of 0.768 is obtained, which is greater than the significance level ( $\alpha$ ) determined at 0.05. This means that every time there is an increase in the daily stressor, it will not increase the effectiveness of the bank's work. These results reject the hypothesis that daily stressors have a significant effect on work effectiveness.

The results of the analysis show that conflict management variables are proven to have a significant effect on work effectiveness. The path coefficient value between conflict management as a conflict management variable and work effectiveness is -0.338 in the negative direction, and the p-value is  $< 0.05$  (p-value = 0.048). These results support the hypothesis which states that conflict management has a positive effect on work effectiveness. Internal control variables had a significant effect on work effectiveness. The internal control path coefficient value is 0.197 with a negative direction towards work effectiveness, and the obtained p-value is  $< 0.05$  (p-value = 0.037). This means that better internal control will increase the effectiveness of customer service work at Bank X. These results provide support for the hypothesis which states that internal control had a significant effect on work effectiveness.

The mood did not have a significant effect on work effectiveness. The mood path coefficient value is -0.115 with a negative direction towards work effectiveness, and the obtained p-value is  $< 0.05$  (p-value = 0.685). This means that customer service mood does not increase work effectiveness. These results do not support the hypothesis which explains that mood had a significant effect on work effectiveness. The business environment had a significant effect on work effectiveness. The business environment path coefficient value is 0.512 with a positive direction towards work effectiveness, and the obtained p-value  $< 0.05$  (p-value = 0.009). This means that the better the business environment, the more effective the bank's work will be. These results provide support for the hypothesis that the business environment had a significant effect on the work effectiveness of Bank X.

#### A) Discussion

##### a. The Effect of Daily Stressors on the Business Environment

Based on the test results, it show that the daily stressor didn't have a significant effect on the business environment. This means that every daily stressor does not affect the bank's business environment. These results reject the hypothesis that daily stressors have a significant effect on the business environment. The research results show that stress has no effect on the business environment because the daily stress experienced by Customer Service (CS) employees has become a habit that has been experienced so that employees already have good stress-handling skills. This does not affect the surrounding business environment because CS employees do not bring stress to their work. CS usually handles stress with activities outside of work, for example, with family.

Currently what is worth highlighting and is a good problem at Bank X area in other agencies is the employee's employment status. Customer service with contract or non-permanent status also causes its own problems and requires deeper

attention. Supervisors are required to masterwork in all sections. New employees as replacements are also required to adapt more quickly and adapt to conditions while still being guided by the procedures. If this is not conditioned immediately, it will cause the performance of the branch office to decline. The tasks carried out by bank employees give rise to demands to be more professional so that the quality of service is better.

Stress is a relationship between the human and the environment; stress is not merely a stimulus or response but also an action whereby the individual acts as an active mediator (agent), influencing the stressor via cognitive and emotional behavioral tactics. The results of this research were not consistent with the opinions explained that Daily Stressors that occur in employees will affect the business environment [35].

**b. The Effect of Conflict Management on the Business Environment**

The test results show that the conflict management variable is proven to have no significant effect on the business environment. These results do not support the hypothesis that conflict management has a positive effect on the business environment. Conflict management has no effect on the business environment at Bank X. This is because conflicts that can be handled directly by the leadership are internal conflicts within the scope of the bank. This is inconsistent with the opinion which explains that conflicts that cannot be handled well can cause obstacles to existing processes in the organization's internal environment [19]. The development of ideas that can move the business environment will not work effectively if there is a conflict that cannot be managed well.

The insignificant effect on conflict management is also due to conflicts that often occur between customer service and customers. So that the conflict is handled directly by customer service, the leadership rarely directly handles the conflict; this is stated in the customer service SOP for handling conflicts according to the rules. Apart from that, conflicts that occur usually involve clashes of ideas, interests and personalities. The results of the research were not in accordance with research that found that conflict management can produce strategies that can be used to handle conflicts that occur in organizations so that the organization's internal environment can be controlled [36]. Conflict management will make the business environment conducive as well [36].

**c. The Effect of Internal Control on the Business Environment.**

The results of the analysis show that internal control does not have a significant effect on the business environment. This means that better internal control does not improve a more conducive business environment. These results do not support the hypothesis which explains that internal control had a significant effect on the business environment. Internal control plays an important role in the business environment [22]. Organizational performance is determined by an organization's ability to regulate the environment in which it operates [23]. Organizations must continually be vigilant and adaptable to changes in their surroundings, including all policies that will affect the organization's operations. This can have an impact on how the company handles issues involving customers and other parties with whom it has a strong relationship. Internal control plays a function in the business world. According to the author, the connection between conflict resolution and the business environment can only function properly if internal control in the firm is likewise strong. It has been scientifically established that good control of the business environment improves organizational performance [23]. A well-functioning internal control system can foster a healthy internal environment.

**d. The Effect of Mood on the Business Environment.**

The test results show that the mood had a significant effect on the business environment. This means that customer service mood improves a more conducive business environment. These results support the hypothesis, which explains that mood had a significant effect on the business environment of Bank X. Mood refers to feelings that tend to be less intense and that occur because of the situation and conditions that are being experienced. These situations and conditions affect a person's feelings, such as feeling sad, disappointed, annoyed, happy and so on. Mood is feelings that tend to be intense due to the situations and conditions experienced by individuals, so internal and external factors can effect the ups and downs of a person's mood [27], [16]. Changes in mood come suddenly; unexpected events also affect a person's mood so it has an impact on thinking and acting activities in daily life. In general, a person's mood is divided into two dimensions, namely positive and negative affect. The positive affect dimension presents a person as happy and enthusiastic, active and always ready to face life.

**e. The Effect of Daily Stressors on Work Effectiveness**

The results of the analysis show that daily stressors do not have a significant negative effect on work effectiveness. This means that every time there is an increase in the daily stressor, it will not increase the effectiveness of the bank's work. These results reject the hypothesis that daily stressors have a significant effect on work effectiveness. Employees who have difficulty adapting can result in stressors that can affect and hinder work processes. Stress often has a bad impact on an individual, but it can also have a good/positive impact [35]. A job that puts mental pressure on an employee in a job is called work stress.

Stress can be divided into two, namely off the job and on the job. The problem of off-the-job stress is stress experienced by individuals and experiences problems outside the workplace, whereas on-the-job, in this case, stress for individuals is something that cannot possibly be avoided. Work stress can occur when there are other problems outside of work.

**f. The Effect of Conflict Management on Work Effectiveness**

The study's findings suggest that conflict management has a major impact on workplace effectiveness. These findings support the idea that conflict management improves workplace effectiveness. Conflict is frequently regarded negatively, and most individuals avoid it both individually and collectively. In accordance with this view, conflict management was developed to anticipate the onset of conflict inside an organization [25]. Conflict management can be utilized to determine conditions before, during, and after a conflict, allowing for the development of appropriate tactics to prevent the conflict from progressing in an unfavorable direction. Conflict management can help businesses become more productive, professional, and capable of learning from each conflict [25]. Each dispute that emerges in a company adds a new color that might motivate the organization to improve its performance and function more effectively [37].

**g. The Effect of Internal Control on Work Effectiveness.**

The results of the data analysis show that internal control has a significant effect on work effectiveness. This means that better internal control will increase the effectiveness of customer service work at Bank X. These results provide support for the hypothesis which states that internal control had a significant effect on work effectiveness. Organizational performance is a benchmark for whether the organization is running effectively or not [13]. This organizational performance can be determined from the internal control carried out by the organization for everything that is done. The existence of internal control achieves its best performance and is proven to make the organization run effectively [5]. The a close relationship between internal control and organizational performance, with internal control providing space for the organization [11]. Internal control in an organization will help the organization run more stably and consistently in accordance with the organization's vision and mission [12]

**h. The Effect of Mood on Work Effectiveness**

The results of the data analysis show that the mood variable does not have a significant effect on work effectiveness. This means that customer service mood does not increase work effectiveness. These results do not support the hypothesis which explains that mood had a significant effect on work effectiveness. Moods are feelings that tend to be less intense and occur due to situations and conditions experienced by individuals and can effect a person's daily activities, way of thinking and acting. Changes in mood often come suddenly; unexpected events also affect a person's mood, thus having an impact on thinking and acting activities in daily life. This is supported by research that found that mood and work effectiveness had a positive relationship among employees at the Bank of Sindh Pakistan[37].

**i. The Effect of the Business Environment on Work Effectiveness**

The results of hypothesis testing show that the business environment had a significant effect on work effectiveness. This means that the better the business environment, the more effective the bank's work will be. These results provide support for the hypothesis that the business environment had a significant effect on the work effectiveness of Bank X. For an organization, particularly one in the field of education, the environment is a critical factor in its existence. The company environment has a significant impact on company efficiency and satisfaction with work. The internal and external business environments have a significant impact on work effectiveness, given that the environment affects all of the company's operations and policies [22]. Based on respondents' answers regarding all business environment indicators, it shows that the majority of respondents received a score of four (4) of 48.5. This assessment shows that the business environment tends to be less good due to the business environment in customer service at Bank X can be shown by the fact that several things are perceived, experienced, felt and thought by respondents, but there are still many indicators that have a low score.

The business environment has a significant impact on the development of an organization; the business environment determines whether an organization is able to survive and develop sustainably [38]. Organizations with a suitable climate and all available resources can achieve good and successful results [5]. The business environment influences organizational effectiveness. Furthermore, in order to maintain order in the corporate environment, businesses must constantly regulate the exchange of information as well as how to secure supplies and financing [6].

**j. The Effect of Daily Stressors on Work Effectiveness Through the Business Environment**

The business environment is able to mediate the effect caused by stress on work effectiveness. This is because there is a clear hierarchy in stress, which shows that the more resources there are, the more employee stress increases in controlling the organization [24]. This is where stress works, by sharpening the business environment within the organization through power and authority. Employees who have strong stress can control the internal business environment, while organizations that have weak stress will actually cause the organization to be less able to operate optimally in uncertain business



environment conditions, thereby impacting organizational effectiveness.[30]. In addition, organizational efforts to achieve work effectiveness can be done by reducing stress which is driven by internal business environmental factors.

**k. The Effect of Conflict Management on Work Effectiveness is Mediated by the Business Environment**

The business environment is needed in conflict management, considering that the business environment is a factor that often triggers the emergence of various conflicts [31]. This means that the business environment plays a role as a factor in the relationship between conflict management and work effectiveness. Conflict management can effect the achievement of goals in an organization because poor conflict management will have a good impact on organizational performance.

To achieve good performance, every conflict, whether big or small, must be managed properly so as not to disrupt the process of achieving good performance. A good relationship between conflict management and the business environment will lead to achieving work effectiveness. Organizations that have conflict management that runs well will be able to overcome all problems that arise from the business environment so that organizational effectiveness can be realized. Apart from that, an organization with good conflict management creates a conducive internal organizational environment so that work effectiveness can be achieved [39].

**l. The Effect of Internal Control on Work Effectiveness Through the Business Environment**

Internal controls had a relationship with work effectiveness through mediation from the business environment. This is proven empirically who state that controlling the business environment with good will improve organizational performance[23]. This can be seen from one of the functions of internal control as an internal conditioning factor in the organization here which is closely related to the strategic plan that the organization has prepared. In addition, a stable internal position in the organization will be useful in making decisions regarding events that are beyond expectations, considering that the business environment is an unpredictable factor and is always changing at any time.[23]. This makes internal control a factor that plays an important role in work effectiveness.

The role of internal control in the organization significantly in the running of the organization that organizational performance depends on the internal way the organization manages the running of the organization and determines organizational success [23]. Internal control has an impact on work effectiveness. Control that is too binding will have a negative impact on employee work effectiveness, while control that is too free will make employees unmanageable [11]. This means that internal control needs to be carried out so that the organization is able to run effectively with good performance from all the resources within it. Internal control that runs well will be able to create a healthy internal environment. Organizations that are able to control their internal well usually have a good internal environment, too. No organization can run well if its internal conditions are unstable and frequent crashes occur between its resources.

In addition, with effective internal control, identification of the effect of the internal business environment can be minimized because risk identification can be carried out in a timely manner so that work effectiveness can increase.[34]. Internal control is also the basis for measuring quality within the organization's internal environment. This is because, with internal control, management has an overview of the parts of the organization's internal environment that need improvement or are in accordance with predetermined targets so that their work effectiveness can be known. Internal control within an organization is a form of strategy to achieve work effectiveness by considering business environmental factors [36]. Apart from that, the internal dynamics of the organization can be controlled through internal control so that the internal environment of the organization becomes more conducive and, ultimately, work effectiveness can be achieved [10]. This means that internal control plays a role in controlling the business environment situation in the organization to achieve work effectiveness.

**m. The Effect of Mood on Work Effectiveness Through the Business Environment**

The mood is something that exists in our feelings. The feelings felt will determine whether employees can face challenges and risks or lose confidence and optimism. But when in a bad mood, employees can feel bad for a long time. For example, when an employee's work results do not meet the target, there will be sanctions from superiors even though energy and thought have been devoted, which will cause feelings of discomfort, anxiety and even stress. An organization has realized that employee moods also permeate the workplace. Mood is not only part of work life but also has an important role in employee work. Therefore, organizations do a lot of work that involves the environment around employees.

**IV. CONCLUSION**

Based on the research results, the following results can be concluded Daily stressor didn't has significant effect on business environment; 2) Conflict management variable is proven to have no significant effect on the business environment; 3) Internal control does not has a significant effect on the business environment; 4) Mood had a significant effect on the business environment; 5) Daily stressor does not has a significant negative effect on work effectiveness; 6) Conflict management had a significant effect on work effectiveness; 7) Internal control din't has a significant effect on work effectiveness; 8) Internal control

had a significant effect on work effectiveness; 9) Mood had a significant effect on work effectiveness; 10) Business environment had a significant effect on work effectiveness; 11) Business environment is able to mediate the effect caused by stress on work effectiveness; 12) Conflict management effect on work effectiveness is mediated by the business environment; 13) Internal control effect on work effectiveness through the business environment and 14) Mood didn't effect on work effectiveness through the business environment.

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