

Effects of Work Complexity, Multiple Authority, and HRIS-Payroll Integration on Area Manager Performance at Facility Management Company

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Abstract—This study examines the structural relationships among work complexity, multiple authority, HRIS-Payroll integration, and Area Manager performance at Facility Management Company. An explanatory quantitative research design was conducted using a census of 41 Area Managers ($n = 41$, 100% response rate). Data were gathered using a structured questionnaire containing 110 items across 55 indicators (averaged from general and contextual measures) and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4 and 5,000 bootstrapping subsamples. The structural model evaluation indicated that work complexity was negatively associated with performance ($\beta = -0.571$, $t = 7.400$, $p < 0.001$, $f^2 = 1.848$), representing the predictor with the largest path magnitude. Multiple authority was also negatively associated with performance ($\beta = -0.447$, $t = 5.837$, $p < 0.001$, $f^2 = 1.186$). Conversely, HRIS-Payroll integration was positively associated with performance ($\beta = 0.354$, $t = 4.757$, $p < 0.001$, $f^2 = 0.692$), serving as the only predictor with a positive path coefficient in the proposed model. Collectively, these three predictors explained 83.6% of the variance in Area Manager performance ($R^2 = 0.836$, Adjusted $R^2 = 0.823$, $Q^2 = 0.791$, SRMR = 0.073). The findings suggest that Facility Management Company may improve Area Manager performance by streamlining reporting structures, enhancing HRIS-Payroll system capabilities, and managing operational task demands more effectively.

Keywords: Work Complexity, Multiple Authority, HRIS-Payroll Integration, Area Manager Performance, PLS-SEM

1. INTRODUCTION

The facility management sector in Indonesia operates within a dynamic operational environment that demands high service reliability, compliance with strict Service Level Agreements (SLAs), and operational cost efficiency. As a facility management provider operating in multi-site and multi-client environments, Facility Management Company manages diverse operational functions including security, cleaning, technical maintenance, and operational administration. Managing multi-location client operations poses ongoing organizational challenges in maintaining service consistency, cross-site coordination, and administrative timeliness.

Internal company KPI data from 2022 to 2024 revealed that Area Managers at Facility Management Company experienced lower performance achievements relative to target expectations compared to other operational supervisory tiers. This operational phenomenon manifested in extended resolution times for client requests, variations in site profit margins, administrative delays in billing document completions, and operational reporting lag. In multi-site facility management settings, Area Managers serve as pivotal operational anchors responsible for directly supervising field supervisors,

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managing client relations on-site, and overseeing labor and administrative compliance. Empirical literature highlights multiple organizational determinants of managerial performance. Work complexity, characterized by multi-tasking and high operational demands, can strain cognitive resources and hinder decision-making efficiency. Furthermore, complex reporting structures involving multiple authority where managers report concurrently to operational leaders, account leaders, and regional management may induce role ambiguity and priority misalignment. On the other hand, administrative digital transformation through HRIS-Payroll integration offers operational support by automating attendance tracking, payroll reconciliation, and operational reporting.

While prior research has investigated these constructs independently or in general corporate contexts, empirical evidence analyzing the structural combination of work complexity, multiple authority, and HRIS-Payroll integration within a unified model remains limited for multi-site facility management enterprises in Indonesia. Therefore, this study aims to examine the structural relationships of work complexity, multiple authority, and HRIS-Payroll integration with Area Manager performance at Facility Management Company.

2. THEORETICAL REVIEW

2.1 Area Manager Performance

Area Manager performance reflects the level of achievement in executing operational tasks, financial targets, and client SLA requirements [3]. Guided by the Ability, Motivation, and Opportunity (AMO) framework [5], managerial performance depends on employees' abilities, motivation, and organizational opportunities to perform effectively. In the context of Facility Management Company, performance is operationalized across dimensions including SLA fulfillment, quality standards maintenance, financial margin management, team supervision, and operational administrative compliance [3], [5].

2.2 Work Complexity

Work complexity involves the degree of task difficulty, operational uncertainties, and inter-functional interdependencies inherent in job execution [1], [8]. Based on the Job Demands–Resources (JD-R) model, excessive job demands can deplete psychological energy and cognitive capacity, leading to operational bottlenecks when resources or structural support are constrained [10]. At Facility Management Company, Area Managers contend with multi-disciplinary service scopes, concurrent client requests, and unpredicted operational disruptions across multiple sites [1], [8].

2.3 Multiple Authority

Multiple authority describes an organizational reporting arrangement in which an employee receives instructions from and reports to more than one supervisory figure [4], [11]. Anchored in Role Theory [13] and Conservation of Resources (COR) theory [14], overlapping reporting lines can lead to role ambiguity and resource depletion as managers navigate competing operational demands [4], [13], [14]. At Facility Management Company, Area Managers interact with operational leaders, account leaders, and regional management, which can slow operational decision-making if coordination boundaries are unclear [4], [11].

2.4 HRIS-Payroll Integration

HRIS-Payroll integration refers to the unified digital architecture connecting human resource management systems with payroll and operational attendance tracking platforms [6], [16]. Grounded in the Technology Acceptance Model (TAM) [2] and Resource-Based View (RBV) [9], integrated digital tools enhance operational efficiency by reducing manual data entry, improving data accuracy, and accelerating routine administrative workflows [2], [6], [16].

3. METHOD

This study implemented an explanatory quantitative research design to examine the relationships among work complexity, multiple authority, HRIS-Payroll integration, and Area Manager performance. The target population comprised all active Area Managers at Facility Management Company, totaling 41 individuals. Data collection was conducted over a two-month period between January and February 2025 following formal administrative research approval granted by Facility Management Company management. Participation was entirely voluntary, and respondents provided informed consent prior to completing the survey. Strict confidentiality and anonymity protocols were guaranteed, ensuring that individual responses could not be traced back to personal identity or employment records, with respondents retaining the right to decline or withdraw at any stage without prejudice. Due to the targeted nature and manageable size of the population, a census sampling technique was utilized, enrolling all 41 Area Managers as research participants ($n = 41$), achieving a 100% response rate. Primary data were collected using a structured self-reported questionnaire. The initial measurement instrument contained 110 survey items. To ensure construct validity and operational relevance within Facility Management Company, each indicator was evaluated using two paired statements consisting of one general statement and one contextual statement. The scores from both statements were averaged to form a single representative indicator score. The final structural measurement model comprised 55 consolidated indicators across four latent constructs: Area Manager Performance (Y), measured by 25 indicators covering SLA achievement, financial target control, operational responsiveness, team leadership, and administrative compliance; Work Complexity (X_1), measured by 9 indicators assessing task diversity, site coverage, operational uncertainty, and operational interdependencies; Multiple Authority (X_2), measured by 9 indicators measuring dual reporting demands, priority conflicts, communication friction, and supervisory alignment across operational, account, and regional leadership; and HRIS-Payroll Integration (X_3), measured by 12 indicators measuring system interface consistency, attendance-payroll synchronization, data accuracy, processing speed, and administrative reporting ease. All items were evaluated on a 5-point Likert scale ranging from 1 ("Strongly Disagree") to 5 ("Strongly Agree"). Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) executed via SmartPLS 4 with a non-parametric bootstrapping procedure of 5,000 subsamples. PLS-SEM was selected due to its efficacy in handling structural models with small-to-medium sample sizes. The analytical evaluation followed two sequential stages: first, the Measurement Model (Outer Model) was assessed for convergent validity via indicator outer loadings (≥ 0.70) and Average Variance Extracted ($AVE \geq 0.50$), internal consistency reliability via Cronbach's Alpha (≥ 0.70) and Composite Reliability (≥ 0.70), and discriminant validity via cross-loadings; second, the Structural Model (Inner Model) was evaluated to assess explanatory power (R^2 and Adjusted R^2), predictive relevance (Q^2), effect size (f^2), model fit ($SRMR < 0.08$), and the statistical significance of path coefficients.

4. RESULTS AND DISCUSSION

4.1 Measurement Model Evaluation (Outer Model)

The outer model evaluation demonstrated robust psychometric properties. All 55 indicator

outer loadings ranged between 0.779 and 0.948, exceeding the standard threshold of 0.70. The Average Variance Extracted (AVE) for all latent variables exceeded the 0.50 benchmark, establishing convergent validity. Construct reliability was confirmed, with Cronbach's Alpha and Composite Reliability values well above 0.70 across all constructs.

Table 1. Measurement Model Reliability and Convergent Validity Results

Latent Construct	Number of Indicators	Outer Loading Range	AVE	Cronbach's Alpha	Composite Reliability (ρ_c)	Evaluation
Work Complexity (X_1)	9	0.782 – 0.931	0.753	0.961	0.965	Valid & Reliable
Multiple Authority (X_2)	9	0.795 – 0.942	0.755	0.962	0.965	Valid & Reliable
HRIS-Payroll Integration (X_3)	12	0.810 – 0.948	0.765	0.972	0.975	Valid & Reliable
Area Manager Performance (Y)	25	0.779 – 0.925	0.761	0.986	0.987	Valid & Reliable

Source: Primary dataset analysis output, 2025

Discriminant validity was verified through cross-loading matrix analysis, where all indicators loaded highest on their respective intended constructs.

4.2 Structural Model Evaluation (Inner Model) And Hypothesis Testing

The structural model exhibited strong explanatory and predictive capabilities. The coefficient of determination (R^2) for Area Manager Performance was 0.836 (Adjusted $R^2 = 0.823$), indicating that 83.6% of the variance in Area Manager performance is explained by work complexity, multiple authority, and HRIS-Payroll integration at Facility Management Company. The blindfolding Q^2 value reached 0.791 ($Q^2 > 0$), indicating strong predictive relevance. The Standardized Root Mean Square Residual (SRMR) was 0.073, satisfying the model fit criterion ($SRMR < 0.08$). Hypothesis testing results obtained from 5,000 bootstrapping subsamples are presented in Table 2.

Table 2. Structural Path Parameter Estimates and Hypothesis Testing

Hypothesis/ Relationship	Path Coefficient (β)	Sample Mean (M)	Standard Deviation (STDEV)	t -statistic	p -value	Effect Size (f^2)	Decision
H1: Work Complexity (X_1) → Performance (Y)	-0.571	-0.568	0.077	7.400	< 0.001	1.848	Supported
H2: Multiple Authority (X_2) → Performance (Y)	-0.447	-0.445	0.077	5.837	< 0.001	1.186	Supported
H3: HRIS-Payroll Integration (X_3) → Performance (Y)	0.354	0.356	0.074	4.757	< 0.001	0.692	Supported

4.3 Discussion

The findings indicate that work complexity, multiple authority, and HRIS-Payroll integration were significantly associated with Area Manager performance at Facility Management Company. Work complexity was significantly and negatively associated with Area Manager performance ($\beta = -0.571, p < 0.001$), representing the strongest relationship among the three predictors. This finding may indicate that Area Managers who simultaneously manage diverse operational responsibilities across multiple client sites tend to experience greater cognitive demands and coordination challenges, which may be associated with lower performance. This interpretation is consistent with the Job Demands–Resources (JD-R) perspective, which suggests that excessive job demands may reduce employee effectiveness when not balanced by adequate organizational resources. Multiple authority was also significantly and negatively associated with Area Manager performance ($\beta = -0.447, p < 0.001$). This finding may reflect that reporting to more than one supervisor can create role ambiguity, conflicting priorities, and coordination difficulties, which may be associated with lower managerial performance. These findings are consistent with Role Theory, which explains that overlapping role expectations may reduce work effectiveness. Conversely, HRIS-Payroll integration was positively associated with Area Manager performance ($\beta = 0.354, p < 0.001$). This finding may indicate that integrated HRIS-Payroll systems simplify administrative processes, improve data accuracy, and reduce manual workloads, thereby enabling Area Managers to devote greater attention to operational responsibilities. This interpretation is consistent with the Technology Acceptance Model (TAM), which suggests that information systems perceived as useful are more likely to support employee performance. Collectively, work complexity, multiple authority, and HRIS-Payroll integration explained 83.6% of the variance in Area Manager performance ($R^2 = 0.836$). This result indicates that these organizational factors were strongly associated with Area Manager performance in the present study. However, because this research employed a cross-sectional design, the findings should be interpreted as statistical associations rather than evidence of causal relationships.

5. CONCLUSION

Based on the PLS-SEM analysis, this study found that work complexity, multiple authority, and HRIS-Payroll integration were significantly associated with Area Manager performance at Facility Management Company. Work complexity was negatively associated with Area Manager performance ($\beta = -0.571, p < 0.001$), indicating that higher levels of work complexity are associated with lower managerial performance. Multiple authority was also negatively associated with Area Manager performance ($\beta = -0.447, p < 0.001$), suggesting that overlapping reporting relationships relate to reduced managerial effectiveness. Conversely, HRIS-Payroll integration was positively associated with Area Manager performance ($\beta = 0.354, p < 0.001$), indicating that better system integration supports higher managerial performance. Collectively, these three variables explained 83.6% of the variance in Area Manager performance ($R^2 = 0.836$).

From a practical standpoint, Facility Management Company management should establish clear decision rights and single-point contact protocols to minimize role ambiguity, re-evaluate operational task allocations to mitigate cognitive overload, and further enhance automated features within the HRIS-Payroll platform. Finally, this study acknowledges several methodological limitations: data collection was restricted to a single enterprise (Facility Management Company) with 41 Area Managers ($n = 41$), all constructs were measured via self-reported questionnaires from a single respondent source (introducing potential common method variance and perceptual consistency

risks), and the cross-sectional design limits definitive causal claims, necessitating caution when generalizing findings to other organizations or industries.

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