

EMPLOYEES' STRESS AND ITS IMPACT ON THEIR PERFORMANCE

Balasundaram Nimalathan*

*Senior Lecturer,

Department of Accounting,

Faculty of Management Studies & Commerce,

University of Jaffa, SRI LANKA

Email id: bnimalathan@yahoo.com.

DOI: 10.5958/2249-7137.2022.00604.8

ABSTRACT

The present study is initiated on employees' stress and its impact on their performance: a study of selected garments employees in Chittagong, Bangladesh. A non-probabilistic sampling method, namely convenience sampling, was used in drawing samples for this study. Respondents were from various garment industries that were located in the Chittagong, Bangladesh. A five item scale from never (1) to always (5) was adopted to identify the variables of employees' stress and their performance. In the present study, we analysed our data by employing correlation and regression analysis. The results from the operational hypotheses indicated that total stress (TS) related factors such as organizational related factors (ORF); individual related factors (IRF) and job related factors (JRF) have a significant negative relationship with employees' performance which means, as the stress increases, increasing level of performance decreases. Further three factors (ORF; IRF and JRF) have a greater impact on employees' performance.

KEYWORDS: *Employees' Stress; Performance and Garments' Employees*

INTRODUCTION

To make the best use of people as a viable resource of the organization, attention must be given to the relationship between employees, the nature and content of their jobs. The work organization and the design of jobs can have a significant effect on employees. In this connection, the level of stress is also an important factor that may have impact on the employee's behavior. Stress is a complex and dynamic concept. This means that undesirable level of stress affects overall performance of the organization. Further, from the employees' point of view, employee's stress is caused by not only organization but also their family such as family problem, death of the family member etc. In order to getting the work done effectively, organization or manager should properly manage the level of stress. In order to achieve organizational objectives all the factors which are determined in achieving organizational objectives should be properly managed.

There is no single level of stress that is optimal for all people. Positive stress adds anticipation and excitement to life, and we all thrive under a certain amount of stress. Our goal is not to eliminate stress, but to learn how to manage it and how to use it to help us. Therefore it is very important for both individual and organization to manage the stress to its optimal level. The impact stress has on organizational performance is no less dramatic. Many employees feel they

could make better decisions and perform more effectively if they worked under less stress. Stress has also been linked to absenteeism, turnover, and industrial accidents. In a new development, many workers are suing companies for compensation payments for emotional and physical illnesses traced to their jobs and winning.

Objectives

The following objectives are taken for the study:

1. To find out the relationship between employees' stress and their performance.
2. To examine the impact of three factors (Organisational related factors; Job related factors and Individual related factors) on their performance.
3. To identify these factors which determine their performance.
4. To suggest the employees to enhance their performance.

Hypotheses

Based on the preceding review of literature the following hypotheses have been developed;

H₁: Employees' stress and their performance are negatively correlated.

H₂: Organizational related factors; Job related factors and individual related factors have a greater impact on employee's performance.

Research Methodology

Sampling Design and Data Sources

A non-probabilistic sampling method, namely convenience sampling, was used in drawing samples for this study. Respondents (150) were from various garment industries that were located in the Chittagong, Bangladesh. The study was complied with the help of primary data. Primary data were collected direct personal interview with help of the questionnaire. Moreover, the desk study covered various published and unpublished materials on the subject.

Instrumentation

The questionnaire was administrated to employees of garment industries in Chittagong. A five item scale from never (1) to always (5) was adopted to identify the variables of employees' stress and their performance.

Reliability

Cronbach's alpha is most widely used method. It may be mentioned that its value varies from 0 to 1 but, satisfactory value is required to be more than 0.6 for the scale to be reliable (Malhotra, 2000; Cronbach, 1951). In the present study, we, therefore, used Cronbach's alpha scale as a measure if reliability. Its value was estimated to be 0.857 , If we compare our reliability value with the standard value alpha of 0.6 advocated by Cronbach (1951), a more accurate recommendation Nunnally & Bernstein (1994) or with the standard value of 0.6 as recommended by Bagozzi & Yi's (1988) we find that the scales used by us are highly reliable for data analysis.

Statistical Tools Used

In the present study, we analysed our data by employing correlation and regression analysis. For the study, entire analysis is done by personal computer. A well known statistical package ‘Statistical Package for Social Sciences’ (SPSS) 13.0 Version was used in order to analyze the data. Correlation analysis was carried out to find out the relationship among the variables. Further the following model was formulated to examine the impact of three stress related factors on employees’ performance through regression analysis.

$$EP=f(ORF, JRF, IRF)$$

$$EP = \beta_0 + \beta_1(ORF) + \beta_2 (JRF) + \beta_3(IRF)+ e \text{ -----Model 1}$$

Where $\beta_0, \beta_1, \beta_2, \beta_3$, are the coefficient of correlation

ORF = Organisational Related Factors

JRF = Job Related Factors

IRF = Individual Related Factors

EP = Employees’ Performance

e = error term

RESULTS AND DISCUSSIONS

Correlation analysis was performed to find out the relationship between variables; ORF, JRF IRF and P. In this regard table -1 provides the results.

TABLE -1: CORRELATION MATRIX FOR STRESS AND PERFORMANCE

Variables	TS	ORF	JRF	IRF
EP	-0.766** (0.000)	-.583** (0.000)	-.367** (0.000)	-.404** (0.000)
TS		0.869** (0.000)	0.828** (0.000)	0.277* (0.032)
ORF			0.331* (0.032)	0.277* (0.032)
JRF				0.179 (0.171)

** Correlation is significant at the 0.01 level.

*Correlation is significant at the 0.05 level.

Table-1 shows that total stress (TS) and performance are negatively correlated with the value of -0.766 which is significant at 1% level of significance and also ORF; JRF and IRF are negatively correlated with employees’ performance (EP). Hence the hypothesis one is accepted. Then a multiple regression analysis was performed to identify the predictors of performance as in the model 1. A enter variable selection method was used in the regression analysis and table- 2 provides the summary measure of the model.

TABLE -2: PREDICTORS OF PERFORMANCE – MODEL SUMMARY

Model	R	R ²	Adjusted R square
1	0.654 ^a	0.427	0.396

a Predictors (Constant) ORF, JRF, IRF

The specification of the three variables (ORF, JRF and IRF) in the above model revealed the ability to predict performance ($R^2 = 0.427$). In this model and R^2 value of 0.427 denote that 42.7 percent of the observed variability in performance can be explained by the differences in three independent variables namely ORF, JRF and IRF. The remaining 57.3 percent is not explained which means that the remaining 57.3 percent of the variance in performance is related to other variables which are not depicted in the model. In this model, the value of an adjusted R^2 are 0.602, slightly less than the value of R^2 . An examination of the model summary in conjunction with ANOVA (F-value) indicates that the model explains the most possible combination of predictor variables that could contribute to the relationship with the dependent variables. For this model F value is 13.918 and respective P value is 0.000 which is statistically at 1% levels.

TABLE -3: COEFFICIENTS FOR PREDICTORS OF ORGANIZATIONAL PERFORMANCE

Models	Unstandardized Coefficients		Standardized coefficients	t	Sig
	β	Std.Effor	Beta		
1 Constant	4.854	.215		22.622	0.000
ORF	-.313	.076	-.455	-4.127	0.000
JRF	-.156	.082	-.202	-1.907	0.062
IRF	-.148	.074	-.217	-2.019	0.048

Source: Survey data

From the table-3, ORF are significant at 1 % levels. Further, IRF and JRF are also significant at 5 % and 10% levels respectively. Both variables have a negative coefficient which means that P increases with increasing level of growth have a negative coefficient ORF (-4.127), IRF (-1.907) and JRF (-2.019). Hence three factors (ORF: IRF and JRF) have a greater impact on organizational performance. So hypothesis two is accepted.

CONCLUSIONS

Total Stress (TS) and performance are negatively correlated with the value of -0.766 which is significant at 0.01 levels and also ORF; JRF and IRF are negatively correlated with performance. Further IRF and JRF are also significant at 5 % and 10% levels respectively. Both variables have a negative coefficient which means that P increases with increasing level of growth have a negative coefficient ORF, IRF and JRF. Hence three factors (ORF: IRF and JRF) have a greater impact on organizational performance.

Suggestions and Policy Implications

Stress experienced by employees should be managed to improve their performance. Stress is not automatically bad for individual employees or their organizational performance. In fact it is generally recognized that low levels of stress can even enhance job performance. Here some

suggestions are put forward to manage the employees' stress for enhancement of their performance.

- ✓ The organization should create a supportive organizational climate. Unfortunately the organizations today continue to be highly formalized with accompanying inflexible, impersonal climate. Therefore the structure should be decentralized with participative decision-making and upward communication flows.
- ✓ The management of the organization should eliminate or reduce the conflict between employees and administrative officers.
- ✓ Employees should be allowed to get advice from their supervisor through this; they will correctly perform their responsibilities and duties.
- ✓ Organization should have to expand the health maintenance programs; supervisor training programs and stress reduction workshops.
- ✓ Organization should handle the problems and opportunities which are common to all employees.
- ✓ New technologies should be used to reduce the work overload.
- ✓ Some departments have crowded work area. In this department additional employees should be engaged to manage the crowded work.
- ✓ Motivation for employees should be granted without biased to perform their task
- ✓ Develop and maintain personal relationship social support at work and away from work can help alleviate some of negative effects of stress.
- ✓ Relaxation in various forms can be thought of always of giving the body an appropriate factor to recover from stress.

TEXT AND REFERENCES

Bagozz, R.P & Yi, Y. (1988). On the Evaluation of Structural Equation Models, Journal of the Academy of Marketing Science,16(1),74-95.

Blumenthai, I. (2003).Services SETA- Employee Assistance Conference Programme.

Bowin,R.B & Harvey,D.(2001).Human Resource Management an Experiential Approach(2nd Ed) New Jersey: Prentice Hall.

Cronbach, L.J. (1951), Coefficient Alpha and the Internal Structure of tests, Psychometrika, 6 (3), 297-334.

DCSgaumail().StressManagementandPrevention,.<http://dcsgaumail02.dcs.gov.za/exchange.Work>

Dessler. G. (2000).Human Resources Management (8th ed), New Jersey: Prentice Hall.

Dollard M F and.Metzer JC (1999).Psychological Research, Practice and Production: The Occupational Stress Problem, International Journal of Stress Management,6(4), 241-253.

Garrison, M & Bly,M.E (1997). Human Relations; Productive Approaches for the Work Place, Massachusetts: Allyn and Bacon.

Malhotra. N. K (2000).Marketing Research: An Applied Orientation (3rded), Pearson Education Asia,.New Delhi, India,

Nunnally, J.C & Bernstein Ira, H.(1994).Psychometric Theory, New York: McGraw – Hill.