

STRESS AND JOB PERFORMANCE; ANALYTICAL LINKAGES AS EVIDENT IN NIGERIAN BANKING INDUSTRY



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Abstract

This research is aimed at measuring the analytical linkages between stress and job performance of employers in Nigerian banking industry. This is premised on the use of 250 samples across ten banks. Pertinent data was obtained through questionnaires based on close-ended questions. Analysis of Variance (ANOVA) was used to verify the hypothetical claims. The findings showed that workload, role conflict and inadequate reward are the chief reasons for stress on the job which ultimately reduce employees' efficiency. It however becomes pertinent that employers minimize stress by reducing work load, abate role conflict and put in place sufficient training and counselling programmes for employees to improve their performances on the job and thereby facilitate job satisfaction.

Keywords: Stress, Workload, job performance, role conflict, reward, job satisfaction.

Background to the Study

Over the past few decades stress is emerging as an increasing problem in organisations. Stress is vigorous state in which a person is confronted with an opportunity, demand, or resource related to what the individual wishes and for which the outcome is perceived to be both vague and vital. (Selye, 1976) first introduced the idea of stress into life science. He defined stress as the force, pressure, or tension subjected upon an individual who resists these forces and attempt to uphold its true state.

Although contemporary world has brought benefits of the advanced technologies, modern life style and a lot of facilities, but this has also increased competition. There is growing concern for the policy makers, leaders and subordinate to get competitive advantage in the organizations. This has raised pressure on the employees to work hard and get more outputs in order to achieve competitive advantage. This race for competitive advantage among the different organizations on one side has introduced improvements in the facilities and modern development. But on the other side it has raised an environment of job stress. Job stress has harmful physiological and psychological impacts on workers. In the words of Blake, Saleh, and Whorms, (2006) there are number of consequences individual and organizations face due to job stress.

These consequences affect Individual by reducing job satisfaction, decrease motivation, boost absenteeism, increase job turnover, poor quality of work and productivity, increased smoking and drinking. Similarly job stress has also impact on the overall performance of organization. This reduce the outcomes in the organization as a result of low workforce morale, poor relationships, productivity and quality of work, high turnover, early retirements, conflicts and high organizational cost replacement costs of turnover, health care costs etc. Job stress badly affects the employees' performance.

Job stress is caused by number of factors in the organizations such as high work load, organizational and environmental factors, physical conditions, financial and economic factors, sex specific stressors, training and career development issues etc (Blake et.al, 2006).

Research Problem

Many researchers are of the view that stress has a negative impact on employees' performance but at the same time researches have proved that some stressful work conditions are critical to keep employees productive. This study examines the relationship of negative impact of stress on work performance of the personnel serving in the Nigerian banking industry.

Research Objectives

The purposes of our research are:

- i. To determine factors that cause stress among employees in the higher education sector.
- ii. To explore whether these factors have positive or negative impact job performance.

Hypotheses

- H₁: Workload has significant impact on job performance of employees.
Role conflict: When role requirements of an individual are antithetical, it gives rise to role conflict. It is a critical situation because adherence to the requirement of one's role makes it difficult to adhere to the requirements of another.
- H₂: Role conflict has significant impact on job performance of employees.
Inadequate monetary reward: A research in 2006 explored that 45% organisations lose talented human resource because of unjustified remuneration. According to 71% employees one of the prime reasons of job switching is inadequate pay. When employees think that they are not rewarded according to the efforts they are putting in; it creates stress among them and therefore their work performance decreases. Paying more can give a corporation talented and motivated employees but then it becomes one of the highest operating costs to the firm.
- H₃: Inadequate monetary reward has significant impact on job performance of employees.

Literature Review

Job Stress

Job stress is not a new concept. It is a part of human life and exists in the human civilization since antiquity (Cannon, 1927). The word stress was used by Selye (1956) for the first time. He defines stress as physical/ psychological reaction to a particular condition. Later on research scholars define the word stress in numerous ways. But still there is lack of comprehensive definition of job stress (Cummings & Cooper, 1998).

However different research scholars have discussed different aspects of stress. KahnWolf, Quinn, Snoek and Rosenthal (1964) argue that stress is the outcomes of three different stressors, i.e. role conflict, role overload and role ambiguity. According to Control theory of Spector (1998), stress is caused by number of factors. Sometime mismanagement of a person on its emotional and cognitive process becomes reasons for developing job stress (Lazarus, 1993). In the view of Cybernetic theory of Cummings and Cooper (1998), stress is contingent upon context and situation. A particular situation causes stress some time for a person while in other situation it is considered as distress for the same person. Cannon (1927) argues in his theory of Cannon-bard theory of emotion that psychological stress is caused by physiological problem. Bonoma and Zaltsman (1981) find out that Stress is the outcome of the environmental interaction and personal factors. Stress affects the performance of the employees by affecting them psychologically, physically and behaviorally. This leads to dissatisfaction, tension, blood pressure, smoking, drinking, absenteeism and job turnover of the employees in the organization (Bonoma and Zaltsman, 1981).

Blake (2006) discovers that job stress has negative impact on employee performance and job stress leads to job dissatisfaction, decrease employees morale, and motivation, increases job turnover. This leads to poor emotional and mental health and decrease self-esteem of the employees.

Employees Performance

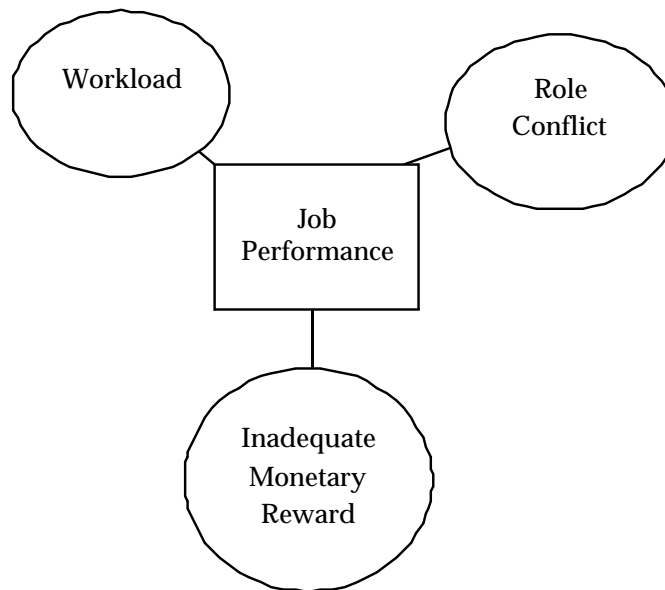
It is widely recognized by the researchers and academic that employee's performance in an organization leads to Organizational success (Vroom, 1964). This is consistent in the view of Otley (1999) that performance of organizations is dependent upon the factors such as employee's performance and the environment the organization is confronted with. Employee's performance is the ability of the employees to work effectively and efficiently in order to accomplish the organizational goals and objectives (Kovach, 1987). In the words of Ramlall (2008) there are various factors that determine employee's performance. He identified that employee's innovation, creativity and commitment lead to employee's performance. Hunter and Hunter (1984) added that there are five determinants of employee's performance such as personality, skills, knowledge, experience and abilities. Literature shows that Personality plays major role in the employee's performance (Barrick & Mount, 1991).

Knights and Willmott (2006) argue that employees cannot perform better unless and until goals and objectives of the organizations are cleared in the mind of the employees.

The more the goals and objectives are clear in the mind of the employees the more the employees will perform better. But this is not possible in the organizational environment where there is stress.

Job stress is one of the most important factors leading to workplace health risks for employees in developed and developing countries (Paul, 2002; Danna and Griffin, 2002). Stressors concern interpersonal relationships at work, such as conflicts with behavior of supervisors, conflicts with colleagues, conflicts with subordinates and conflicts with management policies (Paul, 2002). Job satisfaction has been the most frequently investigated variable in organisational behavior (Spector, 1997). Job satisfaction means how much people feel positive about their job and the difference of their jobs (Spector, 1997). Low job satisfaction can be an important indicator of decrease in employee production and can result in behavior such as absenteeism (Martin & Miller, 1986) and turnover intentions (Dupre & Day, 2007). The previous studies suggest that higher level of job stress causes less job satisfaction (K. Chandraiah, S.C. Agrawal, P. Marimuthu & N. Manoharan 2003).

Conceptual Framework



Methodology

This study was conducted in 10 different banks in the Nigerian Banking Industry. The primary data that has been used was collected via the administration of questionnaires to the bank employees who are working as managers and non-managers in the 10 selected banks.

Responses were gathered from a total of Two Hundred and Fifty (250) sample size. These responses were analyzed using frequency percentage table and analysis of variance was used to test the formulated hypotheses.

Discussion of Results and Conclusion

Anova Table 1

Hypothesis 1: Workload has significant impact on job performance of employees.

	Sum of Squares	DF	Mean Squares	F-ratio
SSA	4639.33	4	1159.75	1159.75
SSW	1024	10	102.4	102.4 = 11.3257
SST	5663.33			

Source: *Field Survey, 2015*

H_0 is rejected, hence, workload has significant impact on job performance of employees.

Anova Table 2

Hypothesis 2: Role conflict has significant impact on job performance of employees

	Sum of Squares	DF	Mean Squares	F-ratio
SSA	3883.33	4	970.83	970.83
SSW	1728	10	172.8	172.8 = 5.6182
SST	5611.33			

Source: Field Survey, 2015

Ho is rejected, hence, role conflict has significant impact on job performance of employees.

Anova Table 3

Hypothesis 3: Inadequate monetary reward has significant impact on job performance of employees.

	Sum of Squares	DF	Mean Squares	F-ratio
SSA	4016.66	4	1004.165	1004.165
SSW	2032.67	10	203.267	203.267 = 4.9401

Source: Field Survey, 2015

Ho is rejected, hence, inadequate monetary reward has significant impact on job performance of employees.

The findings of this research study show that stress among employees in the Nigerian banking Sector is caused by work load (too much of work expected to be carried out on individual employee); role conflict (ambiguity in defining roles to be carried out in the company); and inadequate monetary rewards. These three elements have been identified as the chief reasons for stress in the banks, hence, stressing the need for an organisations management to find and take steps to minimize the existence of stress among its employees.

Ways of achieving a reduced level of stress on employees have been identified which includes: organisation should redesign jobs so as to lower the workload on employees, - job relation and transfer in duties have been highlighted as options-, the bank management should cut back role conflict by providing a structure which clearly spells out individual roles and group roles. Motivation plays a moderating role in the relationship between job stress and employees performance. Employees in the banking sector can be motivated by offering them adequate payment and remuneration as this would help facilitate improvement in performing their job duties and responsibilities.

The above recommendations are believed to create enthusiasm, drive and passion in the employees which enable them perform their duties better, reduce job stress and will in turn improve their performance.

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