

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Effect of Job Stress on Employee Performance in First Bank PLC, Enugu State, Nigeria

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Abstract:

The study focuses on effect of job stress on employee performance in first bank plc Enugu state. The specific objectives were to assess the effect of role ambiguity on employee productivity, ascertain the nature of the relationship between job stress and employee performance and determine how to reduce job stress on the employees. Findings indicates that Role ambiguity has negative effect on employee productivity ($r = 0.927$; $F = 1290.828$; $t = 35.928$; $p < 0.05$). There is a negative relationship between role conflict and job satisfaction ($r = -.784$, $P < .05$). Job stress can be reduced by training and development of employees ($X^2_c = 34.321$, $p < .05$). The study concluded that Job stress is a growing problem that results in substantial costs to individual employees and work organizations around the globe. The study recommended that organizations should make the roles carried out by their employees to be clear and simple, which will assist employees to increase organizational productivity

Keywords: Job stress, employee performance, role conflict, role ambiguity, job satisfaction

1. Introduction

In today's world, stress has become a worldwide phenomenon, which occurs in various forms in every workplace. In today's work life, employees are generally working for longer hours, as the rising levels of responsibilities require them to exert themselves even more strenuously to meet rising expectations about work performance. Omolara (2008) described occupational stress as the adverse psychological and physical reactions that occur in an individual as a result of their being unable to cope with the demands being made on them.

Job stress has a vital importance and has become a key challenge for the organizations because of its strapping impact on the performance of an individual as well as the organization. Employees serve as assets for an organization, but when they are stressed, undesirable circumstances such as increased absenteeism; low productivity, low motivation and usually legal financial damages (which eventually effect the employee work behavior and leads him/her towards the counter-productive work behavior) emerge. Performance of an employee at his/her workplace is a point of concern for all the organizations, irrespective of all the factors and conditions. Consequently the employees are considered to be very important assets for their organizations (Qureshi & Ramay. 2006). A good performance of the employees of an organization leads towards a good organizational performance thus ultimately making an organization more successful and effective and vice versa (Armstrong & Baron, 2007).

Stress is a state of tension experienced by individuals facing extraordinary demands, constraints, or opportunities. It is a mental and physical condition which affects an individual's productivity, effectiveness, personal health and quality of work (Holmlund-Rytkönen & Strandvik, 2005)

Occupational stress is a significant and costly problem, and that the challenge for the organizations is to manage work stress in order to reduce health-care costs and improve productivity (Lawrence,1995). It may lead to increased health problems leading to higher rate of absenteeism and turn over, more accidents and poor job performance. Occupational stress has become a challenge for the employer organizations as it results in low productivity, increased absenteeism and collection of other employee problems like alcoholism, drug abuse, hypertension and host of cardiovascular problems (Meneze,2005).

Seibt, (2008) states that stress is always present among employees however it can be reduced by improving the

working conditions and quality of benefits in the companies Stress can be considered as an unpleasant emotional situation that we experience when requirements (work-related or not) cannot be counter-balanced with our ability to resolve them. This results in emotional changes as a reaction to this danger. It stems from the relationship between a person and his environment, and it appears as pressure that is subjective because the same stress can affect one person but not another. When an employee can manage the pressures of the job and the possibility to complete a task is substantial, then stress can work as a motivating factor (Halkos and Dimitrios, 2008).

Jamshed et al., (2011) suggested that "The workplace is potentially an important source of stress for bankers because of the amount of time they spent in their respective banks." And that stress often decreases their performance. "Therefore occupation of human could be a major source of stress. When individuals face stress due to various conditions of their occupation and fail to cope with stress, it results into burnout.". Employees suffering with stress at work place, try to withdraw themselves from stressors in terms of high turnover and absenteeism from work. If leaving the job is not easily possible for employees, they may create problems for the management i.e. inefficiency in performance, wastage of operational resources, creating obstacles for subordinates and so on

1.1. Statement of the Problem

Most organizations with the aim of attaining higher productivity end up saddling employees with overload of work in order to meet deadline and this might have psychological and physical effects on the employees which may result in something contrary to what these organizations want to achieve. Although organizations are paying more attention than in the past to the consequences of the trauma their employees go through when they place extra-ordinary demands on them, there is still more room for improvement. Again to generate enough revenue to be self-sufficient and to be able to fund the acquisition of modern equipment meant efficient service delivery and optimal employment of resources.

For this reason there has been the need for a continuous change in management strategies and administration, and the demand on employees to perform has increased. This has brought a lot of pressure on the employees, who are expected to deliver a world class service without the corresponding resources and training, yet those who fail to deliver are threatened with dismissal and other forms of punishment. With jobs very difficult to come by these days in Nigeria, many employees are crumbling under this pressure. Thus, there are cases of employee stress in organization. The study therefore focuses on effect of job stress on employee performance of First Bank Plc Enugu Metropolises.

1.2. Objectives of the Study

The general objective of the study is to determine the effects of job stress on employee performance. The specific objectives of the study are:

- To assess the effect of role ambiguity on employee productivity
- To ascertain the nature of the relationship between job stress and employee performance.
- To determine how to reduce job stress on the employees.

1.3. Research Questions

This study primarily focuses on answering the following basic questions.

- What is the effect of role ambiguity on employee performance?
- What is the nature of the relationship between role conflict and employee performance?
- How can job stress be reduced on the employees?

1.4. Research Hypotheses

The hypotheses proposed for the study

- Role ambiguity has negative effect on employee productivity.
- There is a negative relationship between role conflict and employee performance
- Job stress can be reduced by training and development of employees.

2. Review of Related Literature

2.1. Conceptual Framework

2.1.1. Job Stress

Ivancevich et al. (2008) defined job stress as the programmed response of the individual towards a group of threats called stressors, according to Brown and Harvey (2006) it is the interaction between the individual and the environment which as a result may affect his mental and physical conditions. It can be defined as the physical and mental deficit which was caused by a perceived danger (Rue and Byars, 2007)

2.1.2. Role Ambiguity

This arises when employees do not know what is expected of them at the workplace and how their work performances are evaluated. That is, employees do not know how and where they fit into the organization and they are not sure of any reward no matter how well they may perform. According to Johns (1996) there is substantial evidence that role ambiguity can provoke stress. Lack of direction can prove stressful, especially for people who are low in their tolerance for such ambiguity.

2.1.3. Role Conflict

Employees experience a high rate of stress when two superiors are demanding conflicting things and when attending to one will mean they are disobeying the other superior. This makes employees confused and frustrated. For example, workers may often feel themselves torn between two groups of who demand different types of behaviour or who believe the job entails different functions.

2.2. Theoretical Review

2.2.1. Job Demand-Control Model (Jd-C)

The Job Demands-Control Model was developed by Karasek (1979). The main premise of the model is that control buffers the effect of work demands on stress, and can help improve employees' job satisfaction with the chance to engage in challenging functions and acquire new skills (Karasek, 1979). This model categorizes jobs into four types based on different combinations of demands and control. The first type called „active“ and occurs when the employees have high needs and high control at the same time, conversely. The second type called „passive“ and occurs when the employees experience little demands and they do not need high control. The third type called „relaxed“ and occurs when the employees experience little demands while they have high control. The fourth kind which is the most stressful condition called „Job strain“ and occurs when the employees encounter too high demands and where they have little control to cope with overload, conflict, ambiguities and stress (Karasek, 1979). Jones & Bright (2001) referred the large effect of JD-C model on the job design and work health literature to its practical and testable aspects. Later on, self-efficacy and social support were added to the job demands-control model (Schaubroeck & Meritt 1997).

2.3. Empirical Review

Frost (2003) conducted a study on Job stress, its implication on employee performance and how it can be handled in Toronto. The study adopted survey design and sample size of 200 staff. finding indicated that the sources of the pain vary, but much of it comes from abusive managers, unreasonable company policies, disruptive coworkers or clients, or from poorly managed change. The study concluded that job stress on employee performance leads to diminishing in sense of self-worth and loss of confidence and hope. It is destructive to performance and morale. The study recommended that unless it is identified and handled in healthy and constructive ways it will increase loss of profits resulting from things like diminished performance or worse mass exodus.

Ashfaq and Muhammad (2013) conducted a study on the relationship between job stress and job performance on bank employees in Pakistan. The study examines the purpose model in relation of job stress and its impact on job performance by using sample of 144 participants. The indicated negative correlation between job stress and job performance and shows that job stress significantly reduces the performance of an individual. The results suggest to the organization that they have sustained a very health, cooperative and friendly environment within the team for better performance.

Khatibi, Asadi and Hamidi (2009) conducted a study on the relationship between job stress and organizational commitment in National Olympic and Paralympic Academy (NOPA). Statistical population of this research included all employees (full time) of NOPA and statistical sample was equal to the statistical population (n=59). The results indicated a negative significant relationship between job stress and organizational commitment, affective commitment and normative commitment, but there was not a significant relationship between job stress and continuance commitment. the study recommended that organizations should try as much as possible to reduce stress in order to promote employee commitment

Adetayo, Ajani and Olabisi (2014) Carried out a study on Overview of the effects of job stress on employees' performance In Nigeria Tertiary Hospitals. The focus of this study is to appraise the cause of stress, the effect on employee performance, how workers identify those stress factors and react to the factors. The data of study was collected through the use of Primary and Secondary sources by administering questionnaires, personal interviews and information was extracted from relevant journals and statistical bulletins. The descriptive method was used to analyze the data with aid of frequency and percentage for the research objectives. The findings indicated that work overload, career development and work/family conflict are considered to likely cause a disruptive effect on performance of workers. The study revealed that workers performance were affected by the following factors; tiredness, worry, unhappiness, weakness, headache, and anger. Based on the findings the study concluded that job stress has significant effect on employees' performance

3. Method and Material

The study was carried out using survey design. Primary data was obtained through the use of interviews, questionnaire and observations while Secondary data were obtained through books, journals, and the internet. The population of the study was 222 drawn from employees of the first bank Plc Enugu State, Nigeria. A sample size of 142 was determined from the population using Taro Yamane's sample size determination method. The instrument used for data collection was questionnaire structured in 5- point Likert scale and validated with content face validity. The reliability test was done using test-retest method. The result gave a reliability coefficient of 0.811, indicating a high internal consistency of the items. One hundred and forty-two (142) copies of the questionnaire were distributed and one hundred and nineteen (119) copies were returned. The three hypotheses formulated were tested at 0.05 level of significance. Simple linear regression was used to test hypothesis one, and hypothesis two was tested using Pearson product moment correction coefficient while hypothesis three was tested using Pearson chi-square. A computer aided Microsoft special package for social science (SPSS) was used to aid analysis.

4. Presentation of Data, Analyses and Interpretation

The essence of this chapter is to present and analyze the data collected for the study. The presentation and interpretation of data were based on questionnaire administrated to the staff of the selected manufacturing firms. A total of one hundred and forty two (142) copies of the questionnaire were distributed to the respondents, one hundred and nineteen (119) copies were returned while twenty three copies (23) were not returned.

Firms	Distributed	%	No Returned	%	No not Returned	%
First bank, Okpara Avenue	65	45.77	58	40.85	7	4.93
First bank, Ziks Avenue	25	17.61	20	14.08	5	3.52
First bank, New Hevean	27	19.01	21	14.79	6	4.23
First bank, Ogui Road	25	17.61	20	14.08	5	3.52
Total	142	100	119	83.8	23	16.2

Table 1: Distribution and Return of the Questionnaire

Source: Researcher Field Survey 2017

Table 1 shows that 119 (83.8%) of the distributed copies of the questionnaire were returned and used 23(16.2%) were not returned and was not used.

	Options	SA	A	D	SD	Total
1	Role ambiguity has negative effect on employee productivity	85	26	3	5	119
2	Employee productivity can be reduced when there is role complexity	106	10	2	1	119
3	unclear roles negatively affect organizational output	101	9	4	5	119
	Total	337 (94.40%)		20(5.60%)		357

Table 2: The Effect Role Ambiguity on Employee Productivity

Source: Field Survey, 2017

Table 2 reveals that 337 (94.40%) of the respondents are in the agreement category while 20 (5.60%) of the respondents are in the disagreement category. This shows that role ambiguity has negative effect on employee productivity

	Options	SA	A	D	SD	Total
1	There is a relationship between role conflict and employee performance	90	22	3	4	119
2.	Undefined of role can result into role conflict which reduce employee performance	105	11	1	2	119
3	Structural deficiency can cause role conflict which negativity affect employee performance	86	30	2	1	119
	Total	344 (96.36%)		13(3.64%)		357

Table 3: The Nature of Relationship between Role Conflict and Employee Performance

Source: Field Survey, 2017

Table 3 reveals that 344 (96.36%) of the respondents are in the agreement category while 13 (3.64%) of the respondents are in the disagreement category. This shows that there is a relationship between role conflict and employee performance

Options	SA	A	D	SD	Total
Job stress can be reduced by training and development of employees	78	36	2	3	119
Clarifying task assignment reduced job stress	99	15	4	1	119
Providing supportive organizational climate reduces job stress	104	13	1	1	119
Total	345 (96.64%)		12(3.36%)		357

Table 4: How to Reduce Job Stress on the Employees
Source: Field Survey, 2017

Table 4 reveals that 345 (96.64%) of the respondents are in the agreement category while 12 (3.36%) of the respondents are in the disagreement category. This indicates that Job stress can be reduced by training and development of employees.

4.1. Test of Hypotheses

- Ho: Role ambiguity does not have negative effect on employee productivity
- Hi: Role ambiguity has negative effect on employee productivity

	Options	Agreement	Disagreement	Total
1	Role ambiguity has negative effect on employee productivity	111 (112.33)	8 (6.66)	119
2	Employee productivity can be reduced when there is role complexity	116 (112.33)	3 (6.66)	119
3	unclear roles negatively affect organizational output	110 (112.33)	9(6.66)	119
	Total	337	20	357

Table 5: Contingency Table (Reproduced Table 4.2) for Testing Hypothesis (1)
Source: Field Survey, 2017

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.927 ^a	.859	.578	.25104.	.339

Table 6: Model Summary^b

A. Predictors: (Constant), Poor Organizational Structure
B. Dependent Variable: Interdepartmental Relations

Model	Sum of Squares	df	Mean Square	F	Sig.
1Regression	81.350	1	81.350	1290.828	.000 ^b
Residual	13.361	212	.063		
Total	94.710	213			

Table 7: ANOVA^a

a. Dependent Variable: Employee productivity
b. Predictors: (Constant), Role ambiguity

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)					
Role ambiguity	.390	.037		10.602	.000
	.754	.021	.927	35.928	.000

Table 8: Coefficients^a

A. Dependent Variable: Employee Productivity

R = 0.927
 R² = 0.859
 F = 1290.828
 T = 35.928
 DW = 0.339

4.2. Interpretation

The regression sum of squares (81.350) is greater than the residual sum of squares (13.361), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is not due to chance.

R, the correlation coefficient which has a value of 0.927, indicates that there is negative relationship between Role ambiguity and employee productivity. R square, the coefficient of determination, shows that 85.9% of the variation in employee productivity is explained by the model.

With the linear regression model, the error of estimate is low, with a value of about .25104. The Durbin Watson statistics of 0.339, which is not more than 2, indicates there is no autocorrelation. The role ambiguity coefficient of 0.927 indicates a negative significance between role ambiguity and employee productivity, which is statistically significant (with t = 35.928). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted. Thus role ambiguity has negative effect on employee productivity.

4.3. Hypothesis Two

- H₀: There is no negative relationship between role conflict and employee performance
- H₁: There is a negative relationship between role conflict and employee performance

	Options	Agreement	D SD	Total
1	There is a negative relationship between role conflict and employee performance	112 (114.66)	7 (4.33)	119
2.	Undefined of role can result into role conflict which reduce employee performance	116 (114.66)	3 (4.33)	119
3	Structural deficiency can cause role conflict which negativity affect employee performance	116 (114.66)	3(4.33)	119
	Total	344	13	357

Table 9: Contingency Table (Reproduced Table 3) For Testing Hypothesis (2)
 Source: Field Survey, 2017

	Mean	Std. Deviation	N
Role conflict	1.8990	1.13201	119
employee performance	1.7050	.79811	119

Table 10: Descriptive Statistics

		Role conflict	Job satisfaction
Role conflict	Pearson Correlation	1	.784**
	Sig. (2-tailed)		.000
	N	119	119
Employee performance	Pearson Correlation	.784**	1
	Sig. (2-tailed)	.000	
	N	119	119

Table 11: Correlations

** Correlation Is Significant at the 0.01 Level (2-Tailed)

Table 10 shows the descriptive statistics of the role conflict and employee performance, with a mean response of 1.8990 and std. deviation of 1.13201 for role conflict and a mean response of 1.7050 and std. deviation of .79811 for job satisfaction and number of respondents (119). By careful observation of standard deviation values, there is not much difference in terms of the standard deviation scores. This implies that there is about the same variability of data points between the dependent and independent variables.

Table 11 is the Pearson correlation coefficient for role conflict and employee performance. The correlation coefficient shows 0.784. This value indicates that correlation is significant at 0.05 level (2tailed) and implies that there is a relationship between role conflict and employee performance ($r = .784$). The computed correlations coefficient is greater than the table value of $r = .195$ with 117 degrees of freedom ($df = n-2$) at alpha level for a two-tailed test ($r = .784, p < .05$). However, since the computed $r = .784$, is greater than the table value of $.195$ we reject the null hypothesis and conclude that there is a negative relationship between role conflict and employee performance ($r = .784, P < .05$).

4.4. Hypothesis Three

- H_0 : Job stress cannot be reduced by training and development of employees
- H_1 : Job stress can be reduced by training and development of employees

	Options	Agreement	Disagreement	Total
1	Job stress can be reduced by training and development of employees	114 (115)	5 (4)	119
2	Clarifying task assignment reduces job stress	114 (115)	5 (4)	119
3	Providing supportive organizational climate reduces job stress	117 (115)	2 (4)	119
	Total	345	12	357

Table 12: Contingency Table as (Reproduced Table 4) for Testing Hypothesis (3)
Source: Field Survey, 2017

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	34.321(a)	4	.199
Likelihood Ratio	9.300	4	.178
Linear-by-Linear Association	2.782	1	.035
N of Valid Cases	357		

Table 13: Chi-Square Tests Computed from the Frequency Cross Tabulation
Source: SPSS Version 20.00

Table 13 is the output of the computed Chi-Square values from the cross tabulation statistics of observed and expected frequencies with the response options of agree and disagree based on the responses of the research subjects from the selected organizations. Pearson. Chi-Square computed value ($X^2_c = 34.321$) is greater than the Chi –Square tabulated value ($X^2_t = 9.49$) with 4 degrees of freedom (df) at 0.05 level of alpha ($X^2_c = 34.321, p < .05$)

4.5. Decision Rule

The decision rule is to accept the alternate hypothesis if the computed Chi- Square value is greater than tabulated Chi-Square value otherwise accept the null hypothesis.

4.6. Decision

Since the Pearson Chi- Square computed $X^2_c = 34.321$ is greater than Chi- Square table value $X^2_t = 9.49$, the null hypothesis is rejected and alternate hypothesis is accepted. Thus, we conclude that Job stress can be reduced by training and development of employees

5. Summary of Findings

The findings at the end of this study include the following:

- i. Role ambiguity has negative effect on employee productivity ($r = 0.927$; $F = 1290.828$; $t = 35.928$; $p < 0.05$)
- ii. There is a negative relationship between role conflict and job satisfaction ($r = .784, P < .05$).
- iii. Job stress can be reduced by training and development of employees ($X^2_c = 34.321, p < .05$)

5.1. Conclusion

The study concluded that Job stress is a growing problem that results in substantial costs to individual employees and work organizations around the globe. Stress and its relation with the business world is that if not handled well it might lead to illness and also increase the time offs taken by employees. As a result both, the organization and employees will be affected by it. But tension in the business world is also good to some extent and can lead employees to be motivated to work hard and increase their efficiency. Stress that makes the employee under pressure to the point that the employee won't be able to deal with the situation affects both the employee and the company in a negative way. Stress has serious consequences for the

performance of an organization. Some of the impacts that stress has on an organization are increased employee turnover, employee absence and reduced productivity.

5.2. Recommendations

Based on the findings, the following recommendations were made

- Organizations should make the roles carried out by their employees to be clear and simple, which will assist employees to increase organizational productivity
- Employee roles should be clearly defined so as to reduce role conflict that might negatively affect organizational performance
- Organizations should create a platform where employees will be trained on how to cope and manage stress
- Organizations should provide medical and consultation facilities as well to have a system of workplace where the employee should feel free towards approaching the help centers. This not only helps the employees but also increases the value and perception of the company by showing the value it gives for its employees

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