

Impact of Stress on Job Performance of Employees: An Assessment with Special Reference to Commercial Banks in Badulla Urban Area

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Introduction

Over the past few decades, stress is emerging as an increasing problem in organizations. Stress is a 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. The Health Safety Executive UK (HSE) (2001) defines stress as an undesirable response and claims that people have tremendous pressures or other types of demands placed upon them. It arises when they worry about the pressures that they cannot deal with. Sometimes there can be positive and negative implications of stress. Beehr (1976) defines job stress as a condition arising from the interaction of people and their jobs and it is characterized by changes within people that force them to deviate from their normal functioning. According to Anderson (2002), a family conflict is also a predecessor which creates stress in employees of an organization. Job stress has also been viewed as dysfunctional for organizations and their members.

Success of the organization depends on the performance of the employees. In addition, the performance of the employees would have an effect on the success of a manager. Porter and Lawler (1968), define job performance as "the net effect of a person's effort modified by the abilities, traits and his role perceptions". Similarly, performance is the degree of accomplishment of the tasks that makes up an employee's job. Stress has to be managed properly by the managers in order to get the work done effectively. 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 use properly. Therefore, it is very important for both individual and the organization to manage the stress to its optimal level.

As far as banking industry is concerned, bankers might be under a great deal of stress due the antecedents of stress such as overload, role ambiguity, role conflict, responsibility for people, participation, lack of feedback, keeping up with rapid technological change. In addition to this, some recent factors such as innovative role, career development, organizational structure and climate have contributed to the stress among banking employees.

Accordingly, the objective of this study was to identify the relationship between the stress and job performance.

Methodology

A sample of 100 banking employees representing the 9 commercial banks situated in Badulla urban area was considered based on stratified random sampling method.

A Questionnaire was administered to collect primary data and published articles and journals were used in order to gather secondary data. Questionnaire was consisted with the information related to three main areas namely, personal information, stress

related information and performance related information. Both descriptive and inferential statistical techniques were used. Descriptive statistical techniques were used to discover and summarize the attributes of the sample. Furthermore, correlation coefficient analysis was used to measure the degree of linear association between the two variables. Multiple regressions analysis was also used to combine the contribution of each parts of the independent variable. The regression model can be expressed as follows.

$$P = A + \beta_1 JRS_1 + \beta_2 ORS_2 + \beta_3 IRS_3 + E$$

Where;

- P = Job performance
- A = Intercept of the equation
- JRS₁ = Job related stress
- ORS₂ = Individual related stress
- IRS₃ = Organizational related stress

Results and discussion

Table -1 Correlation between overall stress and performance

Source: Based on primary data

Variables	Pearson Correlation	P- Value
Stress	-0.873	.000

According to the Table-1, it can be identified that there is a statistically significant ($P < 0.05$) strong negative relationship (-0.873) between the performances and stress. This suggests that there is overwhelming evidence to say that when stress is increasing the performance will decrease.

Table - 2 Correlation between Jobs related stress, Organizational related stress, Individual related stress and Performances

Variables	Pearson Correlation	P- Value
ORS	-0.643	.000
JRS	-0.767	.000
IRS	-0.830	.000

Source: Based on primary data

The results given in the Table 2 emphasize that JRS, ORS and IRS are negatively correlated with performance of the employee. Thus, it stresses that there is a statistically significant ($P < 0.05$) strong negative correlations between the components of stress and performance of the employees.

The results of the multiple regression analysis can be summarized as follows with the fitted model for the relationship between stress and performance of the employees.

$$\text{Performance} = 3.37 - 0.0797 \text{ JRS} - 0.331 \text{ ORS} - 0.268 \text{ IRS} + E$$

Hence, it is clear that when job related stress, organizational related stress and individual related stress increases by one unit, the performance of the employees decreases by 0.796, 0.331 and 0.268 units respectively.

Conclusions

This research was mainly based on the objective of assessing whether there is a relationship between stress and job performance. Determinants of stress were viewed into three categories such as job related factors, organizational factors and individual factors. It was found that the employees of commercial banks in Badulla experience stress and that significantly affects their job performance. Further, it was identified that the components of stress negatively influence the performance of the employees.

References

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