



# Impact of Stress on Job Performance: An Empirical study of the Employees of Private Sector Universities of Karachi, Pakistan

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## Abstract

*This paper is aimed at determining the effect of stress on job performance of employees. It is based on empirical research conducted on 133 employees of private sector's Universities in Karachi that are providing education in the disciplines of Business Administration, Engineering, Medicine, Textile and Fashion. Pertinent data was collected through questionnaires based on close-ended questions. Multiple Linear Regression technique was used to test the hypothesis. The results obtained from the data revealed that workload and role conflict, and inadequate monetary reward are the prime reasons of causing stress in employees, and this stress reduces their efficiency. Thus it was recommended that employer should minimize stress by lowering the work load, abate the role conflict, pay adequate salary and provide training and counseling to employees in order to improve their job performance and job satisfaction.*

**Keywords:** Job performance; Stress; Job satisfaction; Work Load; Role Conflict; Monetary Reward.

## Introduction

Around three billion people globally are employed and face an incessant and challenging problem in the organization called stress, which influences employee's performance and efficiency. Stress is defined as the corporeal and cognitive response to acute circumstances<sup>1</sup>. Stress is one of the burning issues that organizations have to deal so that employees can comfortably produce quality work. Stress causes an imbalance in one's life because it leads to depression and thus damages health, attitude and work behavior. Causes of stress are called stressors, which can be workplace conflict, role conflict, role ambiguity and workload<sup>2</sup>.

**Problem statement:** Many researchers are of the view that stress has a negative impact on employees' performance but at the same time researchers 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 higher education sector.

**Research objective:** The purpose of our research is: 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.

**Scope of the study:** This study is conducted on private sector's Universities in Karachi, in order to determine the impact of stress on Professors, Assistant Professors, Associate Professors, and Lecturers.

**Significance of Research:** Stress is one of the pervasive problems of an organization. For an institution to prosper, it is prerequisite that its employees work in a stress free ambiance. It leads to decrease in employees' efficiency, increase in absenteeism and turnover. In Universities, specially, if the faculty works without any stress, they can deliver better to students and also engage themselves actively in research work. Therefore, it is important to study the relationship between stress and job performance<sup>3</sup>.

**Previous Research:** Selye was the pioneer to research on stress and business management<sup>4</sup>. Stress is defined as the corporeal and cognitive response to acute circumstances<sup>5</sup>. It occurs due to misalignment of an individual's capabilities with the organization's requirements. Stress is defined as a state where one encounter a chance related to what he aspires and for which the result is expected to be unsettled and critical<sup>6</sup>. Severe stress can have insalubrious effect on the lives of employees<sup>7</sup>, which can lead to reduced effectiveness, less inspiration and increase in non-appearance in office<sup>8</sup>.

However, researchers believe that stress is of "difficult" nature<sup>9</sup>. The essence of stress has two folds: "Challenge Stressors and Hindrance Stressors". Challenge stressors help in achieving goals timely and efficiently. The optimal level of stress increases the productivity of organizational members<sup>3</sup>. Hindrance stressors prevent one from goal accomplishment<sup>6</sup>. Stress in glut badly impacts employee performance<sup>10</sup>, increase in job satisfaction and turnover<sup>5</sup>.

Stress is also linked with "demands" and "resources". Demands are the expectations, situations, and circumstances in the

organization whereas resources refer to the stuff used in meeting demands. The level of stress minimizes when resources are adequate to meet demand<sup>11</sup>.

Some of the factors responsible for creating stress among employees in the organization are: Work Load: Workload refers to the concentration of assignments at work. It is one of the main causes of stress in employees<sup>3</sup>. The attitude of various employees is different towards workload. Some comfortably manage it at the work place while for some it becomes difficult to manage<sup>12</sup>.

Ha: 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<sup>13</sup>.

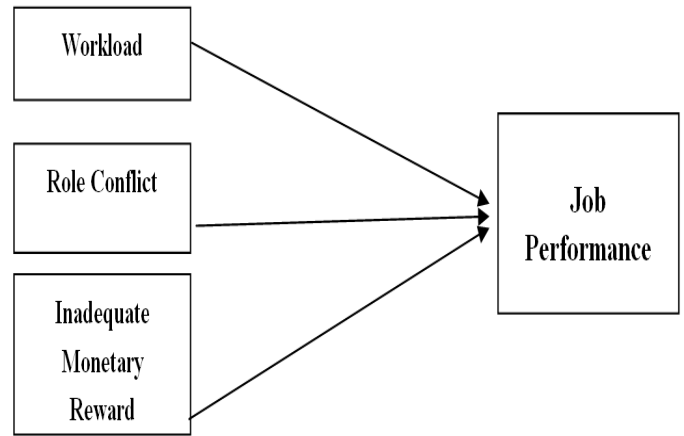
Hb: Role Conflict has significant impact on job performance of employees.

Inadequate monetary reward: A research in 2006 explored that 45% organizations loose talented human resource because of unjustified remuneration. According to 71% employees one of the prime reasons of job switching is inadequate pay<sup>14</sup>. 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<sup>3</sup>.

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

Job Performance: Job performance is the total output that employees give to the organization, which it recognizes. It is the sum total of abilities, opportunities and motivation<sup>15</sup>.

Different types of relationship have been found between work stress and job performance. First is the inverse relation between stress and job performance where rise in the level of stress decreases the job performance of employees. Second is a direct relation, where rise in the level of stress increases job efficiency. Third, mild level of stress boosts employee performance to peak in the beginning but then brings employee into distress situation<sup>16</sup>.



**Figure-1**  
**Conceptual Framework**

In this study, job performance is the dependent variable whereas stress is the independent variable.

**Research Methodology**

Primary data that has been used in this study was gathered from different private sector universities in Karachi. Responses were obtained from different Professors, Assistant Professors, Associate Professors, and lecturers serving in various disciplines like Engineering, Business Administration, Medicine, Textile and Fashion. This research is quantitative in nature. A survey was conducted using close-ended questionnaires. Stratified sampling technique has been utilized in this study. The total respondents were 133.

**Results and Discussion**

Overall model is significant with F value of 12.718 (p < 0.05). R square is coefficient of determination that shows 22.8 % variation in job performance as explained by stress. All beta values are negative with significant value of less than 0.05 that shows negative relationship of workload, role conflict and inadequate monetary reward with job performance.

Model Summary: Job performance can be estimated through following model:

$$\text{Job Performance} = 0.210 (\text{Workloads}) - 0.208 (\text{Role Conflict}) - 0.330 (\text{Inadequate Monetary Reward})$$

**Table-1**  
**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.478 <sup>a</sup>	.228	.210	1.32845

Predictors: (Constant), Inadequate Monetary Reward, Role Conflict, Work Load

**Table-2**  
**ANOVA Analysis**

ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	67.336	3	22.445	12.718	.000 <sup>b</sup>
	Residual	227.657	129	1.765		
	Total	294.992	132			

i. Dependent Variable: Job Performance. ii. Predictors: (Constant), Inadequate Monetary Reward, Role Conflict, Work Load

**Table-3**  
**Coefficients Analysis**

Coefficients <sup>a</sup>						
	Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Error	Beta	T	
1	(Constant)	5.256	.389		13.524	.000
	Work Load	-.210	.078	-.217	-2.688	.008
	Role Conflict	-.208	.082	-.202	-2.556	.012
	Inadequate Monetary Reward	-.330	.087	-.299	-3.780	.000

Dependent Variable: Job Performance

## Conclusion

The results of this study affirms that work load, role conflict and inadequate monetary rewards are the main causes of stress among employees in Higher Education Sector, which reduces their work performance. But since stress free life is not possible in any organization, it cannot be completely eliminated. However the management can take steps to minimize it. Organizations can reduce the level of stress on employees by redesigning jobs so as to lower the workload on employees and cut back role conflict, and pay adequate salary to employees. Besides this organizations should also provide counseling for employees to learn stress management techniques in order to overcome stress problem.

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