

EFFECT OF JOB STRESS ON EMPLOYEES' PERFORMANCE IN SELECTED DEPOSIT MONEY BANKS IN NASARAWA STATE

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Abstract: Stress as a possible source of tension and frustration can arise through a number of interrelated influences on behavior. This study examined the effect of job stress on employee performance of staff of some selected banks in Mararaba town, Nasarawa State. The study adopted the survey research design method and used a sample size of 109 branch operations and marketing unit staff and managers drawn from a population of 150. Data for the study was obtained using structured questionnaire on 5 point likert scale. The study used the ordinary least squared (OLS) method with the aid SPSS 26 to analyze the data. The study found that job safety, workload, and salary and rewards which served as proxies for job stress all have significant effect on job stress. The study concludes that job safety, workload, and salary and rewards are key areas for banks to pay particular attention to in order to mitigate job stress which can adversely affect employee and ultimately organizational performance. This study recommends that banks should adopt measures to reduce uncertainty of tenure of staff members, reduce staff customer ratio and narrow the gap between the salary aid to regular and outsourced staff or eliminate the dichotomy outright.

Keywords: Job Stress, Job Safety, Workload, Employee Performance

Introduction

A major influence on work life balance is the extent to which employees suffer from organizational stress. Stress is a possible source of tension and frustration and can arise through a number of interrelated influences on behavior, including the individual, group organizational and environmental factors. According to Health and Safety Executive (HSE), 'stress is defined as the adverse reaction people have to excess pressure or other types of demands placed on them'. York suggests that 'stress is not just about hard work or unhappiness, conflict and frustration, it is about the anxiety generated by multitasking and balancing priorities, meeting contradictory demands, about knowing where to start and

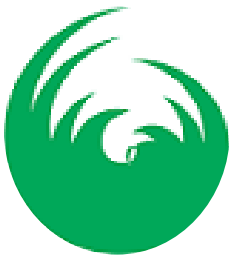
papering over the cracks when you want to do too much'. Stress in organizations is a wide-spread phenomenon that has major effects on performance. According to Ramanujam and Rani (2018) 'employee stress is perhaps the most contributing factor to work performance'. Many organizations, especially banks in the world are witnessing an alarming increase in the negative effects of stress on employee productivity (Okeke, Ojan.and Oboreh, 2018). According to Anu and Kumar (2018), paradigm shift in the concept and context of work brought about remarkable changes in organizations and the 21st century work place. They observed that digital revolution in the form of continuous advancements in the information technology sector and world added more to this shift.

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The workplace is seen as a community of its own, hence employees derive their sense of identity and belongingness from it (Farler and Broady-Preston 2012). Stress in the workplace would therefore affect employees significantly and ultimately the performance of the entire organization would also be at stake. Employees are evaluated on the basis of their performance and contribution to the organization. In a bid to retain their jobs, workers are exposed to increased levels of stress and fatigue. Job stress has been shown by various studies to have negatively affected the performance of employees of various organizations. There is however paucity of study covering banks in Nasarawa state as a whole and Mararaba town in particular.

The major objective of this study therefore is to examine the impact of job stress on employee performance of staff of some selected banks in Mararaba, Nasarawa State. The specific objectives are as follow

1. To examine the impact of job safety on employee performance of staff of some selected banks in Mararaba, Nasarawa State.
2. To assess the impact of workload on employee performance of staff of some selected banks in Mararaba, Nasarawa State.
3. To examine the effect of salary and rewards on employee performance of staff of some selected banks in Mararaba, Nasarawa State.

Research Hypotheses

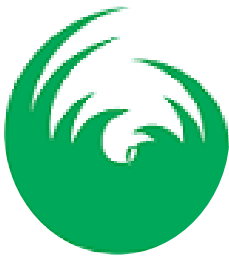
1. **Ho₁** Job safety does not have any significant on employee performance of staff of some selected banks in Mararaba, Nasarawa State

2. **Ho₂** Workload does not have any significant effect on employee performance of staff of some selected banks in Mararaba, Nasarawa State
3. **Ho₃** Salary and rewards does not have any significant effect on employee performance of staff of some selected banks in Mararaba, Nasarawa State

Concept of Job Stress

According to Okeke, et al (2018), ‘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. Anu and Kumar (2018) see job stress as a mismatch between one’s aptitudes, capacities and demands of the job and needs supplied by the job environment. 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).

Stress can be positive (Eustress) or negative (Distress). Eustress results can be stimulating, thus enhancing work performance and positively encouraging workers to make efforts. Distress results in negative effects on workers’ health and performance. Employee performance is adversely affected by workplace stress. This in turn reduces the effectiveness of the employees and organization (Jimmieson et al., 2004). The significance of work stress as a research topic has been linked in part with the amount of its consequences. High levels of work stress can bring about a diverse effect on emotional well-being at the individual level while high levels of work stress have been linked with low levels of productivity on



the organizational level. While some stressors such as time constraints and competitions are favorable to performance, other stressors can damagingly impact on business performance, as well as the employees. It was found that stress result due to the interaction between individual and organization setting. When an individual is under unsure, unmanageable, or intimidating environment and the stress go beyond the level that he/she can manage, negative physical and mental effect may emerge.

This study shall be concerned with job security, workload and salary and rewards as variables to measure job stress amongst workers.

Concept of Employee Performance

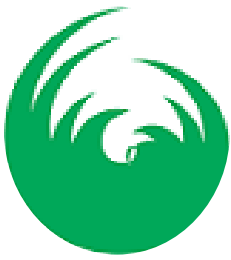
Job performance refers to “the behavior an individual acts as a member of the organization to fulfill the expectation, requirement or formalized role needs of the organization”. This also refers to the worth, quality or quantity of the work exerted by an employee. If the employee’s productivity is high, it impacts and makes the overall performance of the organization high. Job performance refers to the results that the employees achieved from their works in a certain period. According to Anu and Kumar (2018), job performance is defined as “the execution of a particular activity, the attainment of which is to be appraised in terms of pre-defined benchmarks of accuracy, completeness, economy and speed”. It is also seen as “an activity in which an individual is able to accomplish successfully the task/goal assigned to him, subject to the normal constraint of the reasonable utilization of available resources”

Borman and Motowidlo (1993) proposed the categorization method of job performance and divided job performance into task performance and conditional performance. Task performance refers to the outcome of individual works, the results directly linked to tasks

allocated or anticipated by the organization. The judging measure of task performance is the prerequisite of the official role of the individual. Conditional performance is a broader concept, and does not directly support the significant technique of the organization, but sustain more general organizational and social environment.

Empirical Literature

Dar, Akmal, Naseem and Khan (2011) examined the impact of stress on employees’ job performance in business sector of Pakistan. The study adopted random sampling technique to select 143 employees of different multinational companies, universities and banks, who have worked at least 5 years in them. Relevant data were collected using structured questionnaire. The chi-square test and t-test was used to test the hypothesis. The findings showed that job stress brings about subjective effects such as feeling undervalued and workplace victimization/ bullying, unclear role/errands, work home interface; fear of joblessness, exposure the traumatic incidents at work and economic instability among our target population. Resulting in poor concentration, mental block and poor decision making skills. Based on these findings, it was recommended that organizations should reduce psychological strain, work overload and role ambiguity through adoption of job redesign techniques. Organizational support activities such as counseling and stress reduction workshops should also be increased. The results revealed a negative relationship between Job stress and employees’ job performance and shows that job stress significantly reduces the employee’s job performance. Furthermore, the study explores the employees job performance with demographic variables, resulting that male employees are highly stressed vis-à-vis their female counterparts.



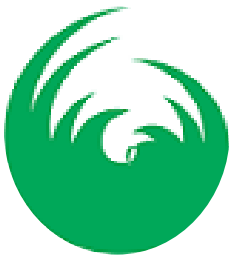
Anu and Kumar (2018) assessed that impact of job stress on employee performance: a study of software professionals in Kerala. The study evaluated the parameters that contribute to job stress among software professionals in Kerala and assessed the impact of each of these dimensions on the performance of the employees from a sample study of 438 software professionals. The study throws light to the fact that sources of job stress are inversely related to job performance and role ambiguity exerts great impact on job performance along with salary and rewards, fear of obsolescence and workload. The study called for the urgent need to take policy actions from the part of the Government and IT companies to mitigate the negative impact of job stress on the performance of Software professionals in Kerala.

Kitole, Ibia and Matata (2019) examined the effect of work stress on employee performance in the public sector in Kenya. The study was anchored on the Michigan Model - Work Stress and adopted a descriptive research design. The target population of the study was 1270 drawn from different directorates at the National Treasury Headquarters with a sample size calculated using the Slovin's formula to give a sample size of 304 respondents. Questionnaire was used to collect primary data and consisted of both structured and open ended questions. Data was analyzed using descriptive and inferential statistics in which frequencies and percentages were used. SPSS was used to analyze the data and to determine whether the independent variables were related to the dependent variable. The study findings revealed a strong positive relationship between the independent variables and dependent variable. Further, the study results indicated a correlation between work overload, work conflict, work ambiguity and job security with the employee performance in the public sector in Kenya. The study established that work overload is a big concern for all the employees in the public sector. Some employees

experienced pressure due to work overload and based on the finding of the study, it is important that the government do constant appraisal programs and appreciation should be given to reinstate and motivate the employees. The study findings indicated that work place conflict affected employee performance in the public sector. After the comprehensive study of the concept of work conflict and its effects on employee performance the study recommends that supervisors must find and resolve the work conflicts and also its impact on employee performance.

Wafula and Nyaboga (2019) investigated stress management and employee performance: use of psychotherapy as mitigation in selected schools in Kisii University, Kenya. Survey research design was used for the study. Purposive sampling, convenient sampling and census sampling were employed for the study. Both descriptive statistics and inferential were used to analyses data. Causes of stress positively correlated to the employee's performance. The results indicated that work related stress positively correlated to the employee's performance. Stress coping strategies positively correlated to the employee's performance. Work related stress, causes of stress and stress coping strategies have effect on employee performance. There need for university management to identify suitable stress coping strategies to help reduce stress employee work place stress.

Ramanujam and Rani (2018) studied the impact of work stress on performance among the managers' executives in three service sectors namely hospital, hotel and bank in Nilgiri district. The data was collected from 490 respondents and was analyzed statistically using SPSS 19 software. The statistical tools used were independent sample t-test, one way ANOVA, and Pearson bivariate correlation. The findings of the study revealed that



tourism employees face more stress when compared to hospital and bank employees. The results confirmed that job stress had a negative effect on job performance and recommended that organization needs to focus on these stress creating factors and try to minimize or overcome the same.

Okeke, et al (2018) examined the effect of stress on employee productivity in the Nigerian banking industry. The study reviewed relevant theoretical and empirical literature, and is anchored on Person Environment (PE) Fit Theory. The study adopted survey research method. The population of study constitutes five selected banks in Awka metropolis. Purposive sampling method was used to select a total of 250 employees. The data used in this study were generated using 5-point Likert scale questionnaire. The data generated were analyzed using simple percentage analysis while the hypotheses formulated were tested using chi-square statistical technique. The study revealed that workload pressure has significant effect on employee productivity. Also revealed was that stress hinders effective performance of the employees.

Azman et al (2015) examined the relationship between workplace stress and job performance. Survey method was employed to gather self-administered questionnaires from executive and non-executive employees of a leading private investment bank in Peninsular Malaysia. The outcomes of SmartPLS path model analysis of the data showed that physiological stress was positively and significantly correlated with job performance. Secondly, psychological stress was positively and significantly correlated with job performance. This finding reveals that physiological and psychological stresses act as important predictors of job performance in the studied organization.

Theoretical Framework

There are two major strands of theories explaining the relationship between job stress and workers performance. These are the psychological and sociological theories.

Psychological theories

According to Johnston and Quinlan (1993), the predominant paradigm for understanding the causes of occupational injury and illness is the medical model. This model lays emphasis on individuals rather than groups, on treatment rather than prevention, and on technological intervention rather than environmental change. The model has been very influential in controlling both the way in which occupational injuries and illnesses have been defined and the means by which they are managed. The major criticism of the medical model has been its focus on treating sick or injured workers rather than on producing healthy working environments. The outcome of this approach was to perpetuate the notion that workplace injuries are accidents which were not preventable and to locate the blame for the injury in the individual worker or in the hazardous nature of the job.

Sociological theories

The most radical departure from the medical model has been the approach of industrial sociologists who have brought the social organization of work as the primary determinant of occupational injury, illness, and stress into sharp focus. The medical model's notion of health and illness is rejected as reductionist, individualistic and interventionist, in which subjects are considered as unique cases, independent of cultural, social, political, and economic structures and processes. Industrial sociologists argue those power structures, the institutionalized conflicts of interest between safety and performance, the social division of labor, the labor



process, industrial relations and politics are the root causes of occupational illness and stress.

Methodology

Survey research design method was used to carry out this study. Descriptive research design was used to observe and describe the behaviour of staff without influencing them in any way. The population of the study is made up

The formula is given by:

$$n = \frac{N}{1 + Ne^2}$$

Where:

N = Population size

1 = Constant

e = Margin of error (5%)

$$n = \frac{N}{1 + Ne^2}$$

Substituting into the formula we have:

$$n = \frac{150}{1 + 150(0.05)^2}$$

$$n = \frac{150}{1 + 150(0.0025)}$$

$$n = \frac{150}{1.375}$$

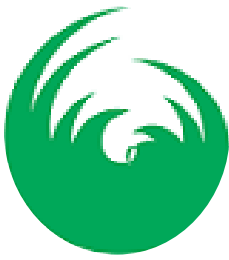
$$n = 109$$

Structured questionnaire was used to obtain relevant data from the respondents who indicated their degree of agreement or disagreement based on a 5-point Likert scale from strongly disagree (5) to strongly agree (1). The questions covered some job stress variables as job safety,

of 150 staff drawn from 10 commercial banks in Mararaba town, Nasarawa state, Nigeria.

The study utilized stratified sampling technique where the sample was divided into strata and a sample is taken from each stratum. The strata comprised of the manager, marketing and operations units of the banks. The Taro Yamane (1967) formula was used to derive the sample size out from the population.

workload and salary and rewards and how these have affected their performance at work. Ordinary least square regression (OLS) was used to analyse the data with the aid of SPSS 26.



The model specified for the study is stated below

$$EPEF = \beta_0 + \beta_1 JST + \beta_2 WLD + \beta_3 SRD + \mu_t$$

Where:

EPEF = Employee performance

JST = Job safety

WLD = Workload

SRD = Salary and rewards

$\beta_1 - \beta_3$ = coefficients of job safety, workload and salary and rewards

β_0 = Intercept

μ_t = Disturbance or Error Term

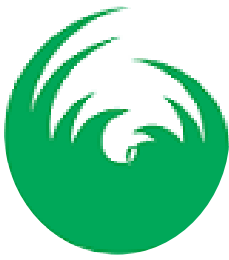
The ordinary least squared regression is appropriate because it allows us to determine the strength of the relationship existing between the dependent variable and independent variables. It also has the ability to show the extent to which changes in the independent variables affect the dependent variable.

Results and Discussion

The study adopted 5% level of significance in testing the hypotheses formulated and conclusion was made based on the probability values (p-values). We rejected the null hypothesis if p-value is less than 0.05., otherwise we accepted the null hypothesis.

Table 1: Regression Model Result

Dependent Variable: Employee performance			
Method: Least Squares			
Variable	Coefficient	t-value	Prob.(p)
C	9.2345	4.1324	0.01024
Job safety	0.73432	2.75662	0.04237
Workload	0.87564	2.83423	0.03776
Salary and rewards	0.52346	2.74113	0.04764



Summary Statistics			
R-squared	0.7154	F-statistic	5.6317
Adjusted R-squared	0.6243	Prob (F-statistic)	0.0435
Durbin Watson	1.8324		

Researcher's Computation Using SPSS-26 (2022)

Goodness of Fit Indicators of the Model

By examining the overall fit and significance of the job stress model, it shows that the model has a good fit. This is indicated by the value of the F-statistic of 5.6317 and the value is significant at the 5.0 per cent level where the F-statistic p-value of 0.0435 is less than 0.05 probability level. The R-square which measures the coefficient of determination yielded a value of 0.7154 showing that job safety, workload and salary and rewards explain 71.54% of the total variation in job stress while the disturbance or error term accounted for 28.46% of the variation.

Test of Hypothesis One:

The regression result from above Table 1 shows that the t-value derived for the relationship between job safety and job stress is 2.75662 with p-value of 0.04237 at 95% level of confidence. Since the p-value is less than 0.05 significance level, we therefore reject the null hypothesis (H_{01}) and accept that job safety has a significant effect on job stress among the staff of the selected banks in Mararaba town.

Test of Hypothesis Two:

We also found from regression outcome in Table 1 that the t-value obtained for the relationship between workload and job stress is 2.83423 with p-value of 0.03776 at 95% confidence interval. As the p-value is less than 0.05 level of significance, we also reject the null

hypothesis (H_{02}) showing that workload has a significant effect on job stress among the staff of the selected banks in Mararaba town.

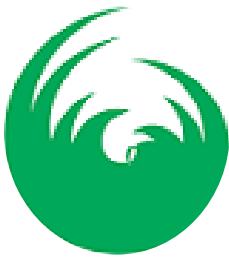
Test of Hypothesis Three:

It can also be seen from the regression result in Table 1 that the t-value result for the relationship between salary and rewards and job stress is 2.74113 while the p-value is 0.04764 at 95% level of confidence. As the p-value is less than 0.05 level of significance, the study also rejects the third null hypothesis (H_{03}) and concludes that salary and rewards has a significant effect on job stress among the staff of the selected banks in Mararaba town.

Discussion of Findings

The study shows that job safety has a significant effect on job stress among the staff of the selected banks in Mararaba town. By this finding, we can deduce that instability and uncertainty of job tenure contribute to a very large extent to job stress among the selected staff of banks in Mararaba town. Unanticipated restructuring and retrenchment exercises has created an atmosphere of uncertainty among the staff. This finding is consistent with the results of Okeke, et al (2018) and Kitole, Ibaa and Matata (2019).

Furthermore we found that workload has a significant effect on job stress among the staff of the selected banks in Mararaba town. This was evident from the few number



of bank staff servicing the large crowd of customers on a daily basis. Mararaba town is a highly populated commercial town therefore the staff to customer ratio is very high coupled with constant retrenchment without replacement. This scenario puts the available staff always on their toes, having little or no time for break or relaxation during office hours. Some of the staff indicated that due to work pressure they sometimes skip their mails for almost the whole day. This can be a source of physiological stress on the staff.

Lastly, the study found that salary and rewards has significant effect on job stress among the staff of the selected banks in Mararaba town. This results from the fact that majority of the staff of the selected banks are outsourced staff and therefore not on the direct payroll of the banks as the regular staff. There is observed huge salary disparity between the regular staff and the outsourced staff who form the bulk of the banks staff strength. In as much as the outsourced staff are regularly paid, they are very poorly remunerated. Majority of the staff cling unto the job because they lack alternatives due to the high level of unemployment, whereby they are covertly dissatisfied which exposes them to psychological stress (distress condition).

Conclusion and Recommendations

Stress is a possible source of tension and frustration and can arise through a number of interrelated influences on behavior. This study examined job security, workload and salary and rewards among staff of selected banks in Mararaba in order to establish the effect of job stress on employee performance. Based on the findings, we conclude that there is no job security, excess workload and great disparity between the salary and rewards given to regular and outsourced staff who are also mainly on contract appointment and form the bulk of the staff

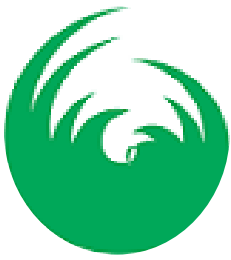
strength. These factors have negatively affected employee performance.

We therefore recommend as follows

1. As the atmosphere of uncertainty of tenure exists in the banks, there is bound to be fear and apprehension which creates psychological stress, therefore urgent measures should be taken to address this. Where workers have confidence on job security, they will feel more relaxed and creative on their job and this will enhance their performance.
2. Concerted efforts should be made to reduce staff workload by reducing the staff customer ratio. This will involve having plans to recruit and retain staff, not creating avoidable deficiencies after retrenchment exercises.
3. The wide disparity in salary and rewards between the regular and outsourced contract staff should be urgently addressed as this causes psychological stress on the outsourced staff who form the majority of the staff strength.

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