

## **Impact Of Stress On Employee Productivity, Performance And Turnover; An Important Managerial Issue**

**Subha Imtiaz\* & Shakil Ahmad\*\***

*Stress is a universal element and persons from nearly every walk of life have to face stress. Employers today are critically analyzing the stress management issues that contribute to lower job performance of employee originating from dissatisfaction & high turnover ultimately affecting organizational goals and objectives. How stress affects employee performance, managerial responsibility, & consequences high stress are basic aims of the study. The universe of the study is Rawalpindi/Islamabad; the target population is employees (medical officers and house officers) in main health/medical organizations of the universe. Field study was conducted with questionnaire as the primary data collection instrument. Data was analyzed using statistical techniques with SPSS Version 16. The factors affecting stress were identified; personal issues, lack of administrator support, lack of acceptance for work done, low span over work environment, unpredictability in work environment & inadequate monetary reward. Analysis showed immense support for negative relationship between stress and job performance; greatly affected career change over (-.323\*\*) and job satisfaction (-.285\*\*), errors in treatment (-.332\*\*), knowledge (-.787\*\*). The results showed that with every unit; increase in personal dilemmas, decrease in financial reward, decrease in influence over work environment, decrease in supervisor support there would be 0.513, 0.079, 0.266, 0.117 decreases in job performance respectively. All these results are statistically significant thus providing rigor and generalizability in research. Higher level of stress existed with no managerial concern for solution consequently lowering the employee performance; staking organizational reputation and loss of skilled employees, these situations call for immediate concern from organization management for employing effective stress management practices to increase employee satisfaction and overall employee performance.*

**Keywords: Employee Stress, Managerial Role, Stress Management, Job Performance**

### **1. Introduction**

Stress is a universal element experienced by employees around the globe. Stress has become major problem for employer particularly in developing nations where the employer doesn't realize the impact of stress on employee performance which ultimately results in critical managerial dilemmas. Giga and Hoel ( 2003) concluded that high rates of mergers, acquisitions, increasing economic interdependence

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among countries due to globalization, technological development, and restructuring have changed the organizational work over the last few decades have resulted in time pressure, excessive work demand, role conflicts, ergonomic insufficiencies and problematic customer relationship are causes of stress. In Pakistan every year nearly 10000 students graduate as medical professionals who strive for their career in the health sector which is the one of the largest economic backbone of the country, but it is observed that for past few years that there are serious changeovers in career orientation, satisfaction and other such aspects in the employees in health sector especially doctors, that is why the doctors are taken as target population which would reflect the employers attitude towards the stress and its impacts on overall employee performance and organizational goals. Stress can't be eliminated as it serves as a driving force if kept at a certain level, so stress needs to be managed in the sense that the level of patient care job satisfaction and other factor that affect it are optimized or minimized.

## 2. Literature Review

A mainstream group of employees articulated that their organizations did not care for its employees and sometimes employees don't like to work with their organizations indicating high levels of stress among them and majority were between the age brackets of 26-35 years. Misfit with organization, no part in decision making, were reported main causes of stress as well no control over work environment, personality traits, lack of relaxation along with ambiguous rules affect employees performance (Meneze 2005). Better managed employees are more cooperative and serve as assets for an organization and when their stress is ignored by the employer the results are increased absenteeism, cost, low productivity, low motivation and usually legal financial damages. (The Office of Radiation, Chemical and Biological Safety, 1999).

Employees in the following ratios reported that their job is source of large amount of stress they experienced, 33%, and 77% articulated that they remain always or sometimes in stress during last 12 months, 23% reported that rarely experienced stress during their job. Many workers express that their job is prominent source of stress in their life but reduced workload, improve management and supervision, better pay, benefits, and vacation times can reduce the stress among employees (Thomson, 2006).

Stress is a universal experience in the life of each and every employee even executives and managers. It is estimated that about 100 million workdays are being lost due to stress and nearly 50% to 75% disease are related to stress (Bashir). Stress results in high portion of absence and loss of employment. the ratio of stress

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affected in organization are increasing on alarming rate which effects both the employee performance and goal achievement (Treven 2002).

Stress has many definitions it is a part of both social and concrete sciences. However, Stress is a universal experience in the life of each and every employee, even executives and managers. This study discloses the impact of stress on employees of organizations regardless of any discrimination of male and female employees, kind of organization, and department (Bashir, Asad 2007). Stress is basically is a mental strain from the internal or external stimulus that refrains a person to respond towards its environment in a normal manner. These stress levels can be internal or external for the doctors, from their personal lives or professional lives (Khuwaja, Ali Khan et al, 2002). Stress is a term that refers to sum of physical mental emotional strains or tensions on a person or feelings of stress which result from interactions between people and their environment that are perceived as straining or exceeding their adaptive capacities and threatening their well being, in addition stress has a wide psychological and physical effect as cardiovascular, musculoskeletal systems, headache, gastrointestinal problems, sleep disturbance and depression (Ghaleb, Thuria 2008). Further researched that health sector has to face usually large amount of stress. Stress among doctors is high, the medical profession is suffering from increased stress, but most of the attention has been focused on junior doctors and their excessive hours of work (Caplan, R P, 1994).

Doctors in the field of medicine have to usually face a lot hurdles and one the most evident factor which originates and impacts directly their personal and professional lives is stress. Low job satisfaction correlated with contemplation of giving up work due to stress, physicians and surgeons were more likely to have lower job satisfaction scores if they felt unable to remain competent in their field of work (Dowell, Anthony 2001). There is a negative correlation between job stress and job performance. Those subjects who had high level of job stress had low job performance. All the factors affected males more than females, incase of certain situation. The kind of stress towards which the doctors are exposed to usually result in such negative factor that places at the life of the innocents which they attend. And such stresses increases the chances of fatal errors lowering job performance (Kazmi Rubina, 2007).

Occupational stress inadvertently consequences low organizational performance (Elovainio et al. 2002), Job stress although has belittling impact on any organization and individual's performance but can shape dire consequences when related to health care. (Mimura e.t al. 2003).

Job stress is considered rising and has become challenge for the employer and because high level stress is results in low productivity, increased absenteeism and collection to other employee problems like alcoholism, drug abuse, hypertension and host of cardiovascular problems (Meneze 2005). Personality factors have shown inclination towards stress, anxiety, and other occupational health outcomes in

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different areas of medicine, and these factors may contribute to feelings of job dissatisfaction and stress (Michie and Williams 2003).

The importance of stress is highlighted nowadays by the employers to manage and reduce stress through practical guidelines in public sector but not in private organizations (Rolfe 2005). Positive correlation has been shown by the literature between incentives and performance as both are related with satisfaction of employees, however every time the case is not same non monetary incentives like career advancement, prestige, and public recognition can also increase performance because low morale, high turnover, and interdepartmental struggle were baselines of many cases (Giga and Hoel, 2003).

### 3. Methodology

**Subjects;** Twin Cities of Pakistan Rawalpindi/Islamabad is the universe of the study. Due to high saturation in the employee ratio in the health industry/sector Medical Officers, House officers are targeted as sample working in the hospitals of Rawalpindi/Islamabad of both in public and private sector.

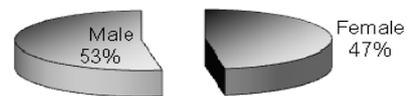
**Instrument;** Primary Data sources were themselves the medical officers & house officers who are working in the hospitals of Rawalpindi/Islamabad the data for the checking the level of stress and its impact, the main instrument for primary data collection would be questionnaire. Secondary data would be collected through the records in the hospitals; that are conducting house jobs. The population would be determined through secondary data as well as the qualitative data is also determined through observations, semi structured interviews, articles and recent research papers.

**Procedure and Statistical Methods;** 120 questionnaires were distributed among the house officers out of whom 78 were responded appropriately giving a 65% response which is acceptable to make this study rigorous and generalizable. The obtained data is analyzed through Statistical Package for Social Sciences (SPSS) version 16. The statistical methods involved those of descriptive statistics (Mean, Standard Deviation) for the predictors of Independent Variables of Stress and & inferential statistics (Pearson Correlation & Multiple Regression) for the predictors of Dependent Variables of Stress. Correlation perfectly defines the relationship between the independent and dependent variables within a particular statistically defined regions, which will enhance the generalizability of the results.

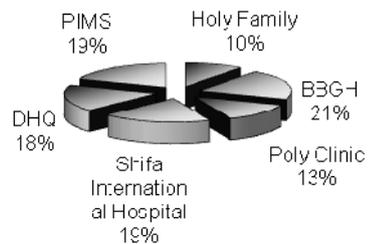
#### 4. Stress, Its Causes, And Impacts Analysis

The medical officers and house officers experienced significant stress due to factors (stress variables) like lack of span of control over the work environment, low acceptance for the work done, rigid organizational structure, and high unpredictability in job pattern in job, departmental variation in administrator support, inadequate monetary reward, & personal issues. All these factors contributed to stress levels in either positive or negative way or the female doctors which constituted 47% of the total population experienced less stress as compared to the male house officers which represented 53% of the population (as shown in Figure 1.1 and their respective distribution with respect to hospitals in Figure 1.2) and articulated more needs for financial reward which according to the sample was stated that they were rewarded inadequately and even 78% subjects responded that they contemplated quitting their profession which is an alarming point for the employer. 45% doctors said that stress and its negative impacts have become a part of their lives, but any constructive reform if genuinely implemented would be welcomed. All doctors from different departments agreed that boss support varied from and lower support contributed to lower job performance and satisfaction. Mixed responses for acceptance for work were received with female doctors who articulated that their work was accepted given that it did not affect their stress levels however the male respondents in majority didn't believe that they were given acceptance and such factors contributed to their lower job performance. Majority of the doctors were not satisfied with the current management system of their hospitals which was found to quite rigid, inflexible, and centralized apart from those subjects who were employed in private hospitals. Personal issues significantly affected job stress and contributed to lower job satisfaction and performance and the hospital management didn't encourage the employees to deal with such matters, span of control of house officers was found to be minimum that contributed low levels of influence on work environment, all these factor contributed to high levels of stress resulting in lower job performances and job satisfaction.

**Figure 1 Gender Distribution of the Sample**



**Figure 1.1 Distribution of Sample With Respect to Hospitals**



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The major elements that predicted stress were lack of span of control over the work environment, low acceptance for the work done, rigid organizational structure, high unpredictability in job pattern in job, departmental variation in administrator support, inadequate monetary reward, & personal issues. The subjects articulated that on average 86.26, 88.77, 85.79, 77.95, 65.38, 70.87, & 56.56 times their personal issues, administrator support, unpredictability in work environment, acceptance for work done, span over work environment, & overall stress existed affected stress levels and contribute to lowering their job performance as shown in Table 1.

**Table 1 Descriptive Statistics on Independents Variables of Work Stress Variables**

Descriptive Statistics			
	Mean	Std. Deviation	N
Personal Issues	86.26	9.805	78
Administrator Support	88.77	12.769	78
Monetary Reward	85.79	16.893	78
Unpredictability in Work Nature	77.95	16.770	78
Acceptability of Work Done	65.38	21.964	78
Span Over Work Environment	70.87	27.295	78
Overall Stress	56.56	16.267	78

These results indicate the on average response on the independent and dependent variables and their particular deviation or dispersion from the stated means with the total sample response. It can be concluded that the average response rate on Acceptability of Work Done, & Span Over Work Environment deviated the most as compared to the remaining factors.

### **a. Correlation between Stress & Independent Variables**

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The Table 1.1 depicts that the dependent job performance related measures from the column like knowledge, errors in treatment, career changeover and skills are correlated with the stress related independent variables of stress like financial reward, supervisor support, personal dilemmas, uncertainty in job, recognition for work done, influence over the work environment and over all stress. The measures contributing to overall stress were significantly negatively correlated with job performance issues. Due to lack of financial rewards job the stress cause highly correlated with job satisfaction (-.463<sup>\*</sup>), contemplated career changeover (-.554<sup>\*\*</sup>), knowledge (-.022<sup>\*</sup>), errors in treatment (-.331<sup>\*</sup>), & skills development (-.326<sup>\*\*</sup>) with significance level of 0.05<sup>\*</sup> and 0.01<sup>\*\*</sup> respectively using two-tailed test. Supervisor support related negatively with skills acquirement (-.754<sup>\*\*</sup>) which indicated that very low supervisor support is provided to the house officers, low recognition for work greatly affected career change over (-.323<sup>\*\*</sup>) and job satisfaction (-.285<sup>\*</sup>), inflexibility affected the errors in treatment (-.332<sup>\*\*</sup>), very minimum span among house officers resulted in career changeover (-.326<sup>\*\*</sup>), personal dilemmas highly correlated with nearly all factors of job performance with knowledge (-.787<sup>\*\*</sup>), errors in treatment (-.698<sup>\*\*</sup>), job satisfaction (-.786<sup>\*\*</sup>), career change over (-.754<sup>\*\*</sup>), skills (-.721<sup>\*\*</sup>). These results substantiated our hypothesis that stress and the factor identified as independent variables affected levels of stress with financial reward, supervisor support, decentralization in organizational structure, influence over the work environment negatively affecting stress, personal dilemmas & uncertainty in job positively affecting stress, which caused overall stress in negative job performance, overall dissatisfaction, and career changeover. It is to be noted here that the survey results depict that stress is caused by lower administrative supports which is concluded on the basis of the questionnaire results which showed that the house officers in these sectors are subjected to lower administrative support which needs improvement for lessening negative impacts of stress.

Stress	Correlations							
	Monetary Reward	Personal Issues	Administrator Support	Rigidity in Organizational Structure	Unpredictability in Work Nature	Acceptability of Work Done	Span Over Work Environment	Overall Stress
Job Performance Knowledge	-.022 <sup>*</sup>	-.787 <sup>**</sup>	-.531 <sup>**</sup>	-.256 <sup>**</sup>	-.0122 <sup>**</sup>	-.216 <sup>**</sup>	-.207 <sup>*</sup>	-.558 <sup>**</sup>
Errors in Treatment	-.331 <sup>*</sup>	-.698 <sup>**</sup>	-.458 <sup>**</sup>	-.332 <sup>**</sup>	-.036 <sup>*</sup>	-.063 <sup>*</sup>	-.332 <sup>*</sup>	-.631 <sup>**</sup>
Job Satisfaction	-.463 <sup>**</sup>	-.786 <sup>**</sup>	-.434 <sup>*</sup>	-.496 <sup>*</sup>	-.369 <sup>**</sup>	-.285 <sup>**</sup>	-.421 <sup>*</sup>	-.639 <sup>**</sup>
Career	-.554 <sup>**</sup>	-.754 <sup>**</sup>	-.418 <sup>**</sup>	-.0485 <sup>*</sup>	-.296 <sup>**</sup>	-.323 <sup>**</sup>	-.326 <sup>**</sup>	-.545 <sup>**</sup>

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**Table 1.1 Correlations Between Work Stress & Job Performance**

Cl Over								
Skills	**	**	**	**	*	*	*	**
	-.326	-.721	-.597	-.202	-.355	-.125	-.467	-.781
N	78	78	78	78	78	78	78	78

\*Correlation is significant at the 0.05 level (2-tailed)

\*\*Correlation is significant at the 0.01 level (2-tailed)

### b. Major Predictors of Job Performance

The final regression results that lack of acceptance for work done negatively affected (-1.578) job performance measures, similarly (-3.404), (-0.397), (-.036), (-.381), (-.456) for lack of span over work environment, unpredictability in work environment, inadequate monetary reward, & insufficient administrator support respectively affected job performance elements in negative manner, significant decrease in job performance variables (-4.557) with job stress elements (including organizational structure variable rigid structure) with a significance level of (0.01). The coefficients of work stress in the regression model are shown in Table 1.2 which indicates 0.174, 0.513, 0.079, 0.266, 0.117 decreases in job performance, with every unit; increase in unit increase in rigidity in organizational structure, personal issues, decrease in monetary reward, decrease in span over work environment, decrease in supervisor support respectively, assuming that all variables are held constant.

**Table 1.2 Significant Coefficients of Job Performance Dependent Variables**

Coefficients						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	35.884	18.026		1.991	.000
	Rigidity in Organizational Structure	-.174	.089	.236	-1.959	.001
	Personal Issues	-.513	.073	-.088	-.717	.001
	Monetary Reward	-.079	.116	-.082	-.684	.005
	Span Over Work Environment	-.266	.164	-.209	-1.619	.001
	Administrator Support	-.117	.193	-.070	-.604	.0045

a. Dependent Variable: Job Performance

## 5. Conclusion & Recommendations

On the basis of the survey results it is seen that in the universe of the study the over all population in the respective hospitals is suffering from lack of span of control over

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the work environment, low acceptance for the work done, rigid organizational structure, high unpredictability in job pattern in job, departmental variation in administrator support, inadequate monetary reward, & personal issues are causes of rising stress levels in doctors both medical and house officers alike which ultimately affected their job performance negatively. And the significant view was that the employers; the entire organizational management is not responding to these factor even the financial reforms taken by the Punjab government are not implemented. Devastating long term results can results can take place lowering the even deplorable state of the government hospitals, however private organizations provided a better environment but the employees articulated even more desperation due to lack of field exposure which risked their career development; this area can further be researched. the management hospital needs to take in immediate reforms in order to have maximum return from their assets.

These results depict the general behavior of managers, and administrator and a reason for their cause of concern for low employee performance; high *stress* of employee. Effective management needs to be practiced among the managers otherwise the potential of efficient employees can be wasted causing high threat to the organizational goals and lowering overall performance.

Stress management issues like counseling are unexplored options for stress management which can be employed along with monetary, non monetary and structural reforms by the management to effectively manage the stress and retain high performance of employee by lowering their turnover and dissatisfaction.

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