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### A Study of Interrelationship between Stress Level and Efficiency of the Employees

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#### Abstract

According to a Gallup poll, with global borders closing, workplaces shuttering and jobs being cut, workers' daily stress reached a record high, increasing from 38% in 2019 to 43% in 2020. Leaders and managers at every level should address this as it could lead to increased burnout, upset and dis engagement. Employee stress has emerged as a major issue in today's fast-paced and cutthroat workplace, with significant ramifications for individuals and organisations. The aim of this study to is evaluate the impact of employee stress on productivity. The technique used in this study is a Simple Linear Regression Model. The outcome of the study indicated that stress significantly decreases employees' productivity and performance. Further studies can be conducted building structural equation models.

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#### Introduction

"Having a job in many ways improves an individual's health and overall attitude toward life." However, many people face significant stress in the workplace that it outweighs any possible benefits and even poses a threat to their health. The United States' National Institute for Occupational Safety and Health defines job stress as the harmful physical and emotional responses that occur when the requirements of the job do not match the capabilities, resources, or needs of the worker. Job stress can, in turn, lead to poor health and even injury. Many workers report experiencing work-related stress at their jobs and this compromises their performance and health. A recent survey by Northwestern National Life revealed that about 40% of workers reported that their jobs were extremely stressful. In another survey by Yale University, 29% of workers reported feeling extreme stress because of their jobs. Efficiency of Employee is key to every organisation's success, and excessive work-related stress may seriously hamper it. Stress may harm how well an organisation performs, how productive its employees are, how often they leave their jobs, and how frequently they miss

work due to sickness. Workplace stress causes physical, mental, and behavioural signs of stress, impacting people's home life. Employees have emphasised that stress at work may harm their health and possibly result in injuries. (Ehsan & Ali, 2019) <sup>[11]</sup>. According to Robbins (2001), stress revolves around situations where individuals face challenges, limitations, or demands related to their goals, with important and unpredictable outcomes. Stress arises when there is a mismatch between an individual's knowledge and skills and the demands and pressures they face, making it challenging for them to manage their workload effectively. Stress can lead to depression, negatively affecting an individual's health, attitude, and behaviour at work, disrupting their life balance (Ehsan & Ali, 2019) <sup>[11]</sup>. According to Taylor (1995), there are four main categories of stress, which she describes as follows:

The most prevalent and recognisable type of stress is acute stress. The person experiencing this sort of stress is fully aware of the source of their stress. The effects are transient, so the body usually feels relieved when the stressful circumstance ends, and life resumes normally. Acute stress

often does not hurt the body severely or permanently. A more severe case of stress can be brought on by going through a traumatic or extreme event, such as a natural disaster, a sexual assault, a life-threatening accident, or a fight. These symptoms of stress include feelings of impatience and tension, nightmares or flashbacks linked to the trauma, avoidance of triggers connected to the experience, hyper vigilance for warning indications, and avoidance of stimuli altogether.

## Review of Literature

1. Arrman, N., & Björk, E. (2017) <sup>[9]</sup>. In research on occupational stress in the building industry, the author examined how workplace demands and pressures affect individuals' stress levels. The study aimed to get precise and in-depth replies using qualitative approaches, such as in-person semi-structured interviews and an online employee survey. The main conclusions showed a high degree of occupational stress among construction employees, especially those on the job site. The industry's risk factors for occupational illnesses and injuries were discovered; the most significant stresses were workload, overwork, a shortage of competent personnel, and organisational support. Notably, the main contributor to employee anxiety was the perceived loss of control over one's job, especially among those dealing with unforeseen incidents. Work-life balance was scarce, leading to adverse effects on the workers. A critical issue highlighted was the insufficient recovery time for construction workers, calling for developing and implementing practical solutions to mitigate workplace stress and enhance employee retention in the industry.
2. Ramos-G. C. and Acosta-R. P. (2019) <sup>[5]</sup> This study sought to examine the interaction between two psychological variables-occupational stress and productivity-that affected employees in textile manufacturing. The research had an explicative focus, was cross-sectional, non-experimental, and used a quantitative technique. The findings of this study made it possible to determine that high levels of occupational stress reduce workers' productivity in the textile manufacturing industry. The investigation's findings supported the need for psychological counselling in businesses to manage occupational stress since it had a detrimental influence on a company's ability to produce textiles. This influenced subsequent research and enabled the creation and implementation of psychological therapy programmes for the workforce's mental health.
3. According to Davis & Newstrom (2008) stress can help or damage work performance, depending on how big the stress level is. If there is no stress, there is also no work challenge and work performance tends to decrease. In line with increasing stress, work performance tends to increase, because stress helps employees to direct all resources in meeting work needs. If a healthy stimulus prompts employees to respond to job challenges, stress eventually reaches a steady point that roughly matches the employee's performance abilities. At this point the additional stress will be less likely to result in improved job performance. Furthermore, according to Davis & Newstrom (2008) explains that if the stress becomes too great, work performance will begin to decline, because stress interferes with the implementation of work. Employees lose the ability to control them, become incapable of making decisions, and their behaviour

becomes erratic. The most extreme consequences are zero work performance, employees experience disturbances, become sick and can no longer work, despair, leave or refuse to work to avoid stress (Davis & Newstrom 2008).

## The Impacts of Workplace Stress on Employee Efficiency

Workplace stressors are classified as physical and psychosocial. Physical stressors include noise, poor lighting, poor office or work layout, and ergonomic factors, such as bad working postures. Psychosocial stressors are, arguably, the most predominant stress factors. These include high job demands, inflexible working hours, poor job control, poor work design and structure, bullying, harassments, and job insecurity.

Workplace stress not only affects the worker, it also has adverse effects on company performance well. The effects of job-related strain are evident in workers' physical health, mental health, and their behaviour. These effects occur in a continuum, beginning as distress in response to stressors. Distress, in turn, leads to elevated blood pressure and anxiety, which increase the risk of coronary heart disease, substance abuse, and anxiety disorders. The impact of stress on cardiovascular disease has been well established. Studies have shown that workplace stress is a strong risk factor for preludes to cardiovascular disease (obesity, high blood cholesterol, high blood pressure) and of adverse cardiovascular events, such as heart attack and stroke. There is also a growing body of evidence that work-related stress increases one's risk of diabetes. Other physical health problems linked to workplace stress include immune deficiency disorders, musculoskeletal disorders including chronic back pain, and gastrointestinal disorders, such as irritable bowel syndrome. Workplace stress also has adverse effects on workers' mental health, with an increased risk of anxiety, burnout, depression, and substance use disorders. Workers who are stressed at work are more likely to engage in unhealthy behaviours, such as cigarette smoking, alcohol and drug abuse, and poor dietary patterns.

## Objectives of the Study

1. To evaluate the impact of employee stress on their efficiency.
2. To find out remedial measures for reducing the employee stress levels.

## Research Methodology

Data has been collected from 106 corporate employees using a structured questionnaire. Also, as per Soper, D.S (2021) and Cohen, J (1988), the minimum sample size to be selected for the regression model in case of moderate effect size of 0.15, statistical power 0.8, probability level 0.05 and total number of predictors=1 is 54. The technique used in this study is a Simple Regression Model.

Anticipated effect size ( $r^2$ ):  ?

Desired statistical power level:  ?

Number of predictors:  ?

Probability level:  ?

**Calculate!**

Minimum required sample size: 54

## Data Analysis and Interpretation

**Table 1:** Descriptive Statistics

	Mean	Std. Deviation	N
Productivity	3.2767	1.40481	106
Stress	3.6604	3.6604	106

The mean score of productivity is  $3.27 \pm 1.40$  SD and the mean score of stress is  $3.66 \pm 1.29$  SD

**Table 2:** Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1.	Constant	5.040	.371		13.595	.000
	Stress	-.482	.096	-.443	-5.042	.000

a. Dependent Variable: Productivity

### G) Hypothesis 1

Ho: There is no significant influence of Employee stress on productivity.

H1: There is a significant influence of Employee stress on productivity P value < 0.05 Thus, Ho is rejected and H1 is accepted It can be concluded that stress significantly decreases the overall productivity and performance of the employees.

**Table 3:** ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	40.708	1	40.708	25.426	.000 <sup>b</sup>
	Residual	166.508	104	1.601		
	Total	207.216	105			

### The Overall Model is fit as

P value of ANOVA= 0.000 and R square=52.60%

### Hypothesis 2

Ho:  $\beta_1=0$  (model is not overall fit)

H1:  $\beta_1 \neq 0$  (model is fit)

P value < 0.05 Thus Ho is rejected and H1 is accepted

$$Y = \beta_0 + \beta_1 X_1$$

$$\text{Productivity} = 5.04 + -0.482 \times \text{Stress}$$

### H) Findings and Recommendation

The outcomes of this study conclusively show that stress significantly negatively impacts employee performance and efficiency in an organisational setting. The overwhelming necessity for organisations to take proactive measures to alleviate employee stress is shown by the evidence gathered through in-depth data analysis and empirical study.

Organisations can utilise the following recommendations to improve the employees' stress levels and increase efficiency, ultimately benefiting the individual and the organisation.

- 1) Stress Management Programs:** Create and execute thorough stress management programs that give employees the tools and strategies to handle stress. These programmes could include classes on mindfulness, methods for reducing stress, and relaxation exercises.

- 2) Workplace Environment:** Create a workplace environment that values employee well-being and promotes open dialogue about stress-related issues. Encourage employers to create a welcoming environment where staff members can ask their supervisors and other workers for assistance.
- 3) Work-life Balance:** To help workers manage their work-life balance and lessen stress from commuting or tight schedules, employers should offer flexible work arrangements, such as telecommuting choices or flexible hours.
- 4) Wellness Programmes:** Introduce wellness programmes like yoga courses, exercise classes, or support groups for mental health to motivate staff to maintain their physical and emotional well-being actively.
- 5) Training:** Managers and supervisors should be trained on stress awareness and management strategies. Giving managers the skills to spot stress symptoms in their teams can result in early intervention and assistance.
- 6) Regular Evaluations:** To measure staff stress levels and pinpoint specific organisational stresses, undertake regular evaluations or surveys. These evaluations can assist in creating treatments that are specifically tailored to meet the stress concerns that the workforce faces.
- 7) Identifying the Potential Sources:** Workplace stress is preventable and identifying the potential sources of stress to employees in an organization is the first step in addressing them. Effective interventions for reducing workplace stress can be classified as primary, secondary, and tertiary. Primary interventions involve proactive measures to prevent stress by removing or reducing potential stressors. This level of intervention focuses on the sources of physical and psychosocial stress in the workplace. Secondary interventions are corrective and are focused on altering the ways workers perceive and respond to stressors. Tertiary interventions involve providing treatment, compensation plans, rehabilitation programs, and return to work programs for affected workers.

### Conclusion

It is critical to address the core causes of stress as organisations work to maximise performance and maintain competitiveness. Organisations may use a variety of stress-reduction measures, such as giving flexible work schedules, employee support programmes, and building a work-life balance and well-being-focused culture. The study's wide-ranging consequences need a paradigm shift in how businesses approach employee well-being. It's crucial to have a comprehensive strategy that considers employees' professional and personal lives. Organisations may develop a productive workplace that supports employee resilience and high productivity levels by recognising and proactively managing stress. In conclusion, it is undeniable that stress dramatically lowers an employee's overall performance and output. In addition to being a question of organisational effectiveness, addressing this issue is morally required to protect the well-being of the workers. Organisations can unleash the full potential of their workforce and foster a supportive and healthy work environment. This will increase employee productivity, job happiness, and organisational success.

In addition to being a good business, emphasising employee well-being and mental health is essential to creating a successful, long-lasting, and high-performing staff in today's workplace's complex and demanding environment.

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