IMPACT OF JOB STRESS ON JOB PERFORMANCE WITH PERCEIVED ORGANIZATIONAL SUPPORT AS A MODERATOR

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ABSTRACT

Perceived organizational support is based on the concept that how much leaders and management of organization give importance and show concern about the well-being of employees of their organization. Perceived organizational support has enhanced and polished the capabilities of bank employees and they are doing well in their jobs. Purpose of the study is to assess the impact of job stress on job performance and to check the moderating effect of perceived organizational support on the relationship between job stress and employee performance. In order to attain the objectives of the study, a survey conducted. Questionnaires were circulated to the public and private banks in Okara. We took sample of 150 respondents. The results of the study were according to our hypothesis. Results of the study will be practiced well in different organization and it also has made additions to the pre-existing theory. In our study we use hierarchical regression analysis to check moderating effect of perceived organizational support in the association between job stress and job performance.

Keywords: Job stress, Employee Performance, Moderating effect, Perceived Organizational support.
Introduction

Background

Achieving organizational effectiveness is a major concern of organizational theorists and practitioners (Tepper, Duffy and Shaw, 2001). Every organization and business wants to be prosperous and have aspiration to get persistent growth. For attaining prosperity, organizations plan different tactics to compete with the competitors and for increasing the performance of the organizations. A very few organizations believe that the human personnel and employees of any organization are its main assets which can lead them to success or if not focused well, to decline. Unless and until, the employees of any organization are satisfied with it, are motivated for the tasks fulfillment and goals attainments and encouraged, none of the organization can progress or achieve success (Manzoor, 2011). Main concern of all organizations is the performance of their employees as employees are the fundamental units of organization (Marwat, Qureshi, and Ramay, 2006).

Job performance can be defined as “the aggregated value to the organization of the discrete behavioral episodes that an individual performs over a standard interval of time” (Motowildo, Borman and Schmit, 1997, p. 72).

Nowadays organizations are confronting new challenges, and they have intensely felt that human resources are the major factor which gives them main advantage on their competitors. Now by this, organizations have given more importance to such HR policies which guarantee maintenance and commitment of their employees towards their job (Pathak, 2012).

According to Selye (1987) round about three billion people are engaged in jobs and are facing nonstop and challenging problems in the organization and one of the major problems is stress, which is producing harsh impacts on employee’s performance and efficiency. Job stress can be defined as “an employee’s awareness or feeling of personal dysfunction as a result of perceived conditions or happenings in the workplace, and the employee’s Psychological and physiological reactions caused by these uncomfortable, undesirable, or threats in the employee’s immediate workplace environment” (Montgomery, Blodgett and Bames, 1996, p.24).

Work stress has different states, which impacts performance of workers differently (Michael, Court and Petal, 2009). Different studies have pointed out harmful effects of over burden of work on workers. According to Wilkes, Beale, Hall, Rees, Watts and Denne (1998) over burden
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of work and shortage of time are the important factors that causes work stress in community nurses. Workers of organizations have to face different workloads while living in fluctuating business and Technological setting. People in the organizations can’t pay attention to their personal life due to work load because most of their time spends in their job chores, due to such weird conditions job performance is getting effected badly (Wilkes, Beale, Hall, Rees, Watts and Denne, 1998).

Nowadays organizational Stress is attaining much importance in theoretical literature and it has become a subject of matter for the organizations. Job is one of the main sources of one’s stressful life. Most of the times people are more concern about their job related tasks due to which sometimes they behave and communicate with their clients badly. Mostly they remain in irritated condition and become upset when there certain issues arise with their customers. This may affects organization reputation negatively (Pathak, 2012).

Stress produces disastrous effects in workers life; sometimes over stress may become a source of depression and diseases in humans; it also impacts badly on routine activities of workers and their actions. Causes of stress are called stressors, which are of two types i.e. personal stressors and organizational stressors. Personal stressors are stressors that are purely a matter of a person itself and they are not concerned to this study, while organizational stressors are concerned with this study and play negative role in employees job outcomes, organizational stressors include i.e. workplace conflict, role conflict, role ambiguity and workload (Addae, Parboteeah and Valinor, 2008).

Stress is one of the burning issues that organizations have to deal so that employees can comfortably produce quality work (Addae, Parboteeah and Valinor, 2008). Organizations should manage job stress of their employees properly. One way to overcome their job stress is to provide them organizational support. There lies a concept behind the organizational support theory that if there will be a proper guidance and directions given by leaders of an organization towards their employees then ultimately employees will try to give their best in return to their company. The employees highly expect that company will give them respect and care and will appreciate and honors their hard work consequently it will enhance their self-esteem and they will become more devoted to their work (Eisenberger, Armeli, Rexwinkel, Lynch and Rhoades, 2001). The concept behind organizational support theory is that organization takes care of their hard work and involvement and more concerned about their welfare, this concept is called perceived organizational support theory (POS) (Rhoades and Eisenberger, 2002). Idea behind Perceived

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organizational support (POS) is that there is direct relationship that if organizations will positively appreciate their workers contribution then in response workers will pay back to them (Erdogan and Enders, 2007). The above concept is according to the social exchange theory; it reflects the value of the social exchange between an employee and the employer (Cropazo and Mitchell, 2005).

POS study has established many positive changings in the business setup and brought positivity in mentality i.e. it has reduced the job related stressors such as workplace conflicts, job-related burnout and depression as a result, efficacy of workers has increased due to which individual organizations have improved their status in business society (Rhoades and Eisenberger, 2002).

It was important to do the study because in this fast pace world every organization requires excellent performance of their workers and stress is the important factor which may impacts on workers performance so this study checks the relationship between stress and job performance and also checks the moderating effect of perceived organizational support on the performance of their workers.

The focus of this study is on job stress of employees and how job performance is affected by job stress and also examines that if organizational support is there then how it affects the job stress and performance relationship. By studying the literature the point was explored that relation between job stress and job performance has been studied deeply by organizational behavior researchers in past years. However, this study has given a new idea of perceived organizational support as a moderating variable to previous job stress and job performance relationship, which has not been much extensively discussed in previous studies in banking sector. And this gap will be covered through the findings of this study.

**Objectives of study**

Objectives of the study are as follow:

- To determine the relationship between job stress and job performance.
- To find out the effect of Perceived Organizational Support on relationship between job Stress and Job performance.
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Literature Review

In the last three decades, empirical research on the subject of stress has increased manifold. Researchers have been focusing their attention on causal factors of stress, stress manifestations, moderators of stress-strain relationship, and types of stresses experienced by various work populations, and also various managing plans implemented by organizational bodies to deal with stress (Pestongee, 1992). There are two types of stress in literature: eustress (good stress) and distress (bad stress) (Fevre, Matheny and Kolt, 2003; Sullivan and Bhaghat, 1992). In case of eustress, job stress presents when responsibilities placed on an employee match to his knowledge, skills and capabilities in their workplace. In such condition employees become able to handle their physiological and psychological stresses (Adler, Mclaughlin, Rogers, Chang, Lapitsky, and Lerner, 2006). On the other hand, in case of distress, job stress presents when responsibilities placed on an employee mismatch to his knowledge, skills and capabilities in their workplace. In such condition employees become incapable to handle their physiological and psychological stresses, such as disruption of their routine activities due to which they become incapable to give their best in their workplace (Fairbrother and Warn, 2003).

According to Weinberg, Sutherland and Cooper (2010) the main causes of stress – or stress causing factors – in the organizations are: increasing job requirements (work burden, working time duration, system changes, work-life balance, the requirements of the physical work setting); regulation of work (working manner, significance of contribution in decisions, and proficiency development); absence of support at work; deprivation of coordination with coworker; and alteration in job and in organization structure.

Job stress can create hostile results for both the employee and the organization because it works to decreasing the motivation levels and performance (Montgomery, Blodgett and Bames, 1996). Stress always occurs in every organization. It exists due to much complexity of workplace. Stress produces noteworthy impacts on workers job performance (Anderson, 2003). According to Rose (2003) time plays great role in producing high level of stress, increased working hours decreases employees desire to give their best. Employees try to give their best at workplace but over burden and extended hours of work decrease their performance (Ahmed and Ramzan, 2013).

**H1: There will be a negative relationship between employee Stress and job performance.**

The Organizational Support Theory was first presented by Eisenberger, Hantington,
Hatchison, and Sowa (1986) based on “the principle of reciprocity” and “social exchange theory”. According to this theory it is the point, employees feel that they can give their perfect performance and can take the company up to high grades only in case if they will get proper support, care, motivation and appreciation from their organization. The threat stimulus of workers can be weaken only in case if they get assure about their secure position in job and this belief will only give by certain supportive steps of organizations towards their workers.

POS has been shown constantly to be linked with consequences that are advantageous to the organization. For instance, there is proof that POS is associated positively to in-role performance (Eisenberger, Hantington, Hatchison and Sowa, 1986).

Stamper and Jonlke (2003) have investigated that organizational support shows a vital impact in role stress, pressure results, satisfaction, and retention intention. According to another study conducted by Asad and Khan (2003) it was again proved that staff who perceived higher support from their organization had suffered low work stress. POS has positively impacts on employee’s perspectives, thoughts and work outcomes and has produced good effects on mental health of workers (Rhoades and Eisenberger, 2002). It has been proved a good source to get relief from miserable outcomes on workers life (MA, HU, & Wang, 2013). Hao, Wang, Liu, Wu, & Wu (2016) pointed out that POS has reduced the depressive symptoms to much extent among chinese doctors, which indicated that POS has great role in establishing ones contentment of mind in their job.

Now we investigated whether perceived organizational support will distribute the work burden and will also be helpful in reducing the workers stress, and how it will impacts on employees performance in the organizations.

H2: Perceived Organizational Support will moderates the relationship between employee Stress and Job performance.

Research Methodology

This study is a correlational/descriptive study as it describes the relationship between the variables, job stress and job performance and also the Moderating effect of Perceived Organizational Support on relationship between job Stress and Job performance. This is an associational and a descriptive study as it shows that how the moderating variable (perceived organizational support) affects the relationship of independent variable (job stress) and dependent variable (job performance). This
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study gives us the answer of “what” hence it’s a descriptive study as descriptive studies can answer questions such as “what is” or “what was”. Research approach is deductive as the hypothesis is derived from the pre-existing theories and literature. This study is cross-sectional study as it involves a one-time interaction with groups of people.

This research is conducted on the banking sector, specifically on the banks in Okara, so the population of this study is the multiple branches of private and public banks in Okara, private and public banks were taken for study to have a holistic picture of banking sector for the overall representation of this sector. The reason behind choosing Okara city was that its my native city, and it was much convenient to access the respondents as I had much references in banks which helped me to obtain data easily and my main focus was to get data from banking sector and luckily in Okara all branches of public and private sector exist. The reason for selecting banking sector is that in Pakistan apparently bank timings are from 9am to 5pm but fact is that this time limit is not strictly followed in different banking setups, so it becomes more hectic for employees to do work for longer hours as compared to other jobs so bank employees feel more stress and exhausted, this is a reason of concern.

The sampling technique used in this study is stratified random sampling in which we make two strata i.e. public and private banks in Okara and then from these strata we chose different banks by using random sampling method and then we take sample of 150 respondents by collecting data from all supervisors and employees of these selected banks to ensure maximum data collection.

This research is a quantitative in nature. A survey method is used to collect data with the help of pre-structured questionnaires to be used as data collection tool, whose reliability is already checked. We firstly ask employees to complete the survey about their perceived organizational support and job stress and then ask supervisors to rate their job performance. For this purpose two questionnaires were used. One is for the subordinates and other one is for supervisors. To measure the perceived organizational support eight items, for job stress 13 items and for the measurement of job performance seven items were included in the questionnaire. These measurement items of perceived organizational support were taken from article “perceived organizational support” written by Robert Eisenberger and Debora Sowa in 1986. Measurement items of job performance were taken from article “Job Satisfaction and Organizational Commitment as Predictors of Organizational Citizenship and In-Role Behaviors” written by
Larry J. Williams and Stella E. Enderson in 1991 and measurement items of job stress were taken from article “Organizational Determinants of Job Stress” written by Donald F. Parker and Thomas A. Decotiis in 1983.

Data analysis is done with the help of Statistical packages for social sciences (S.P.S.S) software, because my research is of quantitative nature and SPSS software is used for quantitative data analysis that’s why I have used SPSS software for data analysis. Hypothesis was tested by SPSS and tests were run like correlation that was conducted to check the relationships between all variables and to determine positive or negative relation, regression analysis to check the impact of one variable to other, and moderation through regression was also done to check the moderating effect.

Data Analysis

Demographic variables:

Table 1 shows that data is gathered through survey from 150 respondents from which male (77.3%) and female (22.7%) in which majority of them are under age 18-28 (32.0%) and the most of them have the master qualification (44.0%).

Table 1
Descriptives

<table>
<thead>
<tr>
<th>Category</th>
<th>Classification</th>
<th>Frequency</th>
<th>Percentage%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>116</td>
<td>77.3</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>34</td>
<td>22.7</td>
</tr>
<tr>
<td>Age</td>
<td>18-28 years</td>
<td>48</td>
<td>32.0</td>
</tr>
<tr>
<td></td>
<td>29-39 years</td>
<td>38</td>
<td>25.3</td>
</tr>
<tr>
<td></td>
<td>40-50 years</td>
<td>46</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td>Above 50 years</td>
<td>18</td>
<td>12.0</td>
</tr>
<tr>
<td>Academic qualification</td>
<td>Matriculation</td>
<td>7</td>
<td>4.7</td>
</tr>
<tr>
<td></td>
<td>Intermediate</td>
<td>46</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td>Bachelors</td>
<td>31</td>
<td>20.7</td>
</tr>
<tr>
<td></td>
<td>Masters</td>
<td>66</td>
<td>44.0</td>
</tr>
</tbody>
</table>
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Results

This paper is concerned with the hypothesis testing related to the main effects of job stress on job performance and moderating effect of perceived organizational support on stress-performance relationship. The correlation was conducted to check the relationships between all variables. A regression analysis was conducted to understand the main effect of the employee stress on job performance. A hierarchical regression was conducted to understand the moderating effects of Perceived organizational support on the relationship between employee stress and job performance. And an interaction plot between job stress and perceived organizational support on job performance was drawn.

Table 2

Correlation

<table>
<thead>
<tr>
<th></th>
<th>Job stress</th>
<th>Perceived organizational support</th>
<th>Job performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job stress</strong></td>
<td>Pearson Correlation</td>
<td>1</td>
<td>-.436**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td><strong>Perceived organizational support</strong></td>
<td>Pearson Correlation</td>
<td>-.436**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>150</td>
<td>150</td>
</tr>
</tbody>
</table>

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

Table 2 indicates that the correlation between the job stress and job performance is -.288. Negative sign shows that there is negative relationship between job stress and job performance and this relation is significant as sig. value is .000. The perceived organizational support and job stress are also negatively correlated with each other (-.436) and significantly related with each other with the significance value of (.000). Table 2 also shows that perceived organizational support and job performance are positively correlated with each other (.648) and significantly.
related with each other with the significance value of (.000).

**H1: There will be a negative relationship between employee stress and job performance.**

Table 3

<table>
<thead>
<tr>
<th>Model summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

a. Predictors: job stress

Table 3 indicates that R=.288 shows 28.8% relationship of job stress and employee performance. The R Square is a coefficient of determination which shows that 8.3% variation in the job performance can be explained by the job stress.

Table 4

<table>
<thead>
<tr>
<th>Coefficients&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td><strong>Job stress</strong></td>
</tr>
</tbody>
</table>

a. Dependent variable: job performance

In Table 4, the average of employee performances is 23.840, when the job stress is zero. Whereas -.057 is the value of “beta” the value of beta describes the level of impact of independent variable on dependent variables that indicates one unit change in job stress will bring 5.7% change in employee performance in the organization. And negative sign of beta value shows that there is negative impact of job stress on job performance. P-value illustrates the actual level of relationship. In the regression analysis if the value of P (sig.) is less than 0.05, then the hypothesis is accepted, and the relationship is significant as the significance value is .000. Hence H1 proved.
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**H2: Perceived organizational support will moderates the relationship between employee stress and job performance.**

In this research a hierarchical regression was performed to interpret the moderating effects of Perceived organizational support on the link between employee stress and job performance.

Table 5

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Change statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td>1</td>
<td>.648a</td>
<td>.419</td>
<td>.412</td>
<td>.419</td>
</tr>
<tr>
<td>2</td>
<td>.660b</td>
<td>.436</td>
<td>.424</td>
<td>.016</td>
</tr>
</tbody>
</table>

a. Predictors: Zscore(per_org_sup), Zscore(job_st)

b. Predictors: Zscore(per_org_sup), Zscore(job_st), interaction

In table 5, “R Square Change" in 2nd model shows the increase in variation explained by the addition of the interaction term. Interaction term is computed as the product of the independent variable (job stress) and the moderator (perceived organizational support). The change in $R^2$ is reported as .016, it means the change in $R^2$ is 1.6%, which is the percentage increase in the variation explained by the addition of the interaction term. We can conclude that perceived organizational support does moderate the relationship between job stress and job performance.

The interactions between perceived organizational support and job stress were significant as the significance value is .041 i.e. < 0.05 (Beta= .216, t= 2.058, Sig. 0.041), purposing that perceived organizational support executed as a quasi-moderator on the connection between job stress and job performance of bank employees.
Fig 1: Plot of interaction between job stress and perceived organizational support on job performance.

Figure 1 illustrates that the relation between job stress and job performance was powerful in the case of high perceived organizational support and weakest in the case of low perceived organizational support. In case of high perceived organizational support interaction plot shows positive relation between job stress and job performance and in case of low perceived organizational support interaction plot shows negative relation between job stress and job performance.

Discussion and Conclusion

The findings indicated that the perceived Organizational support moderated the relation between job stress and job performance. Importance of POS in reducing the negative impact of stress on performance of bank employees at their workplace has been confirmed by this study.

From results it has been proved that organizational support in terms of help or assistance
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when needed has put a great impact on job outcomes of workers by decreasing the over work exertion. Workers who have perceived high organizational support in their job life, they have performed their in-role and extra-role tasks very well in spite of heavy job stress. This research has examined the impact of job stress on job performance with perceived organizational support as a moderator based on social exchange theory and perceived organizational support theory.

The results we get in this study were similar to those which were found by other researcher that organizational support has moderating effect (Erdogan and Enders, 2007). For example, Erdogan and Enders (2007) did a study on 210 workers and 38 managers of a grocery store chain to investigate the impact of perceived organizational support (POS) in moderating the association between leader–member exchange (LMX) and job performance. The findings of the research revealed that the leader–member exchange (LMX) was associated to performance only when managers had high POS.

Organizational support is necessary for continuous motivation of workers at job. Perceived organizational support have been proved to be very protective for workers in a way that it has reduced the stressful environment by protecting their self-esteem and make them sure that organization has much concern about their safety. If employees get more attention and support at their job place more likely they will stick to their job for longer period and will be more satisfied with their work. And when employees perceive that there is sufficient organizational support then this thing allow employees to pay out extra time with their work.

Related to social exchange theory, Muse and Stamper (2007) observed that social exchange theory of POS has explained that how it impacts positively on behaviors including in-role performance (Eisenberger, Armeli, Rexwinkel, Lynch, and Rhoades, 2001), and extra-role performance (Shore and Wayne, 1993) very well. In addition, social exchange theory explains that high levels of POS may be negatively correlated with role stress because organizations that care about the security of their workers has decrease the over workload and is trying to reduce those factors which distract their employees i.e. contradictory job requirements (Jawahar, Stone, Thomas, and Jennifer, 2007).

Organizational support system is acting as a booster among bank employees to enhance their job performance and it also reduced work stress and other negative factors. Due to its importance, such steps should be taken by management that will increase organizational support for
bank employees. Human Resource practices like contribution of employees, reward and cognition, developmental skills show the organizational respect for the capabilities of workers and as a result are related significantly to POS. Banking sector of Pakistan makes better policies about employee training, job security and job autonomy for improvement of perceived organizational support so the employees can perform better (Alvi, Zulfiqar, Haneef, & Haider, 2014).

Theoretical and practical implications

Stress is one of the general problems of an organization. Best job performance of employees and performance of institution has become more crucial for the prosperity of an institution in this competitive economic and dynamic work environment. This study will highlight the contribution of stress towards dealing job performance and the ways an organization can manage the stressors.

This study will play a big role in assessing how POS impacts on job stress – performance relationship and it will also help HR managers to perceive the significance of organizational support in improving employees’ job performance. Such initiatives should be taken that prove to be helpful in job stress reduction and enhancing the performance of workers.

When the organization’s management gives the feeler to the employees that it takes care of their wellbeing, it can generate the sense of being taking care of and ultimately results in positive job attitudes i.e. better job performance, organizational citizenship behavior etc.

Limitations and future scope

The first limitation of this research study is its sample size, which is 150 respondents if the sample size may increase the results can be more generalized in banking sector.

These variables can also be investigated with respect to gender perspective either the job stress in male effect their job performance or the job stress in female have greater effect on their job performance and their job attitudes on workplace.

References

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