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Impact of Stress on the Performance of the Employees of Microfinance Banks in Bahawalpur, Pakistan

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ABSTRACT

The purpose of this study was to reveal the impact of stress on the performance of the employees of microfinance banks in Bahawalpur. For this purpose, employees from various microfinance banking sector were chosen. The study used a sample of 100 respondents (employees of Microfinance banks) through a questionnaire with 22 items based on a 5-point Likert scale. The questionnaire was tested for reliability and validity. The questionnaire included statements to assess whether time pressure, workload and lack of motivation, as measures of stress, have any effect on the performance of employees of Microfinance banks in Bahawalpur. Regression analysis (in SPSS) revealed that time pressure and workload significantly reduce employee performance, whereas, lack of motivation did not influence employee performance significantly. Future studies may consider using a larger sample size and extend to other sectors (with similar nature of job) which have not been covered in this study.



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Introduction

In this empirical study, we will investigate the effects of the stress on work life of employee's in microfinance banks. The study further finds out the relations between the independent variables and dependent variables. The independent variables are the lack of motivation, workload and time pressure and the dependent variable is the performance of employees. The nature of study is quantitative. The data was collected by the employees of total 100 from microfinance banking sectors. The study used the SPSS software for the analysis. Regression analysis is also used. The result was given according to the data that was collected through questionnaire. At the end the findings and the conclusion will be given.

One of the most general known organizational diseases is job stress that can affect employee performance both physically and mentally. Stress arises when the individual's ability and the job demand are mismatch. It is very difficult to decrease the level of stress among employees. Stress can negatively affect the work life of employees during their job.

According to the (Kishori & Vinothini, 2016) in term of physical and emotional response workplace stress is very harmful because of mismatch between the job demand and all capabilities and the resources and needs of employees. Such conditions also may create the poor performance at work and health problems. Today the stress is very costly problem in the workplace. The researcher also reveals that stress is a major cause of the turnover in the financial institutions.

(Sharma, Jauhari, & Singh, 2015)in his study describe the stress that is an imbalance between mental and emotional levels of an individuals. Stress occurs between the ability of individuals and situational demand when there is a disparity. Stress can be in the form of both the positive and the negative. It is positive when there is an opportunity to gain something and act like a motivator. It is negative when the individual face physical, emotional, and organizational problems. According to the (Hamdan, 2012) stress is defined as a dynamic condition in which the outcomes are considered to be unknown and predominant. Work stress is mainly concerned with the organization.

According to the (Jarinto, 2011) stress is a common phenomenon which grows in any individual's everyday life. It is very difficult to avoid the stress level. Stress is defined as a force which creates the physical and psychological disturbance and also causes the change in individual behavior. A person loss his self-balance because of stress.

The general determination of the research is to find out the influence of stress on the work life of the employee's in microfinance bank. The microfinance banks of Bahawalpur are selected for the research. Finally, based on the above discussion, the objectives of the study are as follows;

1. To identify the effects of lack of motivation toward the performance of employees.
2. To study the effects of workload toward performance of employees.
3. To find the effects of time pressure toward the employees' performance.

Literature Review

According to the (Murali, Basit, & Hassan, 2017) both the time pressure and role ambiguity consumes a significant undesirable influence on the employee's performance. They can reduce performance of employees in all aspects. Therefore, it is important for all managers to minimize the role ambiguity and communicated the clear roles for improving the employee performance. Also, the manager should avoid the time pressure that negatively affects the performance of employees. The other two factors which are lack of motivation and workload do not require a negative effect on the performance of employees.

(Islam, Rahman, Reza, & Rahman, 2014)identify the factors that causes stress and affect the performance of bank employees negatively. The finding of this study shows that both the workers and management are responsible for creating job stress. So, the managers and employees can reduce their job stress and improve job performance

A study conducted in India (Priya & Soni, 2017) discussed that there is substantial association among the stress related to job and employee performance. Researcher also find that there are substantial relations among all demographic variables for example age, sex, education sector and the impact of occupational should adopt new coping strategies that reduce the level of stress.

(Charity, 2016)in their research discussed that the variables such as family factors, economic factors, job difficulty factors and factors related to organization affect the employee performance in the financial institutions of Nigeria. Therefore, for reducing stress, organization should put in place energetic planning, openly communicated channels with their management and peers and

rewarding the innovation and creativity. The managers should encourage the teamwork between the workers and introduce the training programs through which the stress can be controlled.

Another study conducted in Sri Lanka (Jayasinghe & Mendis, 2017) is trying to identify that the stress is related to job, organizational and individual factors. The researcher found that there are adverse associations among stress and the performance of workers and concluded that the stress can affect the work life of bank employees. Most organizations do not give importance to stress; this research paper will give the reasons to consider stress of employees' as a significant factor in increasing the performance of employees.

According to the (Das & Srivastav, 2015) the purpose of the research is to identify factors that causes stress between the workers of the banks. The findings of this study show that there is no substantial difference according to the demographic factors in the level of stress at work. Only the factors related to organization has a main significant relation with the work stress variables. The overall result shows that the work stress among the banking employees is moderate.

Another study (Badar, 2011) finds the potential factors that create the level of stress and in what way they disturb the performance of bank employees in Pakistan. The study shows that there is a responsibility of controlling the growth of stress which is lying on the shoulders of management as well as the employees themselves. Heavy workload, long working hours, salaries, higher targets and technical problems are the main factors that affect the employee performance. Both the manager and employees can manage and control their stress level by working together.

On the other hand, the (M K. & Renukamurthy, 2017) focus on find out the roots and outcomes of stress among the employees of banks. The researcher can study the stress management and how they affect the employee's performance. For banking industry, the employee's performance is the most important factor. The researcher finds that role conflict, lack of customer response and service for customers are the main elements that disturb the employee's performance during their work. Researcher reveals that stress can make an individual constructive and productive.

According to the (Sinha & Sinha, 2018) the purpose of the study is to discover the organizational stress role between banking employee's and to find the special effects of demographic variables on organizational role stress. It was found that the banking employees have neither very high nor very low organizational stress role. The organizational role stress among the banking employees is moderate. The maximum contribution of organizational role stress is role erosion, which is followed by role overload and inter-role distance. Further it is found that work experience and income consume a significant influence on the routine of banking workers.

(Sharmila & Poomima, 2012) Identify that the banking sector face stress because of the pressure of work and work life balances. The organization would encourage all roles that support them to achieve their work and manage time for family. Work life balance is the major part which contributes to stress among the employees. It is difficult for the management to develop successful performance for the employees. Stress affects the employee's performance that indirectly affects the organization because if employee cannot work efficiently it directly affects the organization.

A study conducted in Pakistan (Awan & Tahir, 2015) focus on find out the effect of stress and emotional intelligence on the employee's performance in Okara district. The researcher found that the stress does not disturb the workers performance positively. They can affect the performance of employees negatively in the banking sectors of Okara. On the other hand, the researcher found that emotional intelligence has a positive influence on employee's performance, and it is directly

related with each other. When employees are under stress they can't perform well. The more emotionally attached with the subordinates and boss the better employees perform.

According to the (Bashir & Ramay, 2010) stress related to the job and job performance are harmfully correlated with each other. Job stress reduces the performance of working employee. In the study, the employees do their job regularly but due to the workload and time constraint they reduce their performance. The result shows that the organization should provide the culture that is supportive within the atmosphere of working organization. Management support helps the employees in reducing the stress level.

(Khan, Khan, Khan, Khan, & Khan, 2018)the researcher concluded that the harsh and negative attitude of boss, insufficient salary, heavy workload, and lack of co-operation are the major causes of stress amongst the employees. Similarly, the sufficient work, reasonable salary, soft attitude of boss and co-operation are those strategies from which we can decrease the stress between the workers during their job. The researcher also found that the motivation, job satisfaction, appreciation, good working atmosphere and favor of employees on part of jobs are those strategies through which the stress can be reduced among employees.

Another study (Das A. , 2016)conducted in Bangladesh focus on find out the causes and effects of stress among the working women in banking sector. Banking sector is one of the sectors that create stress among the women workers. The researcher found that dealing with the everyday activities, childcare, and viewing after the supporters of family are the major factors that causes stress among the working women in banking sector of Bangladesh. On the other side, the efficiency of the employees is affected by the stress so that organization should provide positive work environment for the women workers. A supportive, energetic and positive culture should be established with in the institutions to motivate the working women.

(Ali, et al., 2011)focus on find out the effects of stress on workers performance. The result reveals that there is a progressive effect of stress on the performance of workers during their job. The workers do better work performance under the stress. It is also determined that there is direct progressive relation among the stress and the employee's daily work as their performance include three dimensions which are efforts, skills and working conditions. All of these dimensions have a complete optimistic direct association through the independent variables of stress. On the other hand, the demographic factors such as age, gender and salary does not show any significant direct relationship with employee performance and stress. After learning the previous studies this study focuses on the features that create the stress in microfinance banking sectors. Finally, theoretical framework of the study is highlighted in Figure 1. Based on the above discussion and framework given in Figure 1, the current study proposed following hypotheses;

Ho1: There is a negative relationship between lack of motivation and employee performance.

Ho2: There is a negative relationship between the time pressure and the performance of employees.

Ho3: There is a negative relationship among workload and the employee's performance.

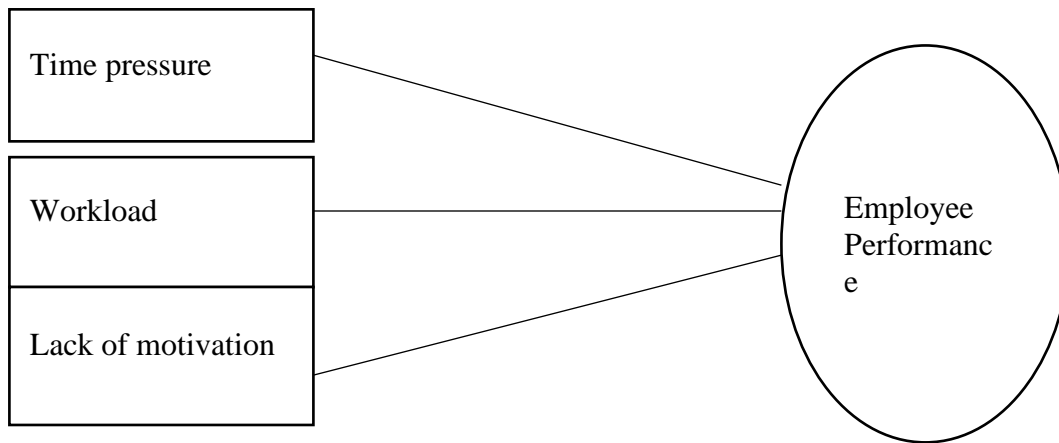


Figure 1. Theoretical framework of the study

Research Methodology

In this study, the impact of stress among the employees in microfinance banks has been explained and examined. For the determination of observing the impact of stress in microfinance banks, all micro banks of Bahawalpur are examined. It also covers the population target, sample size, gathering of data and measurements of variables and procedures. To extent the numerous purposes of the study quantitative research process was employed. The research is established on primary data that is collected through survey questionnaire.

Data Collection

Primary source is used for collecting the data. The primary data is collected through questionnaire. To compare the influence of stress of the work life of different workers in microfinance banks questionnaires has been used. The survey questionnaire was separated into dual parts. The first part contains demographic information and the second part covers the questions on the independent and dependent variables. The questions was adopted and adapted from the past research.

Measures

In the study, the survey form was divided among workers for finding the impact of stress on the work life of employees. The Likert scale exist to measure the answers that is; strongly disagree, disagree, neither agree nor disagree, agree and strongly agree. The employees are demanded to specify the opinions on the Likert scale arrangement as of strongly disagree towards strongly agree. Number of items according to the variables are given in Table 1.

Table 1. Number of items

Variables	Questions (no. of items)
Descriptive	04
Lack of motivation	06
Workload	05
Time pressure	05
Employee performance	06

Findings

Demographic Characteristics of Participants

The values represent that a large number of workers from this sample are female (52%) and (48%) are male. The values display in table shows typically more members (56%) remained in the age category of 20-35 as related to the further age categories. 36-45 are 33% and the age category started from 46-55 remains 10.5% and 55-above are .5% only. The level of position shows that majority of the participants are from middle level management that is (48%) and then from junior level management that is 38%. Only 14% response rate is given from senior level management shown in the table.

Table 2. Gender

		Frequency	Percent	Valid Percent
Valid	Female	52	52.0	52.0
	Male	48	48.0	48.0
	Total	100	100.0	100.0

Table 3. Age group

		Frequency	Percent	Valid Percent
Valid	20-35	56	56.0	56.0
	36-45	33	33.0	33.0
	46-55	10.5	10.5	10.5
	55-above	.5	.5	.5
	Total	100	100.0	100.0

Table 4. TOI Type of industry

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Banking	100	100.0	100.0	100.0
	Total	100	100.0	100.0	

Table 5. LOP level of position

		Frequency	Percent	Valid Percent
Valid	Senior level management	28	28.0	28.0
	Middle level management	46	46.0	46.0
	Junior level management	26	26.0	26.0
	Total	100	100.0	100.0

Reliability Analysis

“Reliability states that there is capability of the scales or the survey questionnaire to describe the feature and in what way these substances are associated with each other”. In order to find the inter

consistencies; the method of Cronbach's Alpha used. For the Cronbach's Alpha the acceptable value is .70. Lower than .70 the alpha is neither adequate because it displays that the internal consistency is low. The value of Cronbach's from scale is .907 which remains adequate shown in table. The value of the Cronbach's Alpha indicates all these 22 items in the scale are reliable. This value is preferable.

Table 6. Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.907	.907	22

Correlation Analysis

Correlation represents the relations among variables. Correlation estimates the relations of all the variables between similar pairs of the variables.

- Correlation of workload with lack of motivation is ($r = .581$) shows the positive relationship and the p-value is 0.000. It is statistically significant and shows that there is 100% chance of it. Correlation of workload with employee performance is ($r = -.456$) is negative relationship and the p-value is 0.000. Correlation of workload with time pressure is ($r = .674$) is also a positive relationship and the value of p is 0.000. It also represents there exists a 100% chance of it.
- Correlation of lack of motivation with employee performance is ($r = -.670$) that is stronger negative association and the value of p is 0.000. It represents when the lack of motivation increases it will affect the performance of employees. Correlation of lack of motivation and the time pressure is ($r = .170$) and the value of p is 0.000. It represents there is a complete 100% chance of it and has positive relationship.
- Correlation of time pressure with employee performance is ($r = -.474$) which represent that there is negative relation but have the significant impact with the p-value is 0.000. It means that when time pressure increases the employee performance decrease.

Independent and Dependent Variables (IV-DV) Correlation

Table 7. Correlations

		WL	LOM	EP	TP
WL	Pearson Correlation	1	.581**	-.456**	.674**
	Sig. (2-tailed)		.000	.000	.000
	N	100	100	100	100
LOM	Pearson Correlation	.581**	1	-.670**	.170**
	Sig. (2-tailed)	.000		.000	.000
	N	100	100	100	100
EP	Pearson Correlation	-.456**	-.670**	1	-.474**
	Sig. (2-tailed)	.000	.000		.000
	N	100	100	100	100
TP	Pearson Correlation	.674**	.170**	-.474**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	100	100	100	100

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

Regression

In this order, to explore relations among variables regression model is used. In the regression analysis the model summary gives the value of R, the R square, and the familiar adjusted R square and the standard error. Adjusted R squared is the adjusted type of R squared which has been familiar for the numbers of researchers in the model. The result shows that the independent variables have a substantial influence on the dependent variable.

The dependent variable shows that the value of $p=0.000$ is strongly statistical significant and shows that there is 100% chance of it. Value of the adjusted R-square=.457 shown in the table represent that the independent variables consumes 45% influence on the dependent variable that is the employee performance.

Table 8. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.682 ^a	.465	.457	.56559

a. Predictors: (Constant), LOM, TP, WL

b. Dependent Variable: EP

ANOVA

The analysis of variance (ANOVA) represent whether all the independent variables show the good job in explaining variation in the dependent variable or not. For this purpose, the significance value of F should have a value smaller than 0.05. ANOVA is used to analyze the differences between group means. Significance of the model is less than 0.005.

The ANOVA represents this model remains substantial ($p < 0.0005$).

Table 9. ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	54.467	3	18.156	56.755	.000 ^a
	Residual	62.699	196	.320		
	Total	117.167	199			

a. Predictors: (Constant), LOM, TP, WL

b. Dependent Variable: EP

Conclusion

Agreeing to the consequences of the study, my study accepted the hypothesis 1 which stated that there is a negative relation among lack of motivation and employee's performance. Correlation of lack of motivation with the employee performance is $r = -.670$ which shows that there is strong negative relationship. Increase in lack of motivation decrease the performance of employees. Hypothesis 2 and hypothesis 3 is also accepted because both the workload and the time pressure have a substantial undesirable effect on the work life of workers. When work is too loading the employee, performance is negatively affected. When the workers have given too many responsibilities and are projected to complete within the time period, the time pressure increase which negatively disturb the performance of workers. According to the researcher (Murali, Basit, & Hassan, 2017) time pressure, work load and the lack of motivation has a harmful influence on the performance of the workers. In these days it is essential to note that employees are not motivated. Because of this lack of motivation affect the employee performance. This research only discusses the impact of stress in microfinance banks only. Future studies should find out the level of stress in various other sectors. The exploration delivers assistance for the upcoming studies to discover numerous further concealed reasons of stress in banking sectors of Bahawalpur. These researches should explore different professions, lines of effort and the attitude. Taken together further field studies are needed to examine impact of stress in actual work environment as well as to uncover underlying mechanisms. The size of the sample should increase from 100. Researcher should use the other social factors and environmental factors in his study. Future research should use the moderating variables to study the effects of stress on the variables. Several mediating variables should also add for finding the better results.

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