



Impact of Job Stress on Work Performance of Employees: A Study in LIC

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Abstract: *Stress is a universal element and people face stress in every walk of life. On the topic workplace stress, a lot of research has been done and it has been proved that high level of workplace stress leads to a negative impact on employee's mental and physical health and also affects employee's performance in the organization. In Life Insurance sector employee's economic benefits are based on their sales target as basic salary is provided to them which are not based on target achievement. This paper is an attempt to measure the level of stress on the basis of job satisfaction, working condition, social and technological factors which are the components of job stress that affect employees performance and which is measured by the structured questionnaire.*

Keywords: *Workplace stress, Employee Performance, Job satisfaction, Life Insurance sector*

I. INTRODUCTION

Stress is a fundamental element and individuals in every walk of life have to face one or the other stressful situation. Stress is such a situation in an individual's life where he feels high mental pressure which can affect him physically also. Stress itself is destructive in nature which not only affects human body but also the organization for which he is working.

The most common type of stress is job stress which is associated with those stressful events happening in the organization or workplace where an employee is unable to handle and cope up with the expectations of the organization and thus faces stress.

The Health and Safety Executives (HSE) defines stress as "an adverse reaction people have due to excessive pressures or other types of demand placed on them." [1] As the level of competition is increasing day by day level of stress among the employees in the organization is also increasing due to some or the other direct and indirect factors.

There is a vast difference between common life stress and work related stress, but sometimes individual's faces both the sources of stress due to which he is unable to cope up with any of his life and work related demands. Stress is a positive phenomenon and improves efficiency and productivity but only when it is up to a limit, if it goes beyond that limit positivity nature of stress is converted into negativity and can reduce the level of performance and affects employees as well as an organization.

For every employee performance in the organization is the most important assets and maintaining it is equally important. In an organization employees can only perform in their best possible manner when they are free from job stress. There are many factors that are responsible in creating job stress among employees in the organization. Some of them are working conditions, job specific factors, job satisfaction, work policy of the organisation, workload, frequency and intensity of stressful events, social factors and technological factors etc.

All the above factors have an effect on employee's performance in some or the other way. This paper will concentrate on four factors i.e. job satisfaction, working condition in the organization, social factors and technological factors that cause stress among the employees and adversely affects their performance in Life Insurance Corporation in Jaipur city.

II. LITERATURE REVIEW

Various studies have been conducted showing different components of stress that directly or indirectly affects employee's performance.

Mansi Monga (2), have explained different components of stress that affects employee's performance and also differentiated the level of stress between LIC and BAJAJ ALLIANZ Life Insurance Corporation from selected cities of Haryana.

WJ Coetzer and S. Rethmann (3), showed that job insecurity and pay and benefits are one of the highest stressors in the insurance industry. It indicates the two stressors that are job characteristics and control which were considered as the significant predictors of low organizational commitment. The purpose of this study was to evaluate the internal consistency of the ASSET,



and also to classify occupational stressors of employees in an insurance industry and to review the relationships between occupational stress with ill health and organizational commitment.

Violeta Raimonda Kulvinskiene Gintare Apcelauskaite (4), have explained some job-related stress, the reasons for its occurrence, consequences and ways to manage stress in the Lithuania “X” Life Insurance Company. This study aims to find out how the insurance companies take certain measures to minimize work related stress and maximise labour efficiency and productivity.

Usman Bashilm Muhammad Ismail Ramay (5), have examined the correlation between job stress and work performance of employees in banking sector of Pakistan. The result shows the negative correlation between job stress and job performance and also conclude that job stress drastically reduces the performance of an individual.

Badar-ul-Islam and Kashif Munir (6) have conducted their study on how different stressor affects the performance of employees. This study is a policy oriented towards maintaining a required level of stress in the organization so that the employees work hard and try to achieve their goal in the most profitable manner.

III. RESEARCH METHODOLOGY

The study conceptualizes to find out the factors that causes stress among the employees of LIC and how it affects their performance. The performance of employees will be judged on the basic of four basic organizational components i.e. Job satisfaction, Working conditions, Social factors and Technological factors.

Study Sample:

A structured questionnaire was framed and the data was collected from 100 respondents from the employees of LIC of India in Jaipur City

Study Objectives:

1. To identify the components of job stress that affect employee’s performance in the organization.
2. To determine the level of stress among the employees of LIC.

Study Hypothesis:

- Ho1: Job satisfaction does not affect performance of employees.
Ho2: Employee performance is not influenced by working conditions in the organization.
Ho3: Social factors in the organization have no effects on employee performance.
Ho4: Technological factors have no relationship with performance of employees.

Table-1
Demographic components of Respondents

General Information		Total Number
Age in Years	18-27	7
	28-37	10
	38-47	32
	47 & Above	51
Gender	Male	64
	Female	36
Marital Status	Married	79
	Unmarried	21
Type of Family	Joint family	24
	Nuclear family	76
Experience of the respondent	0-5 Years	5
	6-10 Years	8
	11-15 Years	32
	Above 15 Years	55
For how long you have been associated	Below 4 Years	10
	5-10 Years	15
	11-15 Years	35
	16 and Above	40
Annual Income(In Rs)	Below 10,000	2
	10,000-30,000	10
	30,000-50,000	26
	50,000-70,000	22
	70,000 & Above	40

IV. RESULTS AND ANALYSIS

The 5-Likert scale technique has been used in the questionnaire. For the different questions the mean and the standard deviation were calculated. It was taken into consideration that the employees agree or indicate a positive response on a given statement when the mean is (3) or more. A mean below this value (3), indicates a negative response. For the purpose of testing hypotheses, for all the statements the joint mean was calculated to be considered as the factor of analysis, and the standard deviation representing for the similar hypothesis was calculated to be compared with the reference using Z test.

Table-2
Result for the response of employees of LIC with their respective means

	Sr. No.	Question	Mean	Overall Mean
Employees attitude towards components of job satisfaction	1	Pay Scale	3.9	3.68
	2	Bonus and Incentives	2.74	
	3	Allowances	3.35	
	4	Job Security	4.17	
	5	Work Life Balance	4.24	
Focus on working condition in the organization	6	Working Hours	4.3	4.137
	7	Time Pressures	4.06	
	8	Clarity in the job assigned	4.14	
	9	Work policy of the company	4.05	
Focus on the social factors	10	Process of Communication	4.06	4.13
	11	Quality and efficiency of respective supervisor or leader	4.14	
	12	Social and management support	4.19	
Focus on technological factors	13	Proper resources for proper functioning	4.21	4.08
	14	Availability of updated technology	4.16	
	15	Training facility to use the advanced technology	3.88	

Table-3
Employees Questionnaire Hypothesis Test

Hypothesis			Calculate d Z Test Value	Critical Value @ $\alpha = 5$	Result
1.	H ₀	Job satisfaction does not affect performance of employees.	7.55	1.96	Accepted H ₁
	H ₁	Job satisfaction affects performance of employees.			
2.	H ₀	Employee performance is not influenced by working conditions in the organization.	14.39	1.96	Accepted H ₁
	H ₁	Employee performance is influenced by working conditions in the organization.			
3.	H ₀	Social factors in the organization have no effects on employee performance.	15.06	1.96	Accepted H ₁
	H ₁	Social factors in the organization have an effect on employee performance.			
4.	H ₀	Technological factors have no relationship with performance of employees.	14.4	1.96	Accepted H ₁
	H ₁	Technological factors have a relationship with performance of employees.			



V. EMPLOYEE QUESTIONNAIRE ANALYSIS AND RESULTS

Table 1 shows the different demographic factors of the employees of LIC which includes their age, gender, marital status, family type, experience and their salary.

Table 2 shows the responses of employees on the basis of four factors that are responsible in creating stress among the employees and ultimately affecting their level of performance.

1. Firstly, employees attitude towards components of job satisfaction. Here we can conclude that employees are satisfied with all the components related with the job satisfaction except the benefit of bonus and incentives. Employees of LIC are not provided with enough of bonus and incentives in the organization.
2. LIC provides good and appropriate working conditions to their employees in the organization as they are satisfied with the working hours, time pressures, job clarity and company's work policy.
3. Employees of LIC are also satisfied with all the social factors in the organization as they provided with fine process of communication, supportive leadership and proper social and management support in the organization.
4. LIC also have satisfied employees when it comes to technological factors as they are provided with proper resources and updated technologies. But some of the employees are not satisfied with the training facility provided to them by the organization for the use of advanced technology.

Table 3 shows the results of the analysis for the employee satisfaction with hypothesis test.

The hypothesis was tested using the Z test with a 95% confidence level.

The result indicates that:

1. Job satisfaction affects performance of employees. As when any component of job satisfaction is troubled it will directly affect the performance of employees.
2. Employee performance is influenced by working condition in the organisation as it is considered as an important component in increasing employee performance.
3. Social factors in the organization have an effect on employee performance. When social and management support is not provided to employees it can definitely affect employee's performance.
4. Technological factors have a relationship with performance of employees as proper training and updated technology helps employee's work more effective.

All the above factors which are tested have some or the other impact or directly or indirectly related with stress and affect employee performance. When employee is not satisfied with any of such factor that situation will create stress in the employee and performance of employee will be directly affected by it. But here in LIC employees are fully satisfied with the organizational related components except that they are not provided with bonus and incentives and some of them are not provided with proper training to use the updated technology.

It can also be concluded that employees of LIC are free from stress as they are satisfied with almost all the components associated with them in the organization. According to the study 70% of employees strongly disagree about the fact that they are under stress in the organization, 18% of employees are neutral about it and the rest i.e. only 12% employees are under stress in LIC.

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