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THE EFFECT OF WORK RELATED STRESS ON EMPLOYEES PERFORMANCE IN PRIVATE COLLEGES IN KENYA: A CASE STUDY OF COLLEGES IN THIKA TOWN

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Abstract

This was a study on the relationship between causes of work stress and employee performance which was carried out in private colleges in Thika Town. The specific objectives of this study were to establish the effect of role clarity on employee performance, to assess the effect of compensation and job insecurity on employee performance. This study had the independent and the dependent variables which were also operationalized as follows. Data was be gathered through a closed-ended questionnaire which was be pre-tested on a sample of 10% staff randomly selected from the study population to ensure reliability and validity of the instrument and items. The collected data was analyzed with the help of statistical computer software known as SPSS. The qualitative analysis was presented in tabular form. Factor analysis was also conducted to reduce the masses of the data into super-variables through combination. Correlation analysis was applied to determine the relationship between the dependent and the independent variables. Job insecurity was found to have a negative effect on employee performance while role clarity and compensation were found to have a positive effect on performance. The study therefore recommended that the owners of colleges in Thika Town should consider these factors since their effect was found to have statistically significant effect on employee performance. This study will help in reducing stress levels and enable the employees to improve on their performance.

Keywords: Role clarity, Job security, compensation, Employees Performance

1. Introduction

Savings Stress is defined as a condition of physical, psychological and mental disorder which occurs in a situation of pressure, when the resources are unable to fulfill the demand of an individual (Kant and Khan, 2013). According to Selye (2006), stress is defined as a non-specific response of the body to any demand, positive or negative, made upon it. In addition work stress is any discomfort which is felt and perceived at a personal level and triggered by instances, events or situations that are too intense and frequent in n a t u r e so as to exceed an employee's coping capabilities and resources to handle them adequately (Malta, 2004).

In most institutions, employees undergo stress due to factors within and without the work place, which affects their well-being and in turn affects their productivity and performance at the work place. Aswathappa (2009) contends that stress causes an imbalance in one's life because it leads to depression and thus damages someone's health, attitude and work behavior. He also asserts that the causes of stress are called stressors, which can be derived in various forms such as workplace conflict, role conflict, role ambiguity and poor remuneration.

Employees in every sector are subjected to stress. For instance employees in education sector spend most of their time at work, that is why they are directly affected by stress; due to this, their productivity at workplace decreases greatly (Shabana and Mubasher, 2013). Usually workers in organization feel stressed when they have to maintain good relations with their coworkers, subordinates and their supervisors. Job insecurity in terms of nature of work and terms of employment affects employee performance. Role clarity causes role conflicts and even sometimes lack of job experience can generate stress at workplace. Rose (2003), asserts that employees have a tendency towards high level of stress regarding time, working for longer hours which reduces employees urge for performing better hence decreasing their output. In support Miller (2011) noted that main components of stress are lack of role clarity, job insecurity, and poor remunerations affects employee performance.

Stress has become an integral part of jobs in every sector (Khalid, 2011). He continues to state that globalization has increased the rate of competition day by day thus increasing levels of stress among employees. The financial crisis and recession of 2008 around the world further contributed to mounting higher levels of stress among employees. In addition he asserts that; employees suffering from high stress levels have lower engagement, are less productive and have higher labor turnover than those not working under pressure. In agreement with his finding Global benefits attitude survey (2014) found out that levels of work place disengagements significantly increases when employees experience high levels of stress. Munali (2005) reveals that employees are reporting increased levels of stress which has led to poor health and consequently reduction in the performance. Similarly, Neon (2007) concurs and further points out those employees in Kenya have to contend with low salaries, lack of involvement in decision making, heavy workload, and few opportunities for promotion. Previous studies (Elogovan, 2001; Allen, Hurst, Brock and Sutton, 2000; Kossek and Ozeki, 1998) have identified low institutional commitment, increased absenteeism and employee turnover as key to employee stress aspects that continue to affect the corporate performance negatively.

2. Statement of the problem

Thika town has been one of the most industrious and vibrant towns in Kenya. This has led to the rapidly increasing number of colleges to meet the high demand of education in the region. They offer competitive courses which have attracted many students from within Thika sub- county and others coming from the neighboring counties to get this basic need and at an affordable cost. Despite these great offers and opportunities some of the colleges have not met the standards required by the law of Kenya which unfortunately leads to limited work forces, lack of enough facilities in the institution and poor remunerations for employees. Rebecca (2010) argues that to achieve clear goals and directions, support from superiors is very necessary for superiors to understand the needs of the employees to improve their performance. Sometimes frequent fault finding of the employees work may also lead to deficiency in work hence employee performance is also lost if there is poor guidance or planning in an institution. Michie (2002) relates this situation to a tourist who has no guide. He notes that it would not be long before such a tourist loses his track or direction and so would be the case of an organization which has no good supervisor-employee relationship. Nyabongi and Divikar (2015), concluded that work stress will influence performance negatively hence increasing the rate of employee turnover and reducing the quality of their services.

Besides employee performance medical evidence suggests and supports a link between stress and physical health for instance, there is a direct link between stress and heart disease. High level of work stress has an adverse effect on the employee's attitude and behavior. Exposure to work related stress is followed by anger, anxiety, depression, nervousness, tension and boredom. The change in employee's behavior has an adverse effect on their job performance. It affects self confidence, lowers self-esteem, lack of concentration which reduces job satisfaction. Stress is thus the key component which sparks off all these problems (Selenko et al., 2013). This study sought to establish relationship between work related stress and employee performance in private colleges in Thika town.

3. General objective

The aim of this study is to establish the relationship that exists between work related stress and employee performance in private colleges in Thika town.

Specific objectives

- i. To establish the effect of role clarity on employee performance.
- ii. To determine relationship between job insecurity and employee performance
- iii. To determine the effect of compensation on employee performance

4. Methodology

A descriptive research design with survey method was applied in this research in attempting to describe and explain the relationship between work related stress and employees performance in private colleges in Kenya. The survey used qualitative and quantitative measures in order to answer the research question and thus arrive at the goal of the research.

The population of the study was composed of employees in all private colleges in Thika town. There are more than sixty private colleges in Thika town. However the study focused on twenty six colleges which are registered under the Board of Higher Education science and Technology (BHEST web, 2016). This study used stratified sampling to identify the sampling units.

The study used multi-stage sampling. It used both stratified sampling and simple random sampling. Stratified random sampling was used in institution to have three strata. The strata were management, Teaching and non-teaching. Within each of the three strata simple random sampling was done to identify individual respondents were to be issued with a questionnaire to respond to the research statements.

Research Findings

5. Correlation Matrix

Table 1: Correlation Matrix

	Employee	Job Insecurity	Role	Compensation
	Performance		Clarity	
	1			
Employee Performance				
Job Insecurity	-0.74379	1		
Role Clarity	0.8216	0.649307	1	
Compensation	0.92448	0.542546	0.5003	1

From table 1 it can be observed that the correlation between the independent variables and the dependent variable was high. The correlation between employee performance and job insecurity was found to be negative. The correlation between employee performance and compensation was found to be positive. The correlation between employee performance and compensation was found to be positive. The correlation between job insecurity and role clarity was found to be positive. The correlation between compensation and job insecurity was found to be positive. The correlation between compensation and role clarity was found to be positive. The interpretation was that the level of multicollinearity between the independent variable was not very high which meant that the influence of each variable in the regression model could be isolated easily.

According to Brook (2002) multicollinearity is the problem that occurs when the explanatory variables are very highly correlated with each other. Brook note further that if there is no relationship between the explanatory variables, they would be said to be orthogonal to one another. If the explanatory variables were orthogonal to none another, adding or removing a variable from a regression equation would not cause the values of the coefficients on the other

variables to change. Burns and Burns (2008), assert that muticollinearity is the presence of very high correlations between the independent variables and should be avoided.

On the other hand however a very high correlation between the independent and the dependent variable is termed as good since it shows the explanatory power of the individual independent variable. From table 4.1 it is noted that the correlation between employee performance and the various independent variables was above 30%, which was a good indicator of the explanatory power of the independent variables on the variance of the dependent variable.

6. Regression Results

Table 2: Regression Result

Variables Unstandardized			t	Sig.	
	Coefficients				
	В	Std. Er	ror		
(Intercept)	1.031	0.238		4.332	0.000
Job Insecurity	-0.128	0.057		-2.246	0.009
Role Clarity	0.359	0.115		3.112	0.003
Compensation	0.502		0.124	4.055	0.000
F-statistic 204.26 p-value 0.000			Adjusted R-squared 0.873		

The fitted regression model is

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

$$Y = 1.031 - 0 \quad .128 \ X_1 + 0.359 \ X_2 + 0.502 X_3 + \epsilon$$
Standard Error 0.238 0.057 0.115 0.124
t-Statistics 4.332 -2.246 3.112 4.055
p-value 0.000 0.009 0.003 0.000

Where; Y = Employee performance, X1 = Job Insecurity, X2 = Role Clarity ,X3 = Compensation , ϵ = Error Term, β_0 = Intercept, β_1 , β_2 , β_3 , β_4 = Coefficients

7. Job Insecurity

From table 2, the regression coefficient of job insecurity was found to be -0.128. This value shows that holding other variables in the model constant, an increase in job insecurity by one unit causes the employees performance to decrease by 0.128 units. The value of the coefficient is

also negative. The negative effect shows that there is a negative relationship between job insecurity and employees performance.

The coefficient was not just negative but also statistically significant with a t-statistic value of -2.246. A t-statistic value of 1.96 and above is normally accepted to be significant for inference analysis. The standard error was found to be 0.057 and the p-value was found to be 0.009. The variable was also found to be the third most influential variable on the employee performance in private colleges in Thika Town. These findings supports those of (Green and Tsitsianis, 2005), (Akinyi, 2013) and (Abdullah, Djebarni and Mellani, 2010) who found that job insecurity had effect on employee performance.

The interpretation was that job insecurity causes the employee performance to decrease. The colleges in Thika town should consider the effect of job insecurity to their employee since job security would have a direct opposite effect of job insecurity of enhancing performance.

8. Role Clarity

From table 2, the regression coefficient of role clarity was found to be 0.359. This value shows that holding other variables in the model constant, an increase in role clarity by one unit causes the employees performance to increase by 0.359 units. The value of the coefficient is also positive. The positive effect shows that there is a positive relationship between role clarity and employees performance.

The coefficient was not just positive but also statistically significant with a t-statistic value of 3.112. A t-statistic value of 1.96 and above is normally accepted to be significant for inference analysis. The standard error was found to be 0.115 and the p-value was found to be 0.003. The variable was also found to be the second most influential variable on the employee performance in private colleges in Thika Town. These findings supports, (Bhuian, Menguc and Borsboom, 2005) and Jackson & Schuler (1985) who found that Role Clarity had effect on employee performance.

The interpretation was that role clarity causes the employee performance to increase. The colleges in Thika town should consider the effect of role clarity to their employee since role clarity would have a direct effect on enhancing employee performance.

9. Compensation

From table 2, the regression coefficient of compensation was found to be 0.502. This value shows that holding other variables in the model constant, an increase in compensation by one unit causes the employees performance to decrease by 0.502 units. The value of the coefficient is also negative. The negative effect shows that there is a negative relationship between copensation and employees performance.

The coefficient was not just negative but also statistically significant with a t-statistic value of 4.055. A t-statistic value of 1.96 and above is normally accepted to be significant for inference analysis. The standard error was found to be 0.124 and the p-value was found to be 0.000. The variable was also found to be the most influential variable on the employee performance in

private colleges in Thika Town. These findings supports, (Daljeel, Manoj and Dalvinder 2011), (Nezaam, 2005) and Griffeth *et al.* (2000), who found that compensation had effect on employee performance.

The interpretation was that compensation to employees causes the employee performance to increase. The colleges in Thika town should consider the effect of rewarding to their employee since compensation would have a direct effect of reducing stress and consequently improve their performance.

10. Summary of the findings

All the measurers of job insecurity were found to have effect on the employee performance as depicted by the various responses from the respondents that were presented using table where the response was also in percentage form. The constructs were found to be of good reliability that allowed the researcher to proceed to the actual data collection, qualitative and inferential analysis. This variable was found to have a negative effect on employee performance. This meant that increase in job insecurity facilitated the reduction in employees performance in colleges in Thika town.

All the measurers of role clarity were found to have effect on the employee performance as depicted by the various responses from the respondents that were presented using table where the response was also in percentage form. The constructs were found to be of good reliability that allowed the researcher to proceed to the actual data collection, qualitative and inferential analysis. This variable was found to have a positive effect on employee performance. This meant that increase in role clarity facilitated the increase in employees performance in colleges in Thika town.

All the measurers of compensation were found to have effect on the employee performance as depicted by the various responses from the respondents that were presented using table where the response was also in percentage form. The constructs were found to be of good reliability that allowed the researcher to proceed to the actual data collection, qualitative and inferential analysis. This variable was found to have a positive effect on employee performance. This meant that increase in job insecurity facilitated the increase in employees performance in colleges in Thika town.

11. Conclusion

Job Insecurity

The study concluded that causes of stress in Kenya have influence on employee performance. The findings that, job insecurity had a negative effect on employee performance were good indications that increase in job insecurity motivate poor performance from the employees. This meant that work stress emanating from job insecurity has a catastrophic effect on employee performance. This variable was found to have a statistically significant effect on employee performance. The influence of this variable was the least influential variable in employee performance among colleges in Thika town.

Role clarity

The study concluded that causes of stress in Kenya have influence on employee performance. The findings that, role clarity had a positive effect on employee performance were good indications that increase in role clarity motivate better performance from the employees. This meant that reducing work stress emanating from lack of role clarity would have a positive effect on employee performance. This variable was found to have a statistically significant effect on employee performance. The influence of this variable was the second most influential variable in employee performance among colleges in Thika town.

Compensation

The study concluded that causes of stress in Kenya have influence on employee performance. The findings that, compensation had a positive effect on employee performance were good indications that increase in compensation or reward motivate better performance from the employees. This meant that work stress emanating from poor compensation when reduced would have a positive effect on employee performance. This variable was found to have a statistically significant effect on employee performance. This variable had the highest influence on employee performance among colleges in Thika town.

12. Recommendation

Since this variable was found to be a key determinant of employee performance, the owners of the colleges should keep a keen eye on reducing job insecurity. Colleges in Kenya should therefore come up with more innovative ways of reducing job insecurity among employees. Since the results showed that job insecurity facilitated the tendency for the employee to perform poorly, these colleges should come up with ways and strategies that help to reduce the stress emanating from the felling of job insecurity among the employees. The colleges should ensure that their employee are guaranteed of their job security to make sure that they improve on their performance.

Since this variable was found to be a key determinant of employee performance, the owners of the colleges should keep a keen eye on elaborating on role clarity for their employees. Colleges in Kenya should therefore come up with more innovative ways of enhancing role clarity among employees. Since the results showed that role clarity facilitated the tendency for the employee to perform well, these colleges should come up with ways and strategies that help to reduce the stress emanating from poor role clarity among the employees. The colleges should ensure that their employees are aware of their role clarity to make sure that they improve on their performance.

Since this variable was found to be a key determinant of employee performance, the owners of the colleges should keep a keen eye on reducing improving compensation for their employees. Colleges in Kenya should therefore come up with more innovative ways of making sure that their employees are rewarded properly to increase their performance. Since the results showed that compensation facilitated the tendency for the employee to perform better, these colleges should come up with ways and strategies that help to reduce the stress emanating from poor

compensation of the employees. The colleges should ensure that their employee are guaranteed of proper compensation to make sure that they improve on their performance.

13. Area for further research

Future research should be directed towards identifying more variables that affect employee performance. Good examples are, relationship in organization, personality factors, boring repetitive work, frustration over career ambition, harassment and bullying among other factors. From the regression model it was noted that the variables included were only able to explained 87.3 % of the variation in employees performance. This study therefore recommends the improvement of this model by including more variables that are relevant in explaining the variation some of which have been mentioned above. This paper also recommends further research to include studies in other organizations apart from learning institutions.

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