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## RESEARCH ARTICLE

# The Contribution of Stress Management and Good Employee Performance Towards the Success of a Company

Eddy Soeryanto Soegoto\* and Umi Narimawati

*Department of Management, Faculty of Business Economics and Management, Universitas Komputer, Bandung, Indonesia*

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### Abstract:

#### Introduction:

Today, factors which drive a company's success are basically workers' personality and one of the factors affecting work is self-management, which includes stress management. It is this factor which can later influence the performance of a worker within a company.

#### Aims:

In this case, the present study aimed to examine the contribution of personal stress management to an employee's performance and how such influence may affect a company's success. The main focus of this study was to evaluate stress management and its effect on employees' performance. This study took place in Bandung at organization X and we applied a descriptive survey method as the most appropriate means of the study. The participants were purposively selected comprising 34 employees.

#### Conclusion:

The results revealed that there are many stress factors employees endure though they don't significantly affect performance, but still influence most of their decisions to leave the company due to continuous dissatisfaction. It is therefore recommended that such a company should establish a most appropriate strategy to prevent stress within its employees.

**Keywords:** Work stress, Stress management, Stress, Success, Personal character, Employee performance.

## 1. INTRODUCTION

Today, stress is increasingly becoming complex and affecting almost everybody [1] mostly the working class. The causes may differ from one work place to the other depending on the nature of work and how long one works on a daily basis. This means stress differs but it is real thing in each company or organization. Researchers have defined work stress differently, among those who describe it as occupational stress with adverse psychological and physical reactions observed in an individual [2, 3].

Within the past three decades, occupational stress has caught more attention of many researchers [4, 1 - 3]. Many studies agree that the field of business and work are undergoing rapid change, which has competition, pressure, needs quick and appropriate innovations etc [4]. This has led to put more stress on the workers who are expected to perform beyond the minimum capacity.

This is what has led to work stress, which has adversely affected the psychological and physical nature of most of the employees individually, hence leading under performance and inability to cope with the demands [5] of the fast ever

\* Address correspondence to this author at the Department of Management, Faculty of Business Economics and Management, Universitas Komputer, Bandung, Indonesia; Tel: +628122221691; E-mail: [eddysoeryanto@unikom.ac.id](mailto:eddysoeryanto@unikom.ac.id)

changing work and business environment. People increasingly face new demands which require renewal of knowledge and skills, thus calling for better stress managerial competences.

Though stress has adverse and negative effects on individuals, researchers have also established that stress is of positive contribution to individual life and company success. For instance, Jaret (2015) points out that the most recent studies on stress such as those of 'Kaufer' have revealed that certain forms of stress can have fascinating advantages, one of them is guiding people and organizations on how to respond to stressful events in a healthy way [6].

As of now, many companies world-wide are facing increased pressure of stress with negative stress, hence continuously affecting the efficiency of work performance of many organizations. On this, it has been pointed out that organizations in the world are witnessing an alarming increase in the negative effects of stress on employees' performance [7]. Most of the companies facing negative stress are found in American organizations, the United Kingdom, the Caribbean, East and Central Africa, West Africa and in other parts of the world [7].

There are different causes of stress in each and every individual, however, the most common type of stress is work stress. According to Leading Stress Management Solutions [8], work stress is the most dominant stress ; the causes could be stressful environment at workplace, too many responsibilities, working for a long period on a daily basis, poor or inadequate managerial skills, working under poor conditions, not being sure of the continuity and sustainability of a job and lack of cooperation. Stress is the leading cause of poor performance of workers within a company [9, 7]. The common cause for stress at work is the immense pressure, making it a significant factor causing illnesses [7].

In Southeast Asia, including Indonesia, it has been established that the main cause of stress is the lack of physical activity (52%), along with being overweight/obese (40%), tobacco use (33%), and lack of sleep (33%) [10]. Stress has contributed to the poor performance and downfall of many companies. During the economic collapse of 1997 to 1998 which left many people jobless, companies experienced loss and many employees face unemployment . Even though, many companies have paid attention to their workers, working conditions, workload and many other problems are there. In this research, we aim to evaluate stress management and its effect on employees' performance in company X in Indonesia.

## **2. LITERATURE REVIEW**

Stress is a state of psychological and or emotional strain originating from much demanding situations. It is believed that stress is experienced by an individual causing emotional strain by affecting a person's physical and mental condition [11]. In its external form, stress is often described in a physical form as force acting on an individual [12] which leads to strain physical and psychological capacities of people beyond their limit [7, 1, 2]. In cities, there are many stressors affecting people's life. These stressors may include noise pollution, high living costs of high expenses, traffic congestion and many others.

In regard to this, stress can be looked at as anything that disorganizes individual abilities to maintain critical variables, such as social, psychological, spiritual and or biological in nature [13], hence affecting normal functioning of a person. Stress can lead to a total messy and disorganized life of a person. It is indeed destructive for a person's standing in the society. Stressing moments, events and activities will always depend on an individual's psycho-social orientation taking into consideration things, like culture, spirituality, values, beliefs and one's experiences [14], these are the things influencing performance and normal functioning of people.

### **2.1. Sources of Workplace Stress**

Workplace stress is a harmful physical and psychological effect that often happens due to conflicting interests between the job's tasks and individual capacity to handle a given task. In other words, it is a combination of high demands in a job and a low amount of control over the situation which leads to stress [15]. Repetti [16], McGronogle and Kessler [17], Pervin [18], agree with Arnold and Cooper [19] about the causes or sources of stress which are categorized into five major causes of work stress, namely: factors intrinsic to the job, role in the organization, relationships at work, career development and organizational structure and climate [19, 16 - 18, 1 - 4, 7].

The main factor intrinsic to work is, working condition- in this regard, the physical surrounding of the job can affect the working moods and overall mental state [7, 1 - 3] of a person. Work schedule or shifts is another factor. In view of this point, workers perform their duties or tasks in shifts, some of which involve working during staggered hours, thus intruding the leisure time which may cause problems like blood pressure, increased sugar levels etc [7, 1, 2]. These health problems may arise because of the change in life style in order to meet the demands of the work schedule.

Other intrinsic factors involve working for long hours, risking lives and also learning, relearning and unlearning both new and old technologies. The long working hours required by many jobs appear to take a toll on employees' health and also making them suffer a high rate of stress [7]. Many jobs involve risks and dangers which strain most workers- because when an employee is constantly aware of potential dangers and he/she is prepared to react immediately, this results in rush, respiration changes and muscle tension which are all seen as potentially threatening to long-term health [7, 1 - 6].

Besides, with the rapidly changing world, technology has taken a new form. This has led many companies to introduce more advanced new technology in the working environment [7, 1, 2] and workers must adapt to all the technological changes. This has led to a great source of pressure at work on the worker [7, 1]. This implies that companies are giving a lot of burdensome tasks to their employees, hence challenging their abilities and capabilities causing high levels of stress [7].

## **2.2. Problems and Sources of Stress**

Problems related to stress are physical reaction of the body that needs to be considered in stress management so that stress condition do not escalate to the levels of distress, a condition that can arise in a variety of physical and psychological complaints [20]. Stress is an adaptive response to an external stimulus of physical, psychological, and behavior. According to Wen-Kai [21] sources of stress are physical or mental factors, family, peer workers and relationships.

Studies have defined stress from different perspectives according to which [22 - 24] stress is a psychological state an individual caused by the internal and external situations, the individual is surrounded by. It is said that stress occurs when the demands are exceedingly high or too much and threatens the well-being [25] of a person.

## **3. METHODOLOGY**

### **3.1. Participants**

Participants in this study were students from company X from Bandung making a total of to 34 respondents. The sampling technique was purposive with the aim to obtain the appropriate target respondents. All the participants were experienced employees. To establish the actual respondents, odd numbers based on the attendance list was used as the criteria to ensure objective representation.

### **3.2. Instruments**

Based on the design of the study, the research tool used for data collection was questionnaire(s); these were formulated by the researcher based on: (a) theoretical framework as this helped in obtaining clarity in the operational definitions of the variables of the study, (b) determining the indicators of each variable, (c) developing a framework based on indicators chosen, (d) developing instruments in the form of statements, (e) testing the instruments for the variable on self-concept, love and stress (f) testing instruments to establish validity and reliability before they were applied in the final data collection.

Stress management was taken as the independent variable (X1), while, commitment and employee performance were the dependent variables (Y1, and Y2). The measurements scale applied was the Likert scale; the answers ranged from (1) = strongly agree, (2) = agree (3) = disagree (4) = strongly agree. In line with the Likert scale, assessment scores ranged from 1 to 4, for disagree to strongly agree category. For response scale expression measurements. The statement did not describe true or false, because all the responses were correct.

Latent variables with reflective indicators were evaluated based on the "Outer loadings (measurement model) " and " Results for outer loadings." Latent variables with reflective indicators are said to meet the requirements of convergent validity if the correlation between the corresponding respective indicator scores has a value score of outer loadings of > 0.50. If the requirements are not met by the convergent validity of an indicator, the indicator is excluded as a measurement for the study. Results of item analysis were obtained by the use of Smart PLS 1.01 software .

### **3.3. Statistical Analysis**

The statistical technique applied in processing the primary data obtained from the respondents was path analysis technique using decomposition path model analysis [26]. Decomposition model is used to test the influence of the magnitude indicated by the path coefficient on each path diagram of causal relationships between variables (X1) toward

(Y1 and Y2). The following are the results of the statistical analysis of research hypothesis:

4. RESULTS AND DISCUSSION

Descriptive statistics was used to describe the variables of the study. T-test was utilized to compare the scores on stress management towards work performance and company’s success. Pearson correlation analysis was used to examine the association between stress management, employee performance and company’s success. Regression analysis was used to identify dependent variables that are useful in predicting employees’ performance and stress management (Table 1).

Table 1. Correlations between predictor and predicted variables.

Independent Variable	Dependent Variable	Path coefficients	p-value
Stress management	Company Success	0.524	0.000*
Commitment	Good Stress Management	-0.090	0.018*
Employee Performance	Self-restraint	-0.074	0.472

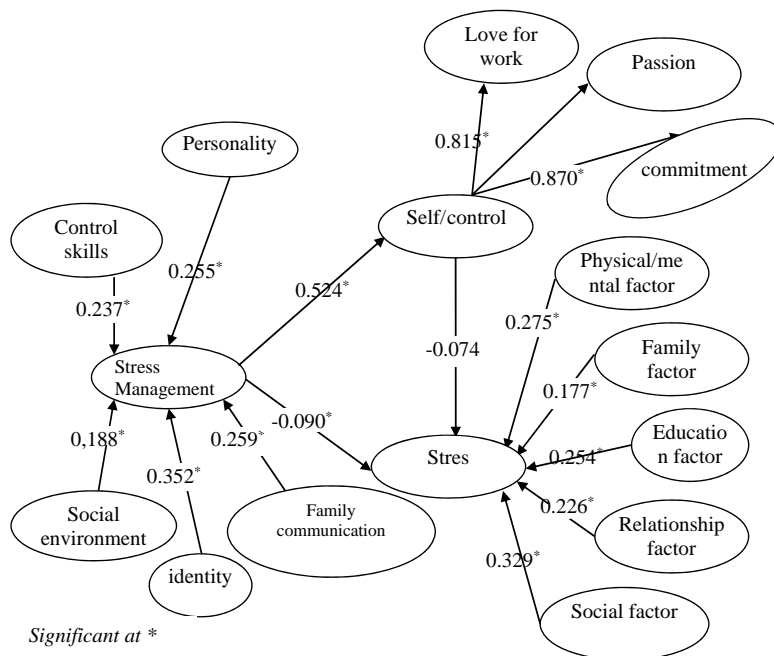


Fig. (1). Testing of hypothesis.

Based on the results of statistical hypothesis testing, the following findings were obtained:

Stress management significantly influences employees’ performance. Path coefficient = 0.524 with (P= 0.000), this implies that good stress management behavior of employees at company X is majorly shaped with commitment and love for the job, supported by good work relationships with peers. Stress management leads to improved performance hence, increases production capacity of the workers and the reverse is true in situation where stress increases; self-composition of the workers tend to decline in a degenerating curve, where other factors are held constant like communication with other employees which is also a significant factor for a company’s success. Results demonstrated that stress management significantly influences employees’ performance levels at work.

Path coefficients -0.090 with (P = 0.018).

Based on these results of path coefficients, it can be confidently concluded that as stress management among workers at company X increases, the level of performance also increases. Since there is a decline in stress with the same degree, the reverse is true in situation where stress increases, the levels of stress increase with other factors being constant (Fig. 1).

Hypothesis that feelings like affection influences levels of stress among adolescents was rejected. Path coefficient = -0074 with ( $P= 0.472$ ). This demonstrates that there are significant contrast in the commitment toward stress experienced by the employees of company X.

#### **4.1. Relationship Between Stress Management and Work Performance**

As stated by Tanjungsari [20], stress is a condition that affects the emotional tension, and one's thinking processes. Especially in employees, stress can affect their behaviors [21], therefore there is a need for positive stress control among employees; the better the commitment and performance during work by the employees and the less likely it becomes for the workers to experience stress.

#### **4.2. Relationship Between Worker Performance and Company Success**

Research has revealed that positive effect of good work performance of a person can make an impact on the success of a company. Factors intrinsic to work are, working conditions- in this regard, the physical surrounding of the job can affect the working moods and overall mental state [7, 1 - 3] of a person. In shift work, workers perform their duties or tasks in shifts, some of which involve working during staggered hours, thus affecting the leisure time which may cause blood pressure, increased sugar levels etc [7, 1, 2]. These health problems may arise because of the change in one's life style in order comply with the demands of the work schedule.

#### **4.3. Relationship Commitment and Stress**

Commitment among workers may influence the performance both positively and negatively. On the positive side, when people feel the passion to work, they do it with full determination. On the contrary, over commitment can result into stress among employees because they have at times having limited skills to manage it.

Though stress has adverse and negative effects on individuals, researchers have also established that stress also has positive contribution to an individual's life and company's success. For instance, Jaret (2015) points out that the most recent studies on stress such as those of 'Kaufer' have revealed that certain forms of stress can have advantages; one of them is guiding people and organizations on how to respond to stressful events in a healthy way [6].

#### **4.4. Relationships of Stress Management, Commitment, and Work Performance**

The relationship between stress management, commitment, and work performance has a positive and significant influence. Because, as workers gain the skills to manage their stress, commitment to work also increases which can lead to improved performance of workers. Whereas, workers who already have experienced stress have good stress control skills and they will have low levels of stress.

It was discovered in the present study that there is a strong relationship between commitment and good stress control among workers at company X. In this state of affairs, stress is caused by low levels of commitment among workers where their motivation to work comes to an end or at a stand-still due to self-rejection of certain tasks.

However, in this study, the influence of commitment on stress was not supported, meaning that there are other possible reasons to believe the studied employees hold much of other values as being the main factors in stress management. In these findings, it has also been established that several workers also reported many other factors such as job pressure, limited care of the company as some of the causes of stress. On this point, it is noted that the long working hours required by many jobs appear to take a toll on employees' health and also making them suffer a high rate of stress [7]. Many jobs involve risks and dangers which strain most of the workers- because when an employee is constantly aware of the potential dangers and he/she becomes prepared to react immediately. This results in rush and muscles tension which are all seen as potentially threatening to health [7, 1 - 6].

In this study, excessive work pressure on the majority of the employees was observed. Stress can lead a total messy and disorganized life of a person. It is indeed destructive for person's social standing in a society. Stressful moments, events and activities will always depend on an individual's psycho-social orientation taking into consideration things, like culture, spirituality, values, beliefs and one's experiences [14]. These are the things influencing performance and normal functioning of people.

Stress is a state of psychological and or emotional strain originating from much demanding situations. It is believed that stress occurs in an individual causing emotional strain by affecting a person's physical and mental condition [11]. The employees of organization X were also observed vulnerable to stress.

## CONCLUSION

Stress among employees was associated with lack of commitment and passion for work, feelings of boredom and bad mood leading to decreased performance. These associations are in agreement with many previous findings on the same issues. The findings implied that stress, commitment and worker performance are risk factors of a company's success.

Internal emotional deficiency may function as a personal vulnerability factor to stress, and thus can significantly impinge on the wellbeing of employees. Therefore, greater importance should be given to the presence of social stress, bad mood and lack of skills for stress management during work with the aim of increasing the possibility of improving performance to progress and function encouragingly throughout life career.

Factors that interfere in the development of positive motivation and promote the manifestations of stress and poor performance must be obliterated for the prevention of emotional and psychological distress among workers.

Employees, who are stressful, are often observed in bad mood and have poor stress management skills, lacking social support, social skills and have interpersonal deficiency. They cannot also cope with the changing situation.

We therefore, conclusively mention that there are many factors mentioned in this research which have proved that stress has a negative effect on the performance of any company.

## ETHICS APPROVAL AND CONSENT TO PARTICIPATE

Not applicable.

## HUMAN AND ANIMAL RIGHTS

No Animals/Humans were used for studies that are base of this research.

## CONSENT FOR PUBLICATION

Not applicable.

## CONFLICT OF INTEREST

The authors declare no conflict of interest, financial or otherwise.

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Decleared none.

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