

THE EFFECT OF WORK-RELATED STRESS ON EMPLOYEE SATISFACTION: A CASE STUDY

Azemina Mashovic

Integrated Business Faculty Skopje, 3rd Macedonian Brigade, 1000 Skopje, North Macedonia, azemina@fbe.edu.mk

ABSTRACT

The present research aims to improve the current understanding of the relationship between work-related stress and employee satisfaction. This study examines which relevant work stressors, such as task design, employee role in an organization, career development, interpersonal relationships, management style, workplace conditions, and work-life balance affect employee satisfaction. Using a sample of 200 employees from private sector companies in North Macedonia, the results showed that work-related stress is significantly present in the work environment and affects employee satisfaction and performance. Therefore, companies, especially top management, need to develop and implement appropriate strategies for reducing the adverse impact of relevant work stressors on a permanent basis.

Keywords: work-related stress, work stressors, employee satisfaction, employee performance.

INTRODUCTION

Work-related stress is a rising problem around the world that affects not only the health and well-being of employees but also their productivity and job satisfaction. It has provoked increasing interest in European countries due to the development of new information and communication technologies, rising variety in the workplace, and a greater mental workload (Landsbergis, 2003). Consequently, the nature of work has changed significantly in many sectors of industry over the past decades. Modern companies consider work-related stress and employee satisfaction as their important issues. According to recent studies, work-related stress is the reason for more than 50% of all lost working days (Hoboubi, Choobineh, Ghanavati, Keshavarzi, & Hosseini, 2017).

Many studies have been conducted on work-related stress. The highest number of studies are from the USA followed by UK and India. The studies show that work-related stress affects not only the physical and psychological state of employees but also affects the employees' performance and productivity, and their overall job satisfaction as well. The crucial limitation of these studies is that they have been focused on work-related stress but not on finding out the proper mechanisms and tools to reduce it. (Burman, & Goswami, 2018).

Work-related stress is defined as "the harmful physical and emotional responses that occur when the requirements of a job do not match the employee's capabilities, resources or needs" (Chandraiah, & Rao, 2012). Therefore, the situation when there are high work demands and a low amount of control over the situation leading to stress is considered work-related stress. Constant and high levels of work-related stress among employees negatively impact the company and employee satisfaction (Rehman, 2008).

Many authors have published research focusing on the link between work-related stress and employee satisfaction. Brewer and McMaha-Landers (2003) have stated that there is a significant correlation between employee satisfaction and work-related stress. In recent studies, the levels of employee's perceived work-related stress and their job satisfaction are found as moderate-high (Hoboubi et al., 2017). Similarly, Yong and Alam (2008) confirm that employees who are highly motivated and less stressed are more willing to work for the benefit of the company. Furthermore,

Sanchez, Bray, Vincus, & Bann, (2004) specified that work-related stress is the most significant predictor of employee satisfaction.

The conceptual model tested in the paper is presented in Figure 1. The independent variables in this research are relevant work stressors and the dependent variable is employee satisfaction. Categories of work stressors include task design, management style, interpersonal relationships, working conditions, work-life balance, employee role in the organization, and career development (Murphy, 1995).

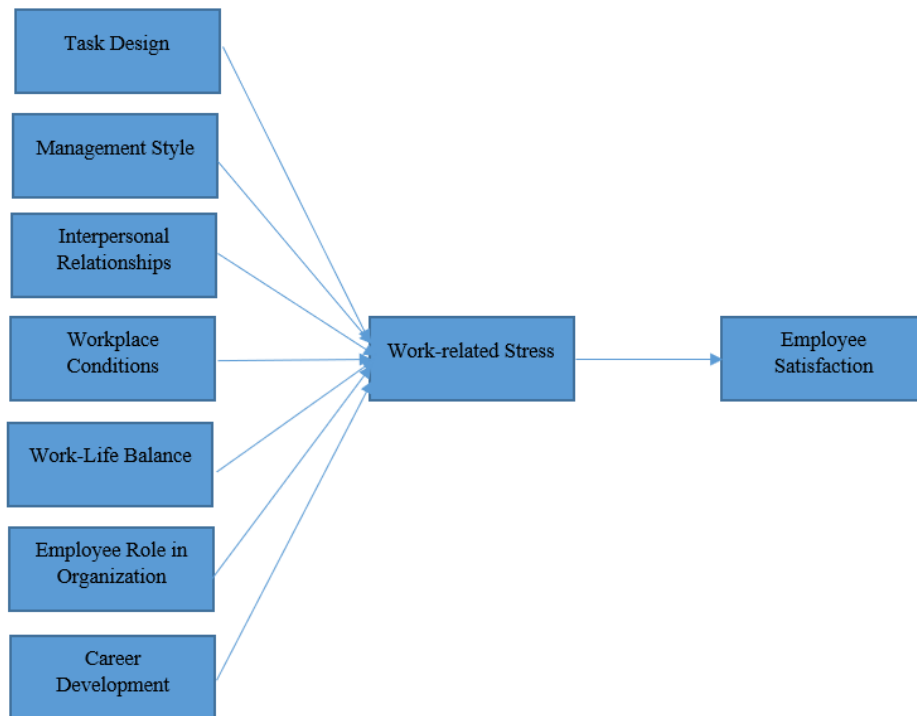


Figure1.A conceptual framework of work-related stress and employee satisfaction.

The subject of study research is the employees of private sector companies in North Macedonia with the intention to test the generally accepted opinion that work-related stress is significantly more present in the private sector companies. The research objective is to examine the effect of work-related stress on overall employee satisfaction in private sector companies. According to the identified problem and research objective, the following hypotheses were formed:

H1: Employees of private sector companies are exposed to work stress.

H2: Employees of private sector companies are exposed to various categories of work stressors.

H3: Work-related stress affects overall employee satisfaction in private sector companies.

MATERIALS AND METHODS OF WORK

The descriptive research design was utilized in this study enabling an assessment of the effect of work-related stress on employee satisfaction in private sector companies. As part of the study, research was conducted from March to May 2021 on a sample of 200 employees from private sector companies in North Macedonia. Structured close-ended questionnaires were distributed to employees from various private sector companies regarding size, type of ownership, type of business operations, and location.

This study tests the hypotheses regarding the effect of work-related stress on overall employee satisfaction. The used sample was intended to explore participants' experiences of work-related stress during their working day. The participants of this research were working adults from private sector companies from North Macedonia.

This descriptive study explores the concept and impact of work stressors. Secondary sources have been used to collect the data, which includes: the study of books, published research papers, articles, and journals.

The questionnaire data were analyzed by using Microsoft excel, and findings are presented in descriptive statistics including tables and bar charts.

RESULTS

Table 1 summarizes the demographic characteristics of the employees who participated in the study. According to the below table, regarding the distribution of responses by sex, out of 200 study participants, 133 participants (66,5%) are female and 67 participants (33,5%) are male.

Regarding the distribution of responses by age range, there were five age groups. Out of 200 study participants, about 28 participants belong to the 18-24 age group (14%) followed by 91 participants from the respective age group of 25-34 (45,5%), 62 participants represent the age group of 35-44 (31%), 14 participants fall into age group 45-54 (7%) and 5 participants listed that belong to the age group of 55-64 (7%).

Regarding the distribution of responses by education qualification, there are four education groups. Out of 200 study participants, about 47 participants (23,5%) have a secondary education degree, 97 participants (48,5%) hold bachelor's degrees, 53 participants (26,5%) hold master's degrees and 3 participants or 1,5% of the study population are Ph.D. holders.

Finally, regarding the distribution of responses by years of work experience, there are five separate groups. Out of 200 study participants, about 74 participants (37%) answered that they belonged to the "under 5 years" work experience group, 57 participants (28,5%) are from the "6-10 years" work experience group, 33 participants represent the "11-15 years" work experience group, 23 participants (11,5%) listed that had work experience from 16-20 years, and 13 participants (6,5%) have over 20 years work experience.

Table 1. Demographic characteristics of the employees studied.

Demographic characteristics	Categories	Frequency	Percentage (%)
Sex	Male	67	33.5
	Female	133	66.5
Age	18-24	28	14.0
	25-34	91	45.5
	35-44	63	31.5
	45-54	14	7.0
	55-64	4	2.0
Education	Secondary education' degree	47	23.5
	Bachelor's degree	97	48.5
	Master's degree	53	26.5
	PhD	3	1.5
Work experience	Under 5 years	74	37.0
	6-10 years	57	28.5
	11-15 years	33	16.5
	16-20 years	23	11.5
	Over 20 years	13	6.5

Hypotheses Testing

H1. Employees of private sector companies are exposed to work stress.

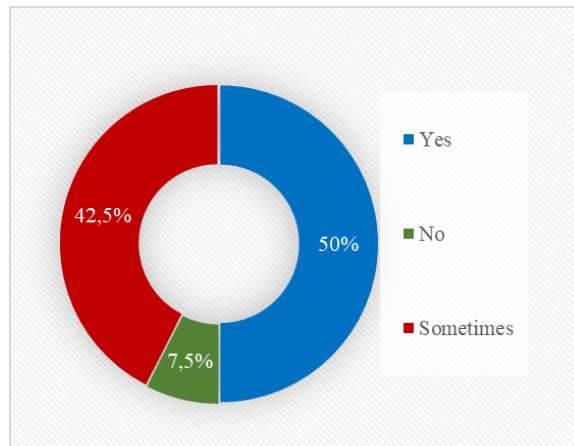


Figure 2. Frequency of Stress at Workplace.

On the claim: *Employees of the private sector companies are exposed to work stress*, out of 200 study participants, 100 participants answered that they are exposed to stress at the workplace, 15 participants indicated that they are not exposed to stress at the workplace, while 85 of participants listed that they are sometimes exposed to work stress. The percentage of these answers is presented in Figure 2.

H2. Employees of private sector companies are exposed to various categories of work stressors.

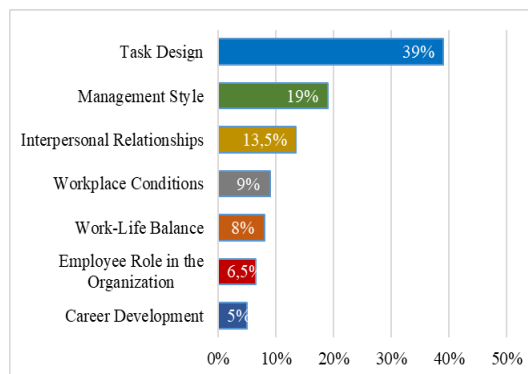


Figure 3. Relevant Work Stressors.

On the claim: *Employees of private sector companies are exposed to various categories of work stressors*, out of 200 study participants, 78 participants answered that they are exposed to stress related to the task design, 38 participants noted that they are exposed to stress related to management style, the interpersonal relationship was indicated as work stressor by 27 participants, work conditions were listed by 18 participants, 16 participants answered that are stressed the most due to lack of balance between work and private life, stress category employee role in an organization causes stress to 13 of participants, while 10 participants answered that the lack of opportunity for promotion is the category of stressors to which they are most exposed. The percentage of these answers is presented in Figure 3. The study findings show that work-related stress is significantly present among employees from private sector companies in North Macedonia

and affects their performance and job satisfaction. Regarding the categories of work stressors, the results are as follows:

- In the category of work stressors "Task Design", 37% of participants rated workload (overload and underload) as the major source of stress;
- In the category of work stressors "Management Style", 21% of the participants rated communication patterns as the major source of stress;
- In the category of work stressors "Interpersonal Relationships", 20% of the participants rated conflicts with supervisors as the major source of stress;
- In the category of work stressors "Workplace Conditions", 34% of the participants rated exposure to unpleasant conditions (crowding, smells, etc.) as the major source of stress;
- In the category of work stressors "Work-Life Balance", 22% of the participants rated the delegation of work tasks outside working hours as the major source of stress;
- In the category of work stressors "Employee Role in the Organization", 27% of the participants rated role conflict (conflicting job demands, too many roles, multiple supervisors/managers) as the major source of stress;
- In the category of work stressors "Career Development", 28% of the participants rated the lack of career development opportunities as the major source of stress.

Figure 4 shows the distribution of responses (expressed in percentage) by relevant categories of work stressors.

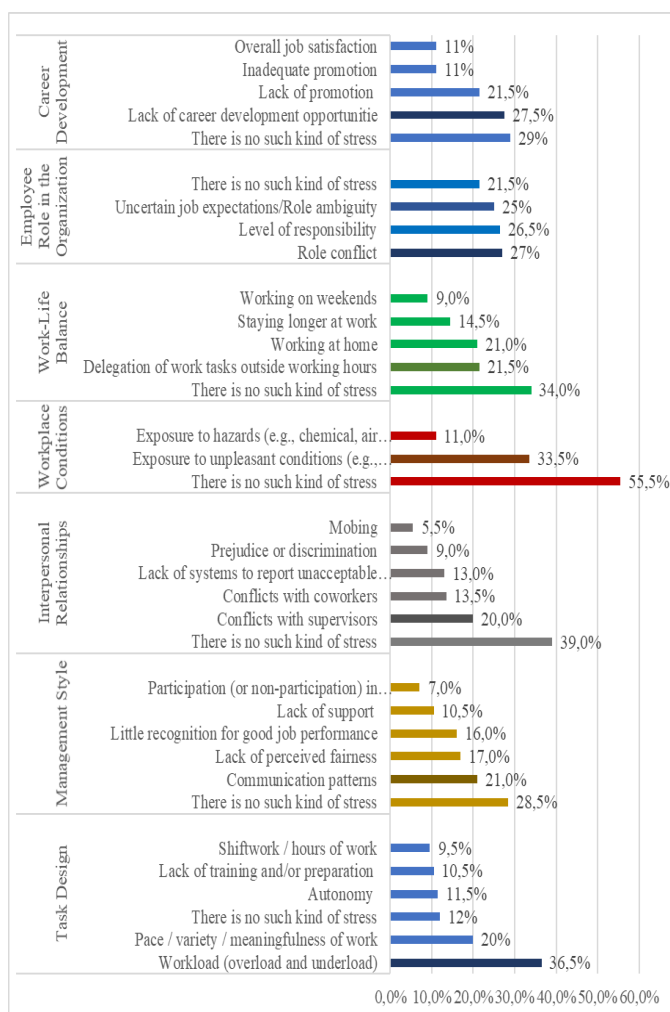


Figure 4. Categories of work stressors.

H3. Work-related stress affects overall employee satisfaction.

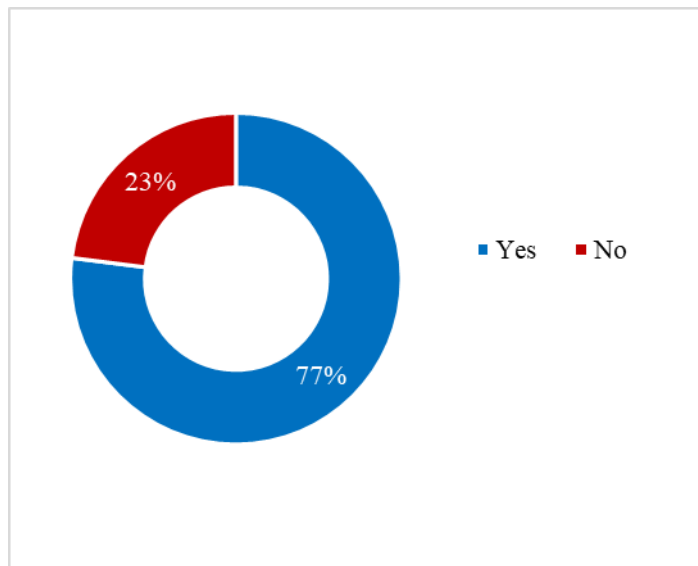


Figure 5. Impact of Stress on Employee Satisfaction.

On the claim: *Work-related stress affects overall employee satisfaction*, out of 200 study participants, 154 participants answered that stress affects their overall job satisfaction, while 46 of participants noted that stress to which they are exposed at the workplace does not affect their overall job satisfaction. The percentage of these answers is presented in Figure 5.

DISCUSSION

The study findings show a vital relationship between work-related stress and employee satisfaction. The employees from private sector companies in North Macedonia agree that work-related stress plays a significant role in attaining employee satisfaction. As the business environment is dynamic and challenging, in order to operate up to their maximum potential, managers of private sector companies have to ensure that their employees are working in a pleasant and encouraging environment without the presence of constant stress. Employees are becoming concerned about work stressors which are related to the task design, management style, interpersonal relationships, working conditions, work-life balance, employee role in the organization, and career development as mentioned in this study.

Similar results from previous studies conducted in the USA, UK, India, and other countries were obtained despite differences in economic, social, and cultural contexts. The linkage between employee satisfaction and work-related stress has been the focus of these studies. Trivellas, Reklitis, & Platis, (2013) have indicated that work-related stress is negatively associated with all employee satisfaction dimensions especially related to work enrichment, management style, and career opportunities. Nagori and Singh (2019) found out that work-related stress has a negative impact on employee satisfaction in form of lowered motivation and morale, increased burnout, and reduced productivity and performance. In line with this, a recent study by Kachi et al. (2020) confirmed that work-related stress is associated with low levels of employee satisfaction and a higher risk of turnover among both male and female Japanese employees. Furthermore, Imail, Ghani, Subhan, & Joarder (2015) and Halkos and Bousinakis (2016) have stated that work-related stress is an important determinant of job performance and employee satisfaction.

This study suggested that reducing work-related stress could significantly help to increase employee satisfaction and performance in private sector companies. Its contribution is reflected in the real picture of the current situation in terms of the presence of work-related stress in

Macedonian private sector companies and the perception of key points where actions can be taken to improve overall employee satisfaction. Consequently, based on the study findings, to achieve lower work-related stress, higher employee satisfaction, and better performance at the workplace, the following supportive measures for managers from Macedonian private sector companies are recommended:

- Identifying and optimizing the categories of stressors at the workplace
- Adjusting the workload to the capabilities of employees
- Improving vertical and horizontal communication channels
- Anticipating the impact of working conditions on employee satisfaction
- Developing appropriate conflict management strategies
- Respecting employees' time off
- Adjusting the level of employee responsibility according to their position in the company
- Providing an opportunity for the career development of employees

On the other hand, this study has some limitations. First, regarding the use of close-ended questionnaires and unsystematic data gathering, the findings of this study should be considered cautiously. Second, the study was based on a sample size of 200 employees from private sector companies. Therefore, the generalizability of the results is limited. Third, the current model is not designed to include all the possible work stressors influencing the effect of work-related stress on employee satisfaction.

Future studies should consider those limitations replicating determined association in a larger population and examining the effectiveness of reducing work stressors on increasing employee satisfaction.

CONCLUSIONS

This study confirms that work-related stress is significantly present in private sector companies in North Macedonia. It further reveals that employees are under influence of various categories of work stressors, of which the biggest source of stress is related to the task design. Furthermore, based on the study research, work-related stress adversely affects overall employee satisfaction and performance.

As a result, managers of Macedonian private sector companies through the given specific recommendations should work on reducing work-related stress and increasing employee satisfaction in order to achieve better productivity and performance of their employees.

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