

Effect of Job Stress and Role Ambiguity on Job Performance and Job Satisfaction: Evidence from Insurance Companies

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ABSTRACT

The paper aims to assess the impact of job stress and role ambiguity on Job performance and job satisfaction among employees from insurance companies. Job stress and Role ambiguity has a critical role to enhance employee performance and satisfaction. Due to its significant impacts on both to individual's and organization's performance, job stress and role ambiguity is crucial and has raised as a main fear for service organizations. Hence the present study assesses the impact of job stress, role ambiguity on both job performance and satisfaction. Also, the present study assesses the mediating role of Job Stress between Job performance on Job Satisfaction. A structured questionnaire was distributed to employees of Insurance Companies and about 210 valid responses were received. Convenience sampling technique was adopted for the study. Results of the study reveals that there is significant positive relationship between Role Ambiguity and Job Stress. Job Stress significantly mediates the relationship between job performance and Job Satisfaction. The findings of the study reveal that higher the job stress lower the level of job satisfaction. When employees have lesser job stress, employees tend to perform well and satisfied with the job as well. If the employees are satisfied, the organization gets benefited. Limitations and future scope were also discussed in the present paper.

Keywords: Job stress, Job performance, Role Ambiguity, Job satisfaction, Insurance

INTRODUCTION

In a highly competitive business environment, achieving employee job satisfaction is the vital task. Business organizations often witness, employee reporting job stress which in turn makes them disinterested towards work. Concern towards employee stress is increasing in today's business organizations. When employees experience a state of difficulty in work environment and related pressures, we call it stress at work. Commonly, we may find individuals with work tension which sometimes enable them to complete the given task; But majority of times it will give work related problems with peer group, superiors and also with customers. Sometimes they even get into moral problems. Insurance companies often come across this situation due to the nature of job which often includes lengthy working hours, dependency, role conflicts, ambiguity, etc.

Insurance companies are in need to understand about employees are satisfied or not with their job and how to improve their level of satisfaction further. Job satisfaction becomes very crucial factors for insurance companies. Suppose, if employees are not satisfied with their work it induces job stress and it might negatively impact on the good will of insurance companies. Also, Employees experiencing job stress may be more likely to experience burnout, feel fatigued, and have lower levels of work engagement. Eventually, it may lead to job dissatisfaction and lower job performance.

In the recent past, Job stress is a growing problem, a large number of studies has shown that job stress severely impacts job performance and satisfaction. Lack of role clarity is another important concern for insurance employees. With poor understanding on the scope of their job are likely to have role ambiguity. Therefore, the present study objective is to assess the impact of job stress and role ambiguity on job performance and job satisfaction

LITERATURE REVIEW

Job stress indicates the physiological and psychological impulses that result from the perception of individual's job demands exceeding their abilities, resources, or needs. Studies have consistently shown that high degree of job stress can negatively impact job performance as well as job satisfaction. Also, employees with high levels of job stress may be more likely to experience burnout, feel fatigued, and have lower levels of engagement in their work. This may decrease the level of satisfaction in job and lower job performance.

Muhammad Riaz et al., (2016) studied about association of job stress and employee job satisfaction level. The research found that the "satisfied employees feel a small degree of stress on their job. The research also advocated that the organization must provide supportive environment towards work for their employees. Competitive reward system, compensation packages, increments, etc, are significant factors in bringing employee satisfaction in job. The result of the research paper shows that job stress significantly impacts on employee's satisfaction in job". Clayton Michael Fonseca, et al.,(2022) found that the employee stress on the job performance, having poor quality of life results in poor job performance. In order for the business to have excellent work quality and enhanced job performance, demands of employee must be satisfied. Employees that need development and training to perform at a high level of productivity and who are having difficulties in their current roles".

According to Diana Primasari et al.,(2015), Job stress and motivation affect employee performance. In other words, employee with stress worse their performance. Therefore, employers must make sure that employee stress levels are kept low. Thus, it is possible to maintain and enhance staff performance". Muhammad Jehangir et al., (2011) found that higher levels of job related stress may cause a greater reduction in employee performance in their job as well as job satisfaction". Dr.V.VijayAnand et al.,(2018) highlights that the Job stress level among private sector insurance employees. Stress at work is linked to emotional instability, poor appraisal, and low self-esteem. The limited stress can help employees reach their full potential and perform better at work.

Role ambiguity means an employee's job responsibilities and job expectations are unclear. When employees are uncertain about their role, they may feel frustrated, confused, and unsure of what is expected of them. This can lead to decreased job satisfaction and lower job performance. From the literature, it is evident that role ambiguity is negatively influencing performance and satisfaction in employees job and that employees feel role ambiguity are more likely to experience stress and burnout. Selma

Kalkavan(2014) indicate that the "coaching behavior helps to understand role clarity of employees, commitment to organization and job, increased satisfaction and performance level of employees. Hatice Necla Keles(2016), highlighted that the positive attitude towards the job influence job satisfaction and vice versa. Therefore, organizations must focus on enhancing positive attitudes of employees in insurance companies.

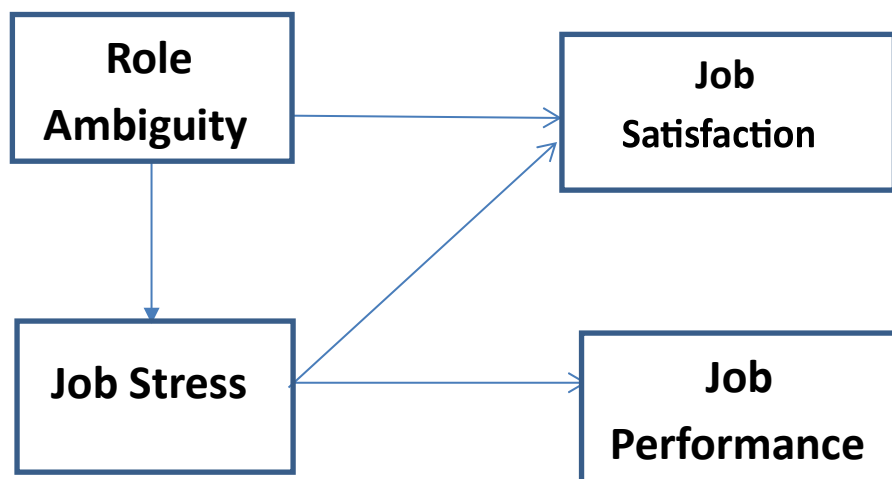
Dr. Pothuraju Vijaya Lakshmi(2017), indicates that due to various level of noises, employees are not satisfied which is consider to be the outcome of the nature of job which employee currently working with various features such as rigid work timings, poor rewards management system, etc. Ogolla Carol(2019), found in his study that the employee performance may improve with excellent appraisal system. Robby Otieno Wyckliffe(2010), found that the concern towards employee job Performance provide clear route for employee satisfaction.

Muhammad Arif Khattak (2011) found in his study that ambiguity may exist in individual as well as in organization. Fast changes in the business organizations induce work pressure among employees to show competitive performance. Numerous studies have been undertaken on the idea of job stress majorly in insurance sectors. In this quest of research, it is observed that merely limited studies have been conducted on job stress especially in insurance sector. Therefore, the present study addresses the impact of job stress on Job performance and satisfaction; Also the impact of role ambiguity on job performance and job satisfaction

OBJECTIVES OF THE STUDY

- To study the impact of Role Ambiguity on Job Stress.
- To assess the negative impact of Role Ambiguity on Job satisfaction.
- To test the mediating role of Job Stress between Job performance and Job Satisfaction.
- To assess the negative effect of job stress on job satisfaction.

Research Framework



METHODOLOGY

The present study outlined from descriptive research design. It adopted convenience sampling technique. The target respondents of this study were employee of Insurance Company from Tamil Nadu. A structured questionnaire was distributed to employees of Insurance Companies and about 210 valid responses were received and taken for data analysis. Questionnaire items for the study variables has been adopted from Dr. V. Rengarajan & V.Jenifer (2020), Zayed et al, (2022), Marks et al.;; spijro &weitz, (2014).

Research Hypothesis

- H1: Role ambiguity significantly impacts Job Stress.
- H2: Role Ambiguity negatively impacts Jobsatisfaction.
- H3: Job stress fully mediates between Job satisfaction and Job performance.
- H4: Job Stress negatively impacts job satisfaction.

Data analysis and results

The collected responses were analysed using SPSS and PLS SEM tools. Out of 210 responses, about 64.3% were male and about 34.8% were female employees. From the respondents age distribution which is evident from the table shows that 94 (44.8%) of the respondents are 19-25 years. 77(36.7%) are between the age group of 26- 35 years, 38(18.1%) are between the age group of 36-45 years and 1(0.5%) are within theage group 46-54 years. Regarding education level, about 66.2% of employees are under graduate, 22.9% of employees are post graduate. About 35% of employees are having 1-5 years of length of service, about 33% are having less than 1 year of service respectively. Cronbach alpha test was administrated to assess the reliability of the instrument and it was found to have reliable instrument with a value of 0.896.

DESCRIPTIVE STATISTICS

	N	Mean	St. Deviation	skewness		kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std.Error	Statistic	Std.Error
Job Stress	210	3.9362	.40608	.299	.168	.015	.334

Job Satisfaction	210	3.5400	.60967	-.298	.168	.609	.334
Job Performance	210	3.8705	.64946	-.297	.168	.081	.334
Role Ambiguity	210	3.8362	.60605	-.441	.168	.545	.334

Regression Analysis

Regression analysis is done to determine how far independent variable contributes more to the outcome variable. The results of the regression analysis indicate that the R square value of Job stress is about 0.674 which indicates that about 67.4% of changes in the variable is explained by its predictors. Similarly, Job satisfaction is about 76.2%, and job performance is about 67% respectively.

Mediating Analysis

	T Statistics	SE	Estimate	Result
Role ambiguity ->Stress -> Performance	2.159	0.097	0.121	Supported
Role ambiguity ->Stress -> Satisfaction	1.739	0.053	0.061	Supported

From the above table it is evident that the job stress partially mediating between the variable's role ambiguity and job satisfaction.

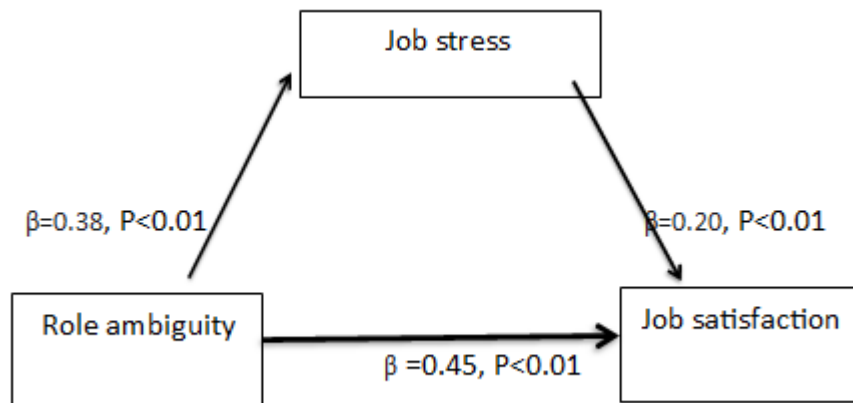


Fig 1: Mediator 1

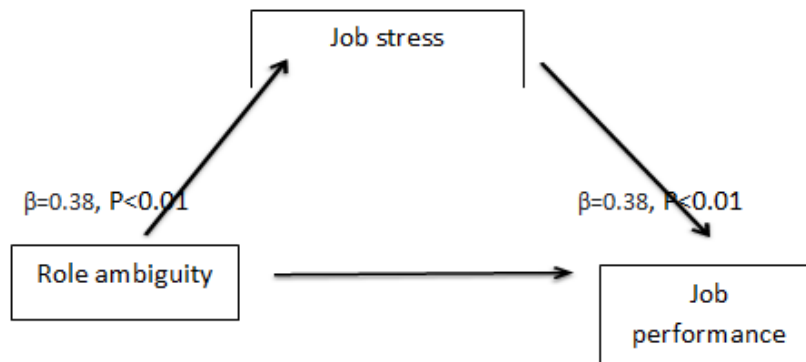


Fig 2: Mediator 2

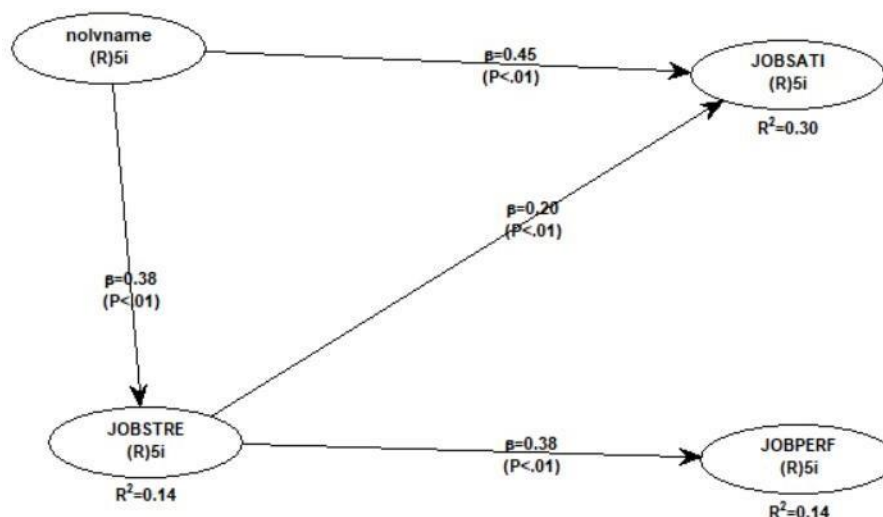


Fig 3: Path analysis using wrap PLS 7.0

The result of mediation shows that the job stress is a significant predictor of role ambiguity with positive effect $B=0.38$, $p<.01$. Role ambiguity is a significant predictor of Job Satisfaction with positive effect, $B=0.45$, $P<.01$. Job Stress is also significant mediator for Job Performance $B=0.38$, $P<.0$.

Results of hypothesis testing

H1: Role ambiguity significantly impacts Job Stress.

According to the study results, it is found that there exists a significant relationship between role ambiguity and job stress with ($\beta=0.38$) and ($p<0.01$). This indicates that the Role ambiguity explains about 38% variance of job stress. Therefore, it validates the H1.

H2: Role Ambiguity negatively impacts Jobsatisfaction.

From the results it is clear that role ambiguity impacts negatively job satisfaction. If the role is clear employees tends to work with satisfaction. Similarly, role ambiguity impacts significantly with job satisfaction with ($\beta=0.45$) and ($p<0.01$). Hence accepting the hypothesis 2.

H3: Job Stress mediates between Job performance and Job Satisfaction.

Job stress partially mediates between role ambiguity and employee satisfaction on job. The direct and indirect effect of job stress on job satisfaction and job performance is significant.

H4: Job Stress negatively impacts job satisfaction.

According to the results, the negative influences of job stress on job satisfaction with ($\beta=0.20$) and ($p<0.01$). This indicates that job stress explains about 20% to satisfaction level of job. So, accepting the hypothesis 4.

Discussion and Interpretation

Employees feeling job Stress in work setting observed as very significant problem in insurance companies. Hence, the present study assessed the impacts of job stress on job performance and satisfaction. The findings of the study showed that the Role ambiguity, Job stress, Job performance and satisfaction are in acceptable range and found to be a reliable one. It is found in the current study that the level of job stress increases with increase in role ambiguity and vice versa. When employees not clear with his roles and responsibilities there arises the ambiguity which eventually leads to job dissatisfaction and stress. Hence insurance companies need to focus more on engaging the employees to better understand their role clearly and to perform well. The study results indicate that role ambiguity and job satisfaction significantly impacting each other, which means that if

insurance employees are clear in their role, it increases the satisfaction level is employees. If it is not, then the result is job dissatisfaction.

The finding of correlation and regression analysis indicates that the study variable's role ambiguity and job stress significantly impacting the satisfaction level and performance of employees. Therefore, insurance companies make sure that the employee's roles are clear and eliminate stress factors at work. Frequent meetings, work follow-up, timely performance review, welfare measures, clarity in work roles, scope and limitations on job role, etc are some of the initiatives with which insurance companies may enhance their relationship with employees. These initiatives certainly improve the satisfaction level and job performance in organizations.

The study has been conducted among Insurance Company employees in Tamil Nadu. Uncertain role ambiguity makes workers stressed out and affects their ability to accomplish their jobs. To complete tasks precisely and satisfactorily, there are no rules or remedies to follow when workers were under stress at work, this would lead to job stress. Employees eventually feel stressed out at work due to the uncomfortable circumstances. Because it may result in job stress.

Limitations and Future scope

The current study has certain limitations which may be considered for future research. The limitations of the study are the inclusion of few variables namely job stress, role ambiguity, job satisfaction and job performance. The future studies may take up the coping factors on job stress. This study adopts cross sectional survey design. Future research can be done with a large sample size to understand better about the impact of job stress and role ambiguity on job satisfaction and job performance. Also conducting longitudinal research on insurance employees may give the real picture of the job performance.

CONCLUSION

The study aimed at determining how job stress and role ambiguity affect employee job performance and satisfaction at Insurance Companies. Role ambiguity induce job stress and job stress impacts the job satisfaction and job performance. By providing the clear role clarity to its employees, insurance companies may help the employees to get rid of job stress and increase satisfaction and job performance. The results of the paper are in line the evidences of literature, "the effectiveness of the organization will be impacted if individuals experience high levels of stress, confront role uncertainty at work, and have lower job satisfaction. The management should train the staff members to manage stress and achieve a high degree of job satisfaction, also improve the workforce performance. Reward systems, could be enhanced further. Periodical reviews and feedback discussion with employees may be implemented to achieve greater job satisfaction and performance.

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