



Managing Organizational Effectiveness Through Job Related Factors: Stress and Satisfaction

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Abstract

The study was conducted to study the possible relationship of job satisfaction and role stress with organizational effectiveness. The study was based on the primary data collected through print outs of self-administrated questionnaires from employees of textile industry. The sample size was 400 whereas the analysis was performed on the data collected from 367 employees working in textile industry of Pakistan. The measurement scales were adopted from the previous studies. The study followed the cross sectional, statistical, ex-post facto, and field setting research design. To ensure the validity in contextual arrangement of the textile industry the confirmatory factor analysis was performed by using AMOS. Moreover, structural equation modeling was performed to test the studied hypotheses. The relationship of job satisfaction with organizational effectiveness was found positive and significant whereas the relationship of role stress with organizational effectiveness was found significant and negative.

Key Words: Job Satisfaction, Role Performance, Organizational Effectiveness, Textile Industry

1. Introduction

Land, labour, and capital are the three resources in the hand of an organization. Whereas labor (HR) based on their intellectual and intelligence remained the most vital resource in the hand of an organization. Thus, organizational effectiveness can be dependent upon the HR related matters. It is therefore, HR may require special attention to job satisfaction and stress free environment as antecedents to ensure better employee performance which ultimately contributes for better organizational effectiveness. According to Bateman and Snell (2014), employees satisfied from their job perform better and develop better working relationship with others (seniors, juniors, and peers). Level of Job Satisfaction (JS) depends upon the employee's expectation about their assigned job (Locke & Latham, 2012; Robbins & Judge, 2007) meaning that higher the JS higher the Organizational Effectiveness (OE) lower the JS lower the OE. Whereas Role Stress (RS) badly impact the job-related satisfaction of the employees which led to submerge their performance.

According to Yanner, Bernarto, and Wuisan (2020), job stress has strong and negative relationship with organization performance. Strain based conflict has significant relationship with RS and JS whereas time-based conflict has significant relationship with job satisfaction (Sumel & Weston, 2019). Blau (1994) studied that employee tardiness effects the psychological tension and performance of the organization. Consequently, JS and RS can be the factors effecting the OE.

Pakistan got independence in 1947 and is considered as agrarian economy. The economy is also characterized as labour intensive. The textile industry is one of the major contributors in GDP, source of employability, and exports of the country. Thus, effects of wellbeing and job-related characteristics with organizational effectiveness is gaining importance and the study is an attempt to understand the possible relationship of JS and RS of the employees of textile industry of Pakistan with OE. Apropos, the purpose of the research was to study the possible relationship of JS and RS with OE with special reference to employees working in textile industry of Pakistan.

Keeping in view the aforementioned reasons the study has sufficient literature support and contextual reasons to study the relationship of JS and RS with OE in textile sector of Pakistan. The study is an attempt to find the solution of the problem, "does job related factors, i.e., role stress and job satisfaction have any significant relationship with organization effectiveness?" In order to find the solution of the problem, it has been divided into two research questions.

RQ1: What is the relationship of job satisfaction with organizational effectiveness?

RQ2: Does role stress effects the organizational effectiveness?

The significance of the study can be understood with respect to policy makers, academia, and practitioners (management). The study will provide guidelines for policy makers to devise policies which can increase the job satisfaction and reduce the stress through lifting the standards for mental and physical health of the HR which will lead to increase OE. The findings will also lead to empirically clearing the understanding about contribution of job-related factors (role stress and job satisfaction) with OE will be the academic significance of the study. The study will provide understanding cum guidelines about handling their HR in the best interest of their organization and improving the OE of textile related organizations.

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From this point onward the manuscript is consisting of six sections. First section is related to literature review where detailed discussion about studied variables and their possible relationship has been provided. Second section is about material and methods and this portion includes information about population, sample size and technique, research design, instrumentation, and other related information. Third section is about data analysis which include information about validity and reliability of the data and hypotheses testing. Fourth section is about discussion of the results in the light of past literature. Fifth section is about conclusion of the study. Last but not least, sixth section is about limitations and suggestions, which provide information about limitations of the current study and suggests substantial guidelines for future research.

2. Literature Review

2.1. Job Satisfaction

There are different work-related factors affecting work related performance including JS, job involvement, and organizational commitment (Tho'in & Muliastari, 2020). Job involvement and JS has significant relationship whereas JS is the major contributor to job gratification (Gopinath, 2020). According to Isik (2020), OC, JS, and organizational effectiveness have positive and significant relationship with each other. The JS has positive relationship with performance of the employees (Demeijer, 2020) but negative with employee turnover (Fasbender, Heijden, & Grimshaw, 2019). According to Cherif (2020), JS and HRM practices have significant relationship with OC of the employee. Conflict leads to stress, poor JS, and reducing OC of the employees working on jobs required higher order of coordination (Vickovic & Morrow, 2020). Job stress negatively effects the JS (Uysal, 2019; Vickovic & Morrow, 2020). Working shifts, role performance, OC, role stress, and power sharing can be the antecedents of JS (Lu, Zhao, & While, 2019). Performance appraisal system has significant relationship with JS and RS (Guenzi, Rangarajan, Chaker, & Sajtos, 2019). According to Yukongdi and Shrestha (2020), OC has significant and positive relationship with JS.

2.2. Role Stress

Role ambiguity, lack of feedback, and pay level can cause the Role Stress (RS) (Sial, Imran, & Zaheer, 2011). Chang (2009) studied that workload is substantial factor causing RS to an employee. It has significant and negative relationship with JS (Jackson & Schuler, 1985). According to Richardson (2017), RS has significant relationship with health (mental and physical), work presentation, absenteeism, and role performance. The RS has negative relationship with role performance and determinants of income (Abbas & Raja, 2015). It has negative relationship with JS, turnover (Fasbender, et al., 2019), and performance (Fasbender, et al., 2019; Sial et al., 2011). The RS leads to damaging physical as well as mental viability which ultimately reduce the competencies, income, and essentials of the employees (Holton, Barry, & Chaney, 2016).

2.3. Organization Effectiveness

Organizational Effectiveness (OE) is the true indicator of the performance of that very organization (Eddy & Rosalie, 1998). Commitment, JS, leadership role, and working attitude of the employees leads to higher OE (Isik, 2020). Yanner, Bernarto, and Wuisan (2020) studied a positive effect of JS and OC on OE.

2.4. Job Satisfaction and Organizational Effectiveness

Lee and Jang (2020) studied inconsistency between job-related attitude and performance. Lee and Jang (2020) also studied the association between ownership, JS, autonomy, and control. According to Okumba (1998), OE in result of what employees done (labor), outcome of their efforts (performance), and the results (organizational effectiveness) are related to each other. There are various parameters and antecedents of OE which can be considered as substantial requirements and JS is one of these (Jocelyn & Cherita, 1998). Whereas despite the continuous efforts of the employees sometimes organization does not get that level of effectiveness (Chang, 2009). According to Daniel (2001), JS, organizational citizenship behaviour, and income level (pay level) are the factors leading to OE. Rakowska, Juana Espinosa, and Mendryk (2020) studied that an employee reaching the age of superannuation but having higher level of JS contribute much to organizational goals. According to Zamiri, Heidari, Asgari, and Makvandi (2020), employee empowerment training, JS, organizational culture, and organizational effectiveness are associated with each other.

According to Varshney (2020), higher the JS higher the organizational performance lower the JS lower the performance of the organization. There are many factors contributing to OE and JS is one the main contributors to it (Khan, Anjam, Abu Faiz, Khan, & Khan, 2020; Varshney, 2020). According to Kessler, Lucianetti, Pindok, Zhu, and Spector (2020), JS has significant and strong positive relationship with OE.

Keeping in view the understanding developed by literature review following hypothesis has been postulated.

H1: There is positive and significant relationship between job satisfaction and organizational commitment of the employees working in textile industry

2.5. Role Stress and Organizational Effectiveness

Van Dam, Keijsers, Eling, and Becker (2011) revealed that stress leads to reduced cognitive performance and cause health related issues. Stress leads to bodily illness, fatigue, indifference in profession, loneliness, decrease in fallouts, and substantial reduction in performance (Taris, 2006) and low presentation of job (Chao, Jou, Liao, & Kuo, 2015). According to Lee and Jang (2020), RS leads to high turnover among nurses and reduction in organizational effectiveness. Stress of any kind, RS, leads to physical health related issues including ulcer, high

blood pressure, fatigue, etc. which led to increase the absenteeism and turnover but reduces the contribution towards organizational effectiveness (Richardson, 2017). Keeping in view the foregone understanding, following hypothesis has been emerged.

H2: There is negative and significant relationship between role stress and organizational effectiveness of the employees of textile sector of Pakistan.

3. Material and Methods

3.1. Population

The population of the study was comprised of all employees of Kohinoor Textile Mills Ltd., Master Textile, Nishat Textile, and Shafi Textile locating and operating in geographical location of province Punjab of Pakistan. The total population of the study was 2500 employees of various demographic characteristics including age, gender, education, and marital status.

3.2. Inclusion-Exclusion Criteria

The sampling was performed based on following inclusion-exclusion criteria.

The employees on probation were excluded from the study.

All those employees who are not on the pay roll of the respective organization (e.g. security guards, janitorial services, office boys etc.) were excluded from the study.

The employees providing consultancy related services were excluded because of their commitment with another organization or not having status of permanent employee but hired through a limited time / conditional contract.

All employees having status of executive / line managers or equivalent were included in the study.

The respondents were selected irrespective of any discrimination based on gender, age, marital status, socio-economic status etc.

3.3. Sample Size and Sampling Technique

According to Morgan Table of sample size, at population size of 2500 the minimum sample size should be 335 and it was decided to set the sample greater than it. Thus, the sample of 400 employees was extracted through simple random sampling as one of the probability sampling techniques by using excel sheet. The sample was 16% of the population. Total 33 questionnaires were rejected either due to partially filled or not returned by the respondents. Thus, the rejection rate was remained 8.25 percent and data of 367 respondents was used to test the hypotheses of the study.

Instrumentation

The data was collected through print out of the questionnaire. The covering letter providing information about scope, purpose, nature, and other relevant information along with email ID and contact number of the corresponding author was provided along with the questionnaire. The questionnaire was consisting of four sections. First section was about demographic information of the respondents through which information about gender, age, educational qualification, and experience was asked. Second section was about JS for which ten items scale developed by Macdonald and MacIntyre (1997) was used. Third section was related to RS measuring through 14 items developed by Rizzo, House, and Lirtzman (1970). Fourth section was consisting of ten items measuring OE developed by Szumal (2012) was used. The responses for second, third, and fourth section were measured through five points Likert Scale philosophy where 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

3.4. Research Design

The study followed the cross-sectional research design and data was collected once only. Keeping in view the research problem and consequently the hypotheses of the study the study followed the ex-post facto research design and studied the cause-and-effect relationship between dependent and independent variables. The data was collected irrespective of any changes in daily routine and was collected from field setting.

From Table 1 it can be concluded that majority of the respondents were male (N = 210, 57.2%). Most of the respondents were from age between 20 and 39 years (N = 319, 86.9%) whereas just 13.1% of the respondents were of the age of 40 years or above. There was just a slight difference between married and unmarried employees, but majority of the respondents were having Master degree (N = 259, 70.6%). The Table 1 also indicates that very small number of respondents were having educational qualification less than graduation (N = 4, 1.1%). It is pertinent to note that majority of the respondents were having less than 5 years of experience (N = 274, 74.7%). Referring Figure 1 the factor loading for each of the item is greater than .5 indicating that each of the item is significantly contributing for measuring the construct. Moreover, negative RS has negative covariance with JS and OE. Keeping in view the guidelines given by Hair et al. (2017), the measurement model fits at CMIN = 1205.939; DF = 523. Hair et al. (2017) studied that the p-value is sensitive to sample size. Thus, $P < .01$ is due to large sample size. According to Fornell and Larcker (1981) and Hair et al. (2017), the model is fit if values for IFI, TLI, CFI, and PRATIO are greater than .9. For given model values for IFI = .92; TLI = .914; CFI = .920; PRATIO = .932; and RMSE < .9 indicates that the tested model is fit. Thus, keeping in view the guidelines given by Hair et al. (2017) it can be used for SEM.

Table 1: Demographics of Respondents

		Frequency	%
Gender	Male	210	57.2
	Female	157	42.8
	Total	367	100
Age	20-29 Years	148	40.3
	30-39 Years	171	46.6
	40-49 Years	40	10.9
	50 Years or above	8	2.2
	Total	367	100
Marital Status	Married	191	52.0
	Unmarried	176	48.0
	Total	367	100
Education	Matric	1	0.3
	Intermediate	3	0.8
	Graduation	39	10.6
	Masters	259	70.6
	MPhil/PHD	65	17.7
	Total	367	100
Job Experience	1-3 Years	136	37.1
	4-5 Years	138	37.6
	6-10 Years	60	16.3
	More than 11 years	33	9.0
	Total	367	100

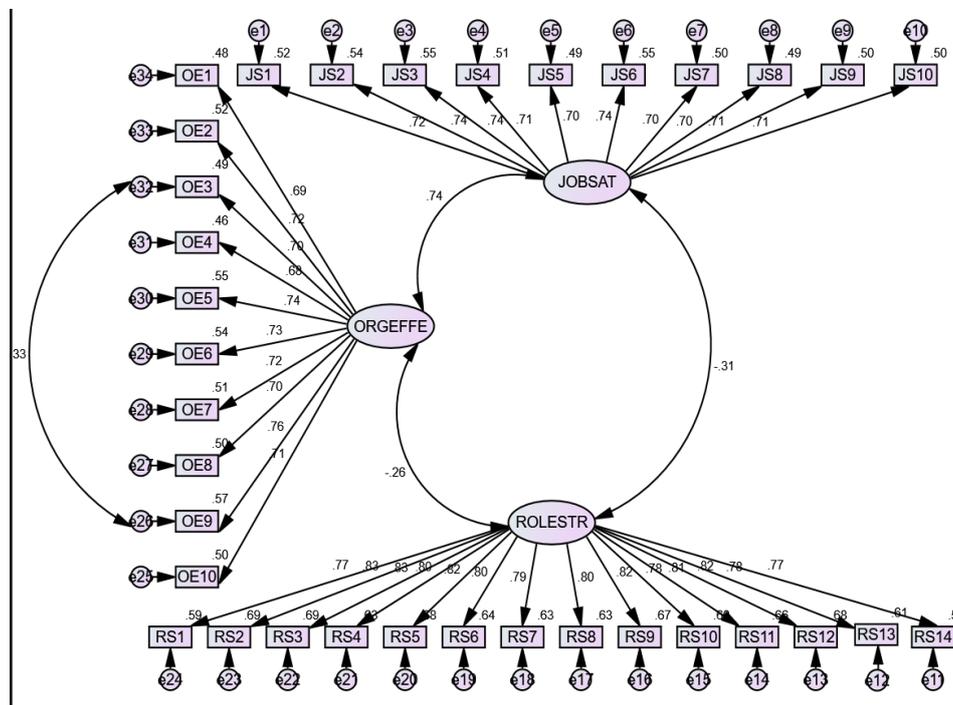


Figure 1: Measurement Model

Referring Figure 2 the relationship of JS and RS with OE is significant at $p < .01$ and associated with each other. Keeping in view the guidelines given by Hair et al. (2017), the model is fit at CMIN / DF < 3 , IFI = .92, TLI = .914, CFI = .92, P-RATIO = .932, and RMSEA $< .08$.

According to Hair et al. (2017) and Fornell and Larcker (1981), the values for CR greater than .7 indicates that the scale is convergent validity and data is reliable for further analysis. Thus, referring Table 2, the values for CR $> .7$ indicates that scales have convergent validity and data collected is reliable for further data analysis. Keeping in view the guidelines given by Fornell and Larcker (1981), the Table 2 also indicates that AVE for all of the variables is greater than .5 meaning that the scales used to measure the variables have construct validity. The correlation coefficient for each of the variables indicate that there is significant correlation among these variables. The numerical values in diagonal and bold indicates the Cronbach's Alpha. According to Hair et al. (2017) and

Nunnally and Bernstein (1994), the data is reliable if the values are greater than 0.7. Referring Table 2, the correlation coefficient of RS with JS and OE indicates that RS has negative association with JS and OE.

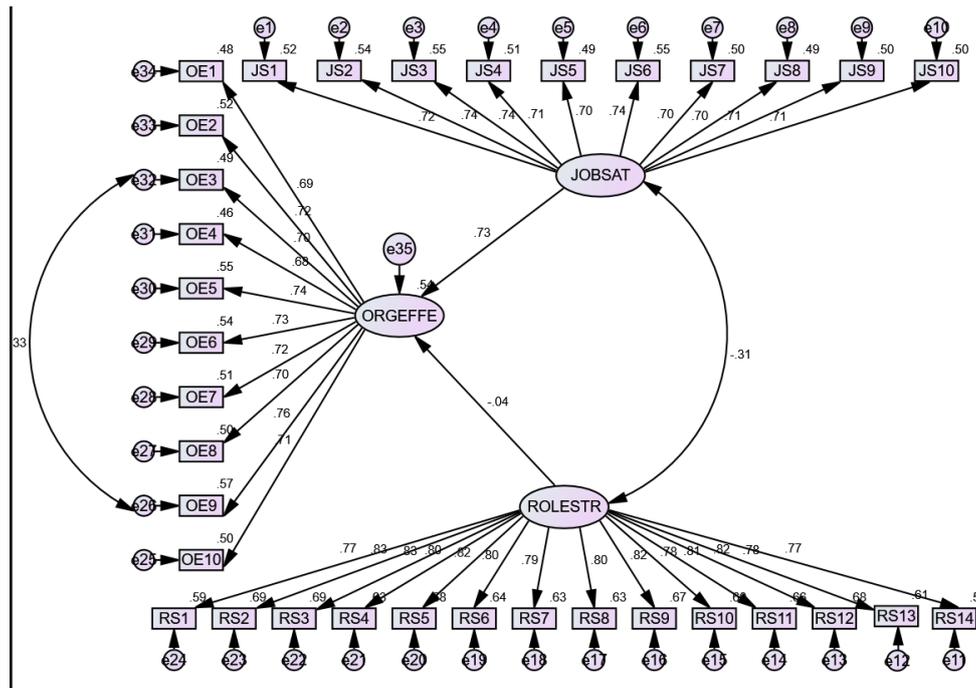


Figure 2: Structural Equation Modeling

Table 2: Convergent and Discriminant Validity

Var	AVE	CR	I	II	III
Job Satisfaction (I)	.514	.914	(.79)		
Role Stress (II)	.512	.913	-.45	(.89)	
Organizational Effectiveness (III)	.643	.962	.36	-.41	(.87)

4. Discussion

The positive and significant relationship of JS with OE is in line with the past studies conducted by various scholars in different context and settings (e.g., Tho'in & Muliarsari, 2020; Rakowska, et al., 2020; Lee & Jang, 2020; Chang, 2009, & Lu, et al., 2019). The negative relationship of RS with OE is supported by various studies (e.g., Holton et al., 2016; Lee & Jang, 2020; & Chao, et al., 2015).

5. Conclusion

The research was conducted to study the possible relationship of Role Stress (RS) and Job Satisfaction (JS) with Organizational Effectiveness (OE) in context of textile sector of Pakistan. Based on CFA it can be concluded that the scales used to measure the JS, RS, and OE have construct (convergent and discriminant) validity in context of textile industry of Pakistan. Moreover, the positive and significant relationship of JS with OE indicates that by ensuring the JS the organizations can improve / increase the OE of their organization. The negative and significant relationship of RS with OE led to conclude that by ensuring minimizing the RS textile industry of Pakistan can enhance the OE.

6. Limitations and Suggestions

The study was conducted to understand the possible relationship of factors like job satisfaction and role stress with organizational effectiveness. In future a study may be conducted to understand the possible relationship of various stress related factors with OE. There could be group or departmental level factors effecting OE and studying the effects of such variables on OE can give more insight to improve it. The OE was measured on 5 points Likert Scale whereas a study based on various financial ratios, market analysis, and economic contribution may be conducted to get better insight.

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