

Productivity and Stress

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The primary goal of every organization is to create surplus profit. Profit is a measure of surplus of amount incurred over income over expense. To accomplish this goal effectively the management must establish an environment in which people can work productively. Productivity is an output-input ratio within a time period with due consideration for quality. It can be expressed as follows,

Productivity = outputs / inputs (within a time period, quality considered)

The formula indicates that productivity can be improved

- By increasing outputs with the same inputs
- By decreasing inputs, but maintaining the same outputs
- By increasing outputs and decreasing inputs to change the ratio favorably

Organizations use several kinds of inputs, such as manpower, materials and capital. Peter F. Drucker, called the Management Guru quotes that 'The greatest opportunity for increasing productivity is surely to be found in knowledge work itself and especially in management'. In general, productivity improvement programs are mostly aimed at the worker level. Motivation and stress management play a vital role in productivity.

What is stress?

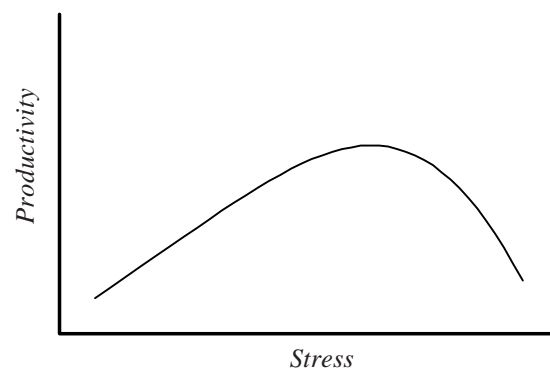
People get sick from stress at work and the cost associated with stress is hence significant to the employer. Han Salye, probably the leading authority on the concept of stress, described stress as, ' the role of all wear and tear caused by life'. Stress is associated with constraints and demands. Constraints prevent the person from doing things what he or she desires. Demand refers to the loss of something desired. Stress is highest for the individuals who perceive they are uncertain as to whether they will win or lose and lowest for those who think that winning or losing is a certainty. If winning or losing is

an unimportant outcome, there is no stress. For example, if retaining the job or earning a promotion does not hold any importance for the person, the person has no reason to feel stress over having to undergo a performance review. In short, we can define stress as a dynamic condition in which a person deals with a situation or constraint or demand related to his/her desire for which the outcome perceives to be both important and uncertain.

Effects of stress

Stress can have various effects on the individual as well as on the organization. Clearly not only the individual suffers but the organization may also be affected by absenteeism, work related accidents, turnover and impaired decision making. While stress is typically discussed in a negative context, it also has positive value. It offers potential gain, for example, the superior performance that an ophthalmologist give during a complicated surgery. Such individuals often use stress positively to rise to the occasion and perform to their maximum. And hence the productivity rises.

The inverted U relationship between stress and productivity is illustrated by Figure.1. From the organization's stand point, management may not be concerned when employee experience low to moderate level of stress. Such levels may lead to



Inverted 'U' relationship between stress and productivity

higher employee performance. But high levels of stress or even low levels sustained over a long period of time, can lead to reduced employee performance and thus require action by management. From the individuals standpoint even low levels of stress are likely to be perceived as undesirable. What management may consider as 'a positive stimulus that keeps the adrenaline running' is a very likely to be seen as 'excessive pressure' by the employee.

Stress have an emotional impact on all type of organisations, regardless of whether it is a manufacturing industry or a service organisation. Table 1.1 shows the effects of stress on a manufacturing industry and on a service organisation. The end result of stress is more significantly noted in a service organisation than in a manufacturing industry.

Sources of stress

There are many physical sources of stress such as work overload, irregular work hours, loss of sleep, noise, improper lighting. Psychological sources of stress may be due to a particular situation such as boring job, inability to socialize, and lack of autonomy, responsibility of results, without sufficient authority, unrealistic objectives, role ambiguity, role conflict and dual career marriages. Since people differ widely in age, economic position and level of maturity people react differently to situations. What might be more stressful to one person may be less to another person.

The four categories of potential sources and its consequences is shown in figure.2. The environment

uncertainties-economic, political, technological uncertainties influences the organization's structure as well as the employees in that organization. The economic uncertainty makes the people to become more anxious about thier safety. The political threats and changes occurred in USA during last September induced a stress among the people in USA. New innovations can make an employee skill and experience obsolete in a very short period of time.

Task demands are factors related to a person's job, which includes job design, working condition and the physical work layout. The design of the job includes autonomy, task variety, and degree of automation. The more interdependent between a person's task and task of others creates a potential stress. Temperature, light, noise and other working conditions can increase negative stress. Role ambiguity is created when role expectations are not clearly understood. Role conflict creates expectation that may hard to satisfy. Role overload is experienced when the employee is expected to do more than the time permits. The level of differentiation and communication in the hierarchy of organizational structure may also induce stress. Managerial style is represented by the organizational leader, creates positive or negative stress among the employees. The management style or the culture of the organization may establish unrealistic pressure on the employee or impose excessively tight controls. In an organizations life stage, the establishment and decline stages are particularly stressful. The family problems or economic problems of an employee create a

Table 1: Effects of stress on manufacturing industry and service organization

Manufacturing Industry	Service Organisation
<p>A direct link exists between the finished product and the community. The manual labor and community has an indirect link. Hence the stress has an indirect link to the community</p>	<p>A direct link exists between manual labor and community. Stress that exists in labor affects the community directly.</p>
<p>Since most of the manufacturing industry have a separate quality control department, there is enough time and resources available to check the quality and identify the mistake done by the stressed labor</p>	<p>Since the service organization deals with the community directly, most of the time, there does not exist a second chance to rectify the mistake done by the stressed labor.</p>
<p>Rectifying the mistakes is possible</p>	<p>Rectifying the mistakes is painful</p>

negative stress. The stress experienced by a person also relies on his/her personality.

Some people make the potential gain in stressful conditions while others are overwhelmed. The ability to handle stress depends upon perception, job experience, social support, belief in locus of control.

Consequences of stress

Stress shows itself in a number of ways. The physiological symptoms of stress are headache, high blood pressure, ulcer and loss of appetite. The psychological symptoms are job dissatisfaction, tension, anxiety, boredom and difficulty in making routine decisions. The behavioral symptoms are absenteeism, turnover, remarkable changes in productivity both increase and decrease. The other behavioural symptoms are increased smoking or consumption of alcohol, fidgeting and sleeping disorders.

Managing stress

Individuals and organizations have attempted to deal with stress in various ways. Individuals, for example, may try to reduce stress through better management

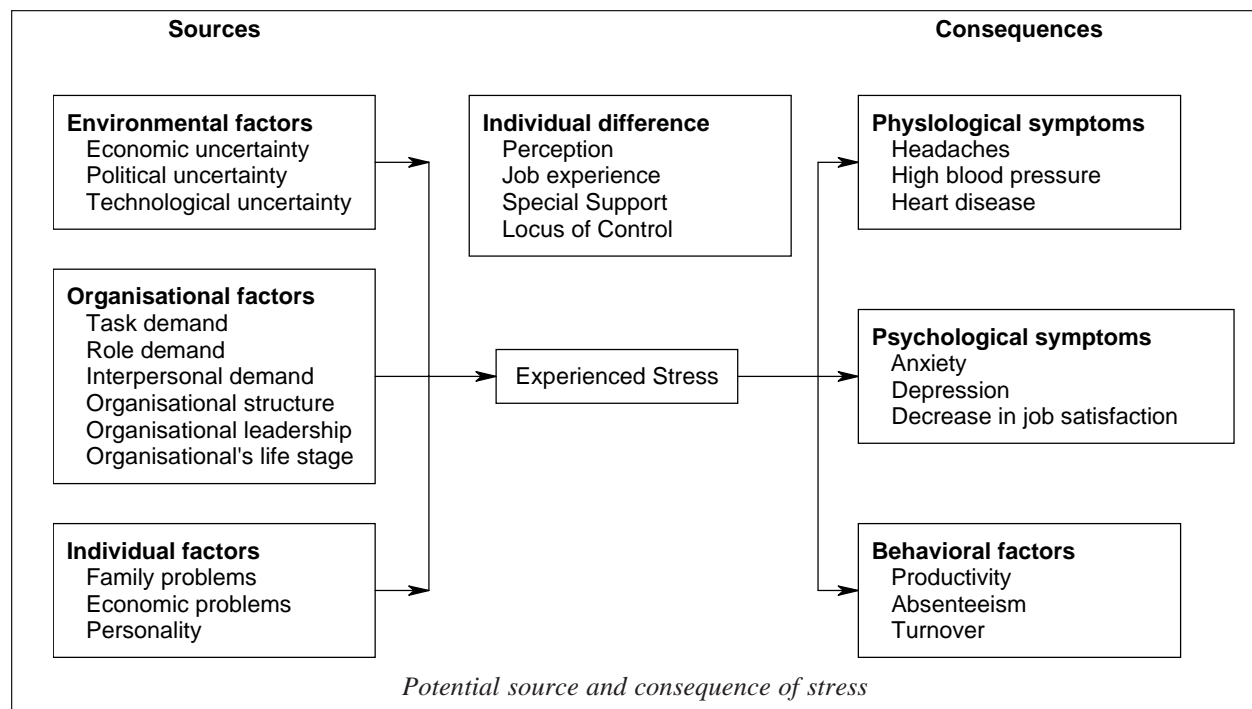
of their time, nutritious food, exercises, career planning, change in jobs, promotion of psychological health, relaxation, meditation and prayer. Time can be managed effectively by,

- Making daily list of activities to be accomplished
- Prioritizing activities by importance and urgency
- Scheduling activities according to the priority set
- Knowing the daily cycle and handling the most demanding parts of job during the high part

Organization may provide counselling or recreation facilities or may improve the job design by matching the person with the job. A proper fit between individual needs and the demands of the task will benefit both the individual and the organisation.

Conclusion

Undoubtedly in every organisation, a small group of the working population suffers from stress. If the management consider stress as an individual problem and not as a management problem, then they have to meet out with the loss due to absenteeism, turn over, total cost of work-related accidents and work that is not upto the standards. The organization should handle stress positively to increase the productivity.



Reference

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