



## ASSESSING THE RELATIONSHIP BETWEEN EXECUTIVE JOB PERFORMANCE IN PRIVATE SECTOR IN NORTHERN MALAYSIA WITH WORK – RELATED STRESSORS: MENTAL HEALTH, ORGANISATIONAL CULTURE, AND ERGONOMICS

**\*WAN MOHD RAFIQ BIN WAN MOHD RAIMI<sup>1</sup> | MOHD HELMY BIN OMAR<sup>1</sup> | SITI AMINAH BINTI RAHIM<sup>1</sup> | NOR AMININ BINTI KHALID<sup>2</sup> | SAMSUDIN BIN WAHAB<sup>2</sup>**

<sup>1</sup> STUDENT, POSTGRADUATE STUDIES, UNIVERSITI TEKNOLOGI MARA PULAU PINANG, BUKIT MERTAJAM, MALAYSIA - 13500

<sup>2</sup> SENIOR LECTURER, UNIVERSITI TEKNOLOGI MARA PULAU PINANG, BUKIT MERTAJAM, MALAYSIA - 13500.

### ABSTRACT:

An executive job performance is a considerable factor influencing the successful and performance level of the organization. Therefore, the organization's performance should be a primary basis to evaluate an executive. This research encapsulates the quantitative analysis to assess the relationship between the executive job performance in private organization in Northern region, Malaysia using an attribute of primary work – related stressor. The finding shows mental health (attributes of organizational roles) and office ergonomics (attributes of factor intrinsic) have a significant positive relationship in determining the executive job performance in the context of study. Meanwhile, finding shows there is no significant relationship between an organizational culture (attributes of organizational factor). Strong relation of mental health to the dependent variable proven by Beta value suggests the successful mental health intervention strategy could have a profound effect on the executive job performance. In the final chapter, recommendations in the perspective of managerial implication have been proposed accordingly, as well as the potential future research perspective.

### KEYWORDS:

**IMMEDIATELY AFTER THE ABSTRACT, PROVIDE A MAXIMUM OF 6 KEY WORDS.**

### INTRODUCTION

The organisation's performance should be the primary basis for evaluating the executives, as their job performance is a highly considerable factor influencing the successful and profitability of any organisation. Mental health, specifically on work-related stressors, is becoming an emerging issue towards executives in an organisation. A few studies have shown mental health is related to task performance (Auten and Fritz, 2019). According to 2015 National Health Morbidity Survey, 29% of the Malaysian population as a whole suffered from depression and anxiety disorder, and mental illness is expected to be the second biggest issue affecting Malaysia after heart disease by 2020.

The WHO regional office held the Conference on Mental Health and Wellbeing at the workplace in Berlin and attended by almost 130 representatives from 20 countries, discussed ways to respond to how modern working life challenges mental health and well – being, and how to overcome barriers to employment issues and effects on the global economic downturn. Relate Mental Health Malaysia estimate business cost of mental health among employees in 2018 offers a staggering figure; RM14.46 billion, which equivalent to about 1% of the country's gross domestic product (GDP) that year. Citing the World Health Organization, the report pointed out that depression and

anxiety (mental health-related issue) cost RM4.75 trillion in productivity across the world annually. Much of the economic cost of mental health stems from worker's reduced productivity (Bubonya, Cobb-Clark, and Wooden, 2017).

Other than the mental health, job performance has a direct linkage with organisational culture. Organisational culture itself incorporates several elements i.e. corporate environments, values, corporate icons, the rites and rituals, and cultural network (Deal and Kennedy, 1982). According to Dextras-Gauthier, Marchand, and Haines (2012), the integrated framework of organisational culture, occupational stress, and mental health have a close relationship with work conditions and organisational environment. Hierarchical corporate systems which contribute to a lack of involvement by workers in decision-making processes, which may lead to a feeling of lack of inclusion and a lack of work satisfaction within the organization. Inadequate communication, especially between supervisor and employees, may result in stress. In the present study by Haynes (2020), perceptions of a market organizational culture were positively related to job performance.

To date, Malaysia's population is 32.7 million (Department of Statistics Malaysia, 2020), with the Malays is the dominant ethnic group (69.6%). One of the key reasons that many organizational approaches do not succeed is that employers and executives do not grasp how the staff has different beliefs, so they think, feel and act differently

(Hofstede, 1991). Because people from diverse culture have conflicting values and thus act differently, it is even more important to investigate how differences in cultural perceptions and attitudes affect job performance (Zawawi et al. 2019). Thus, corporate culture in Malaysian companies, in general, is a culmination of the rites and rituals of the prominent races of the country. Therefore, it is undeniable that a firm grasp of the organizational culture will invariably lead to amazing job performance, innovation, and profitability.

In addition, there are current concerns relating to the work efficiency of the ergonomics element (office well-being). Several reports by previous scholars discussed the performance-related problems of office well-being. The cost of job accidents and the impact on non-ergonomic working environments are significant contributors to the total costs (Mansour, 2016). Although the unobserved cost of inappropriate work conditions is usually disregarded, they have a significant influence on the total cost and consequently worth investigating (Dorman, 2000). Fatigue is another consequence of modern industrial society. It is a significant problem largely because of the non-ergonomic workplace, high workplace demand, and long duty periods. Work injuries and flawed work condition increase the stress level among employees, which result in extra cost related to declining co-worker performance (Miller et al., 2002; Aldana, 2001).

Many study cases globally had proved that high-turnover rates are considered undesirable as it is costly for companies. One of the effects of high turnover rates is the loss of core employees who carries the enterprise core competence (Wu, 2019). The turnover rate for executives is considerably high with an average of 30%-50% per given year (Howard, 2001). Work-related stressors in attributes of organisational roles, organisational factors, and factors intrinsic are among the main causes for employees to leave a company either voluntarily or involuntarily (Esdaille, S. V. (2016). Therefore, companies which keen on keeping their competitive advantage should take a serious look at their executive performance.

In this juncture, we quoted the framework from Copper (1986) and he has differentiate six groups of primary work - related stressors: organisational roles, factor intrinsic, organisational factors, work relationship, career development, and home - work interface. These six categories are not exhaustive descriptions of all potential stressors within each category, but shall be seen as a useful framework for identifying physical and psychosocial sources of job related strain. In our study, we will focus on three categories of work - related primary stressors; Organizational Roles which is the attributes for mental health issue, Organizational Factors which is the attribute for the Organizational Culture, and Factor Intrinsic which is the attribute for the Ergonomics.

## LITERATURE REVIEW

This chapter provides the literature review from the past research. The literature review from various scholars

around the world will cover the subject of mental health, organizational culture, and ergonomics, and their relationship with executive job performance.

## EXECUTIVE JOB PERFORMANCE

Employee performance is a group of management practices that express how workers perform their job with a high degree of success, good performance, professional knowledge of the job, and contact with other members of the organization, and adherence to the institutional laws that coordinate their jobs and update it to better responses

Job performance is the cumulative predicted benefit for the enterprise of discrete behavioral episodes that a person experiences over a typical period of time. Apart from that, there is also an individual contribution in terms of quality and quantity required of each employee in a specific work, which demonstrates that every individual success is much of the time dictated by motivation and will and skill to do the work.

Performance may be defined as a successful attempt to accomplish an objective, or a success to execute a job successfully, to be carried out and to be completed. Performance is a quantitative and qualitative term in which the individual, community or company conducting the work may achieve the desired destination associated with the work. Performance is a concept describing on how a person can use their potential or real knowledge, skills, and abilities in order to be able to reach their own goals or expectations. It is the percentage of using the capacity of people in order to complete a job successfully in a certain period of time. The previous literatures define performance evaluation is formal management system that businesses have created in order to evaluate the performance quality of employees (Grote 2002; Grote 2002). Erkut and Yeliz, 2015 ;Mathis and Jackson 1991 defines performance evaluation is activities made for measuring to what extent employees do their jobs (288).

The aim of the performance assessment is to increase the performance of workers and to make disciplinary decisions, such as compensation, promotion and dismissal, based on the results of the performance assessment. In order to increase the efficiency of workers, it is important, first of all, to consider personnel, to differentiate between good and ineffective staff (Erkut and Yeliz, 2015; Pinar 2012, 26). In addition to this, to provide feedback to employees on their performance, to discuss dismissal or reduction strategies, to set and define objectives, to identify business objectives and development needs, to improve the performance of entire enterprises, and to guide inefficient employees are also among the objectives of performance evaluation (Erkut and Yeliz, 2015; Grote 2001, 5).

Mafuzah and Juraifa, 2016; Jex (2002) defined job performance as all behaviours that employees engage in at work. Goleman (2005) asserted that enhances the performance and effectiveness of individuals. Mafuzah and Juraifa, 2016; Scullen, Mount & Goff, (2000) claimed that job success is a significant principle in organizational

experience and research. It also plays a vital role in most staffing decisions, such as merit-based payment, advancement and retention of workers, by encouraging individuals to cultivate healthy relationships at work, work successfully in teams, and create social capital. Work performance often depends on the support, advice, and other resources provided by others (Mafuzah and Juraifa, 2016; Seibert, Kraimer & Liden, 2001).

Carmeli (2003) stressed that employees with a high level of intelligence can manage their emotions in terms of retaining a positive mental state that can lead to improved job performance. Job performance for an executive is a very considerable factor influencing the profitability of any organization. Therefore, the organization's performance should be the primary basis for evaluating the executives (Bevan, 2012). Business leaders need to understand the key benefits of executive performance so that they can develop consistent and objective methods for evaluating executives. By doing so, it helps the organisation to strengthen the performance management process by determining strengths, weaknesses, and potential managerial gaps in the business organisation and subsequently uphold the organisation's mission and vision. Performances management will ensure that every single process in the organisation is continuous, the way it is supposed to be done, to optimize the productivity of employees, teams, and the organisation itself (Mondy, 2008). In order for the organisation to evaluate the executive performance, top management needs to clarify what are the factors and their impact on executive performance. Concerning the dependent variable discussed above, we had listed three dimensions of the independent variable which we found interesting and significant in contributing towards job performance. There are differentiate six groups of primary work - related stressors: organizational roles, factor intrinsic, organizational factors, work relationship, career development, and home - work interface. These six categories are not exhaustive definitions of all possible stressors within each group, but are used as a valuable tool for defining physical and psychosocial causes of work-related stress. In our study, we will focus on three categories of work - related primary stressors; Organizational Roles which is the attributes for mental health issue, Organizational Factors which is the attribute for the Organizational Culture, and Factor Intrinsic which is the attribute for the Ergonomics. For instance, in this research, the factors which are considered as emerging, related to a modern environmental factor.

#### **MENTAL HEALTH ATTRIBUTE OF ORGANISATIONAL ROLES**

The stress factors found to be linked to task uncertainty include low job satisfaction, physiological pressure, job intention, low self-confidence, low work motivation, and depression (e.g., O'Driscoll & Beehr, 1994). This category also highlights the aspect of roles responsibility. There are two forms of corporate responsibility, responsibility for individuals, and responsibility for objects (e.g., equipment,

buildings). People's responsibility has been shown to be especially overwhelming.

Being accountable for people also involves spending more time communicating with others, more meetings and reaching deadlines. The interpersonal relationships at work with superiors, peers, and subordinates can be a major source of both stress and support (Makin, Cooper, & Cox, 1996). These stressors are identified as a contributors for a poor mental health among the employees, and affecting the job performance.

There are lots of factors that are related and contributed to executive job performance. Several research papers have been published on the related matters. Mental health, specifically work-related, is becoming an emerging issue towards executive in the organisation. A few studies have shown mental health is related to task performance (Auten and Fritz, 2019). According to the 2015 National Health Morbidity Report, 29% of Malaysia's population as a whole has suffered from depression and anxiety disorders, and mental illness is predicted to be the second biggest concern affecting Malaysia after heart disease by 2020. (National Morbidity Survey, 2015). It is projected that at any given time, one in five working-age adults has a mental health condition with a lifetime prevalence rate of up to 50%. (OECD, 2012). Mental health issues are of major concern to public health worldwide. It leads to a large proportion of health issues in most countries.

The first Global Burden of Disease Study (GBOD 1990) identified a large proportion of the world's disease burden. Neuropsychiatric conditions accounted for 10.5% of Disability Adjusted Life Years globally. (DALYs). They reported mental and substance disorders were one of the leading causes of disease burden in 2010. It accounted for 10% of global DALYs, and 28.5% of global Years Lost due to Disability (YLDs). It is becoming the leading cause of YLDs (Whiteford, J Ferrari, 2015). Thus, mental health care is an important element of performance indices for an employee and should be taken care of. Mental health is known to be prevalent in the general population, and the working population a factor that negatively affects life and role functions.

In 2015, the National Institute of Mental Health (NIMH) estimated that 17.9% of the adult population of the United States had mental disease. These disorders have a variety of experiences, such as depressive attacks, feelings of anxiety, obsessive-compulsive behavior, feelings of impulsiveness, and/or obsessive thinking. Symptomology and disability from mental illness can negatively affect organizations through lost workdays, turnover, and absenteeism, particularly when no attempt is made to alleviate symptoms or treat the illness. Specifically, it is estimated that about 200 million workdays are lost each year due to mental health problems.

Furthermore, untreated mental disease can lead to disabilities, which means that mental health issues greatly interfere with or limit day-to-day tasks, such as going to work. There is proof that every US dollar spent in anxiety

and depression care contributes to a return of four dollars through better wellbeing and workability. There is an unseen economic impact of stress levels among employees in terms of hidden costs that impede the production process due to the state of work conditions over the short and long run. That understands the value of mental wellbeing, well-being and the avoidance of mental health issues, as well as the overcoming of stigma, sexism and reintegration at the workplace. The explanations for this are quick to understand. Globally, mental disorders are the leading causes of disabilities. In some high-income countries, as much as 40% of disabilities can be attributed to mental disorders. Depression alone causes 13.7% of all years lived with disabilities, the leading cause. In Germany, mental health is now the main reason for occupational disability, causing 30% of cases. Associated with the level of disability, mental health problems have become one of the leading causes for absenteeism from work and early retirement. Today almost a third of early retirement is related to mental health. Mental health problems in the workplace have serious effects not only on the individual but also the productivity and competitiveness of business and thus the economy and society as a whole.

Employee's mental health status affects employee's performance and rates of illness, absenteeism, and staff turnover. Sickness-absenteeism can lead to substantial productivity loss. Early retirement and removal from the workforce due to work-related pressures and mental health issues reflect an enormous share of long-term gains. In the United Kingdom, the overall burden to employers of mental health issues for their workers was calculated to be about £26 billion a year, equal to £1035 for every person in the workforce (WHO; 2010). The business costs comprise £8.4 billion per year in sickness absence, £15.1 billion per year due to reduced productivity at work, and £2.4 billion per year in replacing personnel who left their job because of mental health (WHO, 2010; Sainbury Centre, 2007).

The intangible costs are insubstantial, and they measure the opportunity that is lost or sacrificed (Mansour, 2016) and that mental – health-related productivity loss varies across occupations. The influence of mental health includes loss of productivity, which has been reported to create a cost for the workplace (Melisa, Deborah and Mark, 2017; Greenberg et. al, 2003). Estimating the impact of mental health on the workplace is important to set priorities and plan appropriate intervention for mental health in the workplace (Melisa, Deborah and Mark, 2017; Kessler et. al 2006; Loeppke et al., 2007). The present study indicates that major mental health issue is positively associated with decreased levels on the job performance (Tsuchiya et. al. 2012). Presiding literature suggests that establishment-level productivity is related to worker's average mental health (Bockerman and Ilmakunnas, 2012). It is not surprising, people with mental health have consistently been found to have relatively low performance due to high absenteeism rate (Burton et. al, 2018; Darr & Johns, 2008).

From previous literature, a study estimated that the chances that men with bad mental health experience reduced productivity at work are 6.17 times greater than those of otherwise comparable men in good mental health. Similarly, women with bad mental health are 6.91 times more likely to have presentisms than women with improved mental health (Bobunya, Cobb – Clark, Wooden, 2017). In separate literature, emotional stability, which is related to mental health and conscientiousness were constantly predictors of overall job performance (Lado & Alonso, 2017).

Mental health problems have many effects on the individual at the workplace. The productivity of individuals with unsupported mental health needs may decline while at work: presentism. Error rates, poor decision-making, loss of motivation and commitment, tension and conflicts between colleagues. Burnout and exhaustion, as well as stress-related medical problems such as elevated blood pressure, sleeping disturbances and poor susceptibility to illness, may contribute to a rise in the overall absence of illness. Work-related pressures and deteriorating mental health are key factors not only for absenteeism, but also for physical injury and early retirement workers. Mental health problems can affect work performance in terms of increasing in conditions of mental health can interfere with everyday activities at work. Mental health issues may include changes in attitudes, interpretations of job stressors and physical health, absenteeism and presentisms, reduced work performance, and behavioral difficulties in the workplace. It is necessary to discuss these consequences, such as mental health itself, and the result of agencies that struggle to offer treatment assistance sometimes goes unnoticed. With a better understanding of how mental health issues are contextualized, organizations may begin to see the importance of addressing these issues. Work-related stress and deteriorating mental health are key factors not only for absenteeism but also for physical disability and for early retirement employees. Thus, the work-related mental issue must not be overlooked by the managers in the organizations. Managing stress at work will create a healthy work environment in which employees feel valued, the culture is more positive, and consequently, business performance will be improved as employees become more productive and perform in their top-notch.

## RESEARCH METHODOLOGY

This study employs survey method as it involves sampling of individual units from population in relation to data collection technique such as questionnaires adopted by this study. Using a simple technique approach, this research used questionnaires in electronic form survey; Google for collecting the data. The survey period was took place in November 2020 and survey window was three weeks starting from 16th November 2020 until 7th November 2020. The questionnaires were distributed to all executives in these three organisations via short messenger system, email, WhatsApp, and Telegram. A total of 37 close ended questionnaires were used in this study,

not including 6 demographic questions. The questionnaires were distributed to all executives in these three organisations via short messenger system, email, WhatsApp, and Telegram. The master checklist was used to track and update the response feedback and progress. From 260 set of questionnaires distributed, 215 questionnaires were returned and complete feedback. The master checklist was used to track and update the response feedback and progress. The data were analysed using the statistical software which is Statistical Package for Social Science (SPSS) version 26.0 to analyse the data.

## FINDINGS

A multiple regression analysis was conducted to evaluate how well the job performance of executives is able to be explained by the set of independent variables (predictor) proposed in the research model. The results reflected that the linear combination of the predictor organisational variables was significantly related to employee commitment. The regression analysis result is as shown in the summary below

**TABLE 1: RESULTS OF REGRESSION ANALYSIS**

Regression Statistics
Multiple R 0.824244828
R Square 0.679379537
Adjusted R Square 0.674820952
Standard Error 0.237807314
Observations 215

The R<sup>2</sup> value from the analysis scored at 0.6794. The research model this acceptable and fit. This model shows 67.94% of the executive job performance in private sectors in Northern Region is able to be explained (or predicted) with these three independent variables proposed. The remaining 32.06% are left unexplained and to be a potential research gap in the next opportunity.

From the regression output from SPSS, mental health has a positive relationship and significant at the confidence level 95% ( $p$  - value = 0.000). This mean mental health has a significant positive relationship on the executive job performance. And therefore: The null hypothesis  $H_0$ 1 is rejected, the alternate hypothesis  $H_a$ 1 is accepted. There is a significant positive relationship between mental health towards an executive job performance in the private sector in Northern Malaysia.

## CONCLUSION

Thus, mental health and ergonomics have a significant positive relationship with the executive performance in the private sectors in Northern region Malaysia. Meanwhile, quantitative measure also did not provide enough evidence to support research hypothesis  $H_a$ 2. Thus, I am unable to reject null hypothesis  $H_0$ 2. The findings and recommendations from this study may

provide a managers the appropriate strategies to successfully gain a performance from the executives in their organizations, and subsequently put their organization in a top condition and able to place themselves in a competitive advantage.

## REFERENCES

1. Aldana, S., 2001. Financial impact of health promotion programs: a comprehensive review of the literature. *Am. J. Health Promotion* 296–320.
2. Auten, D., & Fritz, C. (2019). Mental health at work: How mindfulness aids in more ways than one. *Organisational Dynamics*, 48, 98-104. doi: 10.1016/j.orgdyn.2018.04.001
3. Bevan, S. (2012). 'Good work, high performance and productivity', Work Foundation.
4. Bubonya, M., Cobb-Clark, D. A., & Wooden, M. (2017). Mental health and productivity at work: Does what you do matter? *Labour Economics*, 46, 150-165. doi: 10.1016/j.labeco.2017.05.001
5. Cooper, D. R., & Schindler, P. S. (2006). *Business Research Methods* (9th edition). USA: McGraw-Hill.
6. Deal, T., Kennedy, A. (1982). *Corporate Culture: The Rites and Rituals of Corporate Life*. Reading: Addison-Wesley Publishing Co., 1982. 232 p. ISBN 978-07-382-0330-0.
7. Dextras-Gauthier, J., Marchand, A., & Haines III, V. (2012). Organisational culture, work Organisation conditions, and mental health: A proposed integration. *International Journal of Stress Management*, 19, 81.
8. Dorman, P., 2000. The economics of safety, health, and well-being at work: an overview. In: Organisation, I.L., (Ed.), Retrieved from InFocus Program on SafeWork, [http://www.ilo.org/wcmsp5/groups/public/—ed\\_protect/—protrav/—safework/documents/publication/wcms\\_110382.pdf](http://www.ilo.org/wcmsp5/groups/public/—ed_protect/—protrav/—safework/documents/publication/wcms_110382.pdf).
9. Mansour, M. (2016). Quantifying the intangible costs related to non-ergonomic work conditions and work injuries based on the stress level among employees. *Safety Science*, 82, 283– 288. doi: 10.1016/j.ssci.2015.09.007 .

10. Miller, P., Rossiter, P., Nuttall, D., 2002. Demonstrating the economic value of occupational health services. *Oxford J.* 477–483.
11. Mondy, R. Wayne. (2008). *Human Resource Management, Tenth Edition*. Tr. Bayu Airlangga M.M. Jakarta: Penerbit Erlangga.
12. Wu, P. (2009). The study on metrology of core employee turnover cost in high-tech enterprise (Order No. 10464895). Available from ProQuest Dissertations & Theses Global. (1869943560). Retrieved from
13. Esdaille, S. V. (2016). Predicting work-related stressors psychological well-being and turnover intent among caribbean manufacturing employees: A regression analysis (Order No. 10128516). Available from ProQuest Dissertations & Theses Global. (1812534986). Retrieved from <http://search.proquest.com.ezaccess.library.uitm.edu.my/dissertations-theses/predicting-work-related-stressors-psychological/docview/1812534986/se-2?accountid=42518>
14. Haynes, N. J. (2020). Perceptions of market organisational culture, well-being, and organisational outcomes: Dual processes and differential outcomes (Order No. 27543739). Available from ProQuest Dissertations & Theses Global. (2410770459). Retrieved from <http://search.proquest.com.ezaccess.library.uitm.edu.my/dissertations-theses/perceptions-market-organisational-culture-well/docview/2410770459/se-2?accountid=42518>
15. Hofstede, G. (1991). *Culture and Organisations: Software of the Mind: Intercultural Cooperation and Its Importance for Survival*. New York: McGrawHill, 1991. 296 p. ISBN 978-00-770-7474-6
16. Lado, M., & Alonso, P. (2017). The Five-Factor model and job performance in low complexity jobs: A quantitative synthesis. *Journal of Work and Organisational Psychology*, 33, 175- 182. doi: 10.1016/j.rpto.2017.07.004