JUDUL : EFFECT OF JOB STRESSORS ON STRESS TO EMPLOYEES OF LOGISTICS FIRMS ALL OVER KOTA KINABALU WITH THE MODERATING EFFECTS OF STRESS COPING STRATEGY AND PERSONALITY.

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THE EFFECT OF JOB STRESSOR ON STRESS ON THE
EMPLOYEES OF LOGISTICS FIRMS IN KOTA KINABALU
WITH THE MODERATING EFFECT OF PERSONALITY AND
STRESS COPING STRATEGY

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DECLARATION

The materials in this dissertation are original except for quotations, excerpts, summaries and references, which have been duly acknowledged.

05 September 2012

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"Bismillahi Rahmani Rahim"

( In the name of Allah, the most Merciful, the most Gracious)

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Abstract

THE EFFECT OF JOB STRESSOR ON STRESS TO EMPLOYEES OF LOGISTICS FIRMS ALL OVER KOTA KINABALU WITH THE MODERATING EFFECTS OF STRESS COPING STRATEGY AND PERSONALITY

This is a research undertaken to study the level of stress which affects employees of logistics firms in Kota Kinabalu. On the other hand the Job stressor is the independent variable which relates to stress whereby this study is one of a kind because the industry chosen has never been researched anytime in the near past and present. The job stressors consist of three components: individual stressor, organizational stressor and non-organizational stressor which are moderated by Personality and Stress Coping Strategy. The research was performed successfully which proved there is significant relationship between Job stressor and Stress though there was no significance between stress coping and stress. The study is just an eye opener for other researchers to do further research on the logistics firms all over Sabah whereby this one industry which has been ignored in Sabah.

Keywords: Job stressors, Stress, Personality and Stress coping strategy
Abstrak

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CHAPTER 1

INTRODUCTION

1.0 Introduction

Stress is a negative outcome from the constant disturbance of a stressor, thereby conflicting with an employee/s work and personal life. There have been several studies done on stress in regards to the Malaysian context (for example Kuan 1994; Bat 1995;). An employee not working to his capabilities and according to the organization's objectives as well as goals can eventually disturb the growth of the organization. One of the main reasons is due to work stress which occurs due to the competitive mindset of individuals at the workplace everywhere around the world. The rate of employees who describe themselves as highly stressed has increased at a rapid pace over the last 10 years (Gianakos, 2002). Thereby this also creates lack of cohesiveness among employees in the same working area. When stressors such as environmental demands, events, constraints, situations or events causes strains it is termed as job stress (Beehr and Glazer, 2001).

Stress is being caused by many day to day factors whereby it hinders most employees at work. Nevertheless some can still perform their job even with stress. It
certainly can be seen that some kind of personality can handle stress accordingly while the others just cannot handle stress at work. For employees who are working in the mechanical and technical area stress can be very harmful especially when handling equipment as well as machineries. In the production/assembly line where the question always asked by the higher management, is how many units have been produced is always common? Therefore if any of the production area is having issues with employees’ job performance it will affect the entire production. The same can be taken of a shipping and logistics company where high job performance plays an important role in the successful running of the company. A scenario of a low performing shipping clerk who takes less initiative in preparing the documentation of a container which needs to be exported to Kuala Lumpur can lead to the container missing the earliest vessel. The customers have been promised of a quick delivery to their doorstep will have to wait a lot longer for their consignments.

The shipping industry worldwide is hectic and needs individuals who can work their heart out especially when it comes to working for long hours including night shifts. Employees at a shipping company have to face stress anytime of the day, weeks or months because work is such that it can approach all at once. When it comes to customer service satisfaction as service providers the level of job commitment should be up to mark especially on the basis of punctuality.

Those businesses which cannot provide customers with prompt and dedicated services cannot withstand the stiff neck competition with their rivals in this corporate world. One way to avoid this social interaction at the place of work is important because a motivated employee can push those employees who lag behind. A boss should always communicate with his subordinates on a regular basis at work; it could casual talk at times too.
1.0.1 History of logistics and shipping

Logistics have been playing a pivotal role in global development for more than 5000 years already. As reported the construction of the pyramids in 2700 B.C is one example of great logistics work when just with the help of human beings and horses the entire structure was built. To make things remarkable there were so many of it built just with sheer man power. But now in this present world logistics have developed gigantically; just as it can be seem with the sea cargo containers and well managed logistics systems. (Dufler, 2005). During the 300 B.C the Greeks under Alexander the Great build the first rowing vessels to move from one place to place another. The army had to travel across high seas to fight battles. This invention formed the foundation for the creation of enormous logistics supply systems required by mobile army. King Alexander embarked on missions with his army, their families and with ammunitions for war that extended all the way to India. (Dufler, 2005)

And then around A.D 700 logistics went an extra mile with the construction of the Mezquita mosque in Cordoba, Spain. The construction began in 756 under the Caliph of Cordoba in the Umayyad dynasty. The mosque was considered the largest mosque in Europe. The logistics then had to be better and supreme because it was required to transport the pillars of the mosque from all parts of the Islamic empire. (Stock and Lambert, 2001) Around A.D 1200 in the city of Hamburg, Germany a base was set up in the North Sea for the Hanseatic League (cooperation for transport building and international sea transport). The Hanseatic League was started to make travel by sea more safe and to spread business prospects abroad. Up to 200,000 tonnes of animal fur were transported by a single hanseatic ship. The Hanseatic trade extended from the Black Sea to Reval (it is a small place located in Estonia), whereby it has got great similarities to the European Union of the present world. (Stock and Lambert, 2001)
Logistics during those days took a major turn again when around AD 1500 postal service was started in Europe. This is the first time a postal service using shipping routes was implemented. Letters were delivered to places such as Paris, Madrid, Ghent (Belgium) and the imperial court of Vienna. The man behind this was Philipp of Burgundy, Franz von Taxis who implemented it systematically with a few principalities whereby the mails reached its destination with minimal delay. More progress was seen when in A.D 1800 when road and railway lines were started to be built in major areas around the world. Steam engines and vehicles had to transport crude oil from one place to other nevertheless ships too were used to transport these valuable liquid. It saw the growth of a new economic growth which saw new missions, tools and opportunities for logistics. (Gopfert and Froschmayer, 2005).

Finally in the year 1940 military logistics occurred during the world wars which gave logistics a new concept. This is because it provided a link in the network that supplied troops with rations, weapons and equipments. With the onset of World War II, logistics were further sophisticated that it gained an important place in the business world as well. In the year 1956 globalization started to take place because of the invention of the sea containers which was invented by an American; Malcolm P McLean. He was later named Man of the century by the International Maritime Hall of Fame. His ideas and innovations changed production conditions for nearly all industries around the world therefore transforming people’s consumption habits. It also bought new countries to have business relationship among each other which created a commercial boom, market rise and import & export of products. Then around the period between 1970 – 1980, Japan’s Toyota Motor Co had the objective of effectively linking logistics to other operational functions. This was done through a concept called as Kanban and JIT (just in time), which is a control system whereby it determines what to produce, when to produce it and how much produce. This was created by Taiichi Ohno who also place emphasis on procurement.
1.1 Overview

It current research aims to study the level of stress absorbed by employees working in the shipping and logistics industry. This current search targets population of employees at major shipping organizations in Kota Kinabalu capital city of Sabah whereby the shipping industry has just recently started to flourish. Therefore the pressure of competing with compatriots and competitors in West Malaysia as well across borders gives rise to stress and anxiety to most employees. Nevertheless from the questions answered by the respondents we can measure the level of stress they are facing every day at work. Stress hinders work performance and therefore affects job commitment which in turn disturbs the organization success. Some researcher have cited that personality is highly persistent thereby affects stressor exposure, cognitive evaluation, stress coping and gives rise to stress related diseases (Code and Langan-Fox, 2001).

The present era teaches employees to guide and satisfy customer's needs and desires every now and then. The failure to do so gives rise to stress among employees. Studies have proven that stress level is greater in workplaces today than what was experienced by employees in the past (Minter 1999). In any logistics organization customer service is a priority whereby there are times certain complaints which lasts weeks, months and even rarely years to find solution to. Researchers have explained that less stressed employees can produce better satisfaction to customers compared to those highly stressed employees (Varca, 1999). Nevertheless those with chronic stress reflects poor job performance which therefore leads to again customer dissatisfaction (Beehr et.al., 2000).
In any service industries it is very crucial to retain regular customers so that it will promote the organization's services and products to the external environment leading to success of the organization in the long run. This could eventually reflect to the external environment whereby organization status and name can be tarnished. A lot of studies have proven stress causes negative effects to an individual and organization which thereby can lead to a lot of problematic issues. A few examples of negative effects can be decreased efficiency/performance, lack of energy to do work, no initiative for work, narrow-mindedness in thoughts, lack of responsibility and no concern for the organization and colleagues (Fairbrother and Warn, 2003). In the logistics world multitasking is common as every individual is expected to do more than one type of job routine and procedure during his tenure in the organization. Employers do not think of hiring more staffs because they want to save cost and make sure profits are growing every now and then.

1.2 Problem Statement

"Job stressors have negative effects on employees which gradually turn into stress, thereby disturbing the individual physiologically and psychologically. Moreover stress if exceeds its limit can lead to absenteeism, boredom and to the worse resignations." As employees in an organization the emergence of stress is common due to many factors. All this is because common of stressors which naturally occur when an individual has began to be responsible and face the real world. These factors could be internal or external whereby this could affect the performance of employees at work. Basically speaking it all depends on how each people can cope and absorb the level of stress in their lives. Different types of personalities got its ways and routines to fight stress.

Job stressors are a severe aspect for individuals, at working environments and also the community. It can lead to serious health issues (Makikangas and Kinnunen,
2003). But for those who cannot handle stress at work place will find it hard to concentrate at work or even reach the organization goals. Therefore as managers in an organization it is essential that he/she always monitors and guides those employees who are dealing with work stress because this can dampen the productivity at work. Certain questions tingling in most employers/bosses mind are 'How do I increase the performance of my employees?' 'How can I make sure that all my employees are performing well at the same rhythm?' A stressed employee should be motivated frequently so that he is always connected with his job and does not get distracted. Stress plays a vital role in creating all the above negative traits. Stress can cause health problems and organizational issues such as hostility, employee dissatisfaction, resignation, absenteeism among employees (Beehr and Newman 1978). Stress can be caused by environmental (non work factors), organizational and individual variables (Matteson and Ivancevich, 1999). The first health deficiency an individual could face is with his/her blood pressure. The chronic health problem happens when stress occurs to an individual whereby he/she experiences excessive flow of blood pressure to all part of his body.

The increment and excessive blood pressure will narrow the artery wall and make the blood hard to flow through it (Matteson and Ivancevich, 1979). Stress can lead to cardiovascular diseases, musculoskeletal disorders, depression, burnout, strain and gastrointestinal which are common to many of us (Minter, 1999). As for the gastrointestinal disease, it occurs when employees at work do not have appetite due to chronic stress. Such sickness or disease can distract an individual's self being thereby interrupting his work. Stress can even affect mental stability and cognitive thinking therefore slowing down reaction to situations which require sudden solutions. According to Levi (1987) stress can induce mental and physical illness to the human body along with social well being. The worse stress can affect an individual is when it causes psychiatric problems and this can be threatening. It is impossible for an employee in this state of mind to perform his duties smoothly
without any hindrances. Stress has got relationship to psychological and psychiatric problems (Keenan & Newton, 1987). The ill effects of stress lead to employees at work using ‘negative’ stress coping strategies such drinking alcohol, consuming drugs and chronic smoking. It is proven that stress can lead individuals to consumption of alcohol (Gorman 1988), smoking cigarette and drug abuse (Quick, 1987).

Another research has stated that stress can reduce a person’s immune system hence weakening his body which eventually makes his body prone to infectious illness (Endresen and Ursin, 1991). That is why employees in an organization tend to get infected with common flu, cough and other related diseases. Hence making room for these employees to be absent from work by just applying for medical leave. Stress is one of most common reasons for sudden as well as unscheduled absence from work (CCH Inc., 2002). A researcher by name of Adam (1987) stated that over 70% of all job absenteeism was linked to stress related sickness. While another research showed that stress can even cancer (Bammer and Newberry, 1982).

Again studies have proven stress increases the chances of absenteeism from work (Jamal, 1984). Absenteeism is defined as missed work time by an employee (Bagwell, 2000). A stressed employee tend to be absent from work sometimes without prior leave application as he is not able to cope up with work due to some or many stressors. Once again job stress and personal stress is always related to absenteeism (Tang and Hammontree, 1992). Again high stress level can result in employees resigning from a organization leading high turnover; A high turnover will result in high training costs and problem in the quality of customer service (Bill and Anoop, 1997). Therefore it is always advisable for managers to retain their present staff because once they resign it is hard to train new staffs all over again.
1.3 Research Questions

1.3.1 What is the relationship between individual stressors (work overload, role ambiguity & role conflict) and stress among employees working in logistics industries in Kota Kinabalu?

1.3.2 What is the relationship between non work stressors (family and domestic demands as well as organizational culture) and stress among employees working in logistics industries in Kota Kinabalu?

1.3.3 What is the relationship between organizational level (Relationship at work & Technology) and stress among employees working in logistics industries in Kota Kinabalu?

1.3.4 What is the moderating relationship between personality (Agreeableness & Neuroticism) and stress among employees working in logistics industries in Kota Kinabalu?

1.3.5 What is the moderating relationship between stress coping (Emotion based & Problem focused) and stress among employees working in logistics industries in Kota Kinabalu?

1.4 Objectives

1.4.1 To examine the relationship between individual stressors (work overload, role ambiguity & role conflict) and stress among employees working in logistics industries in Kota Kinabalu.
1.4.2 To examine the relationship between non work stressors (family/domestic demands and organizational culture) and stress among employees working in logistics industries in Kota Kinabalu.

1.4.3 To examine the relationship between organizational level (relationship at work & technology) and stress among employees working in logistics industries in Kota Kinabalu.

1.4.4 To examine the moderating effect of personality (Agreeableness and Neuroticism) on stress among employees working in logistics industries in Kota Kinabalu.

1.4.5 To examine the moderating effect of stress coping strategy (Problem focused and emotion based on stress) among employees working in logistics industries in Kota Kinabalu.

1.5 Significance of the study

This study is undertaken to study the level of stress endured by employees working in the logistics industry all over Kota Kinabalu. The most common and established logistics firms in the region is taken into consideration. When dealing in business which involves in serving people, there is much attention and care taken so that the best service is provided. Customers all over the world demand if not the best service but at least reasonable service in order for them to be satisfied. A stressed employee cannot perform to his best, because this can hinder his smooth thinking. This all will affect the final product which could tangible or even intangible service provided to the customer. In Kota Kinabalu the logistic industry has always been a good prospect for the development of the city but due to certain reasons, the Sabahans do not see this type of industry prospering in the near future.


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