Effect Of External And Internal Factors On Job Performance Of Employees

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Abstract
This study is conducted to investigate the external and internal factors on job performance of employees. Primary data is collected from 120 employees by random sampling technique. Data is collected with the help of well structure questionnaire and four telecommunication companies of Mongolia are targeted for data collection purpose (Mobicom, Unitel, Skytel and G-mobile). Descriptive and analytical analysis is conducted to describe the findings of the study. Logistic model is utilized to estimate the parameters, results of model revealed that the variables education, salary per month, job experience and supervisor help during work are significant and have positive impact on performance of employees but the coefficients of colleagues help during job and moral support from family are non-significant. Similarly the age, family size, no satisfaction with supply of equipment’s, skills are not enough for current job, not satisfaction with current job, not understanding the given tasks, low salary, work overload and stress from family are all significant and have negative significant impact on job performance of employees. It is suggested that supervisors should help to employees during working hours and in challenging time keep motive to employees to make realize that coworkers support is very important. There also should provide relaxation time during working hours. Timely and properly supply of equipment’s is also necessary. To increase the work efficiency of employees there should work redesign and proper employees’ allocation according to their skills and qualification.

Keywords: External and Internal Factors, Job Performance, Logistic Model.

Introduction
Job stress is common problem for employees now days. Stress is always bad thing it is depends upon the situation how we receive it [1]. Different researchers have different views about stress; stress is uncomfortable response at specific time for specific factors [2]. Stress is a condition which is produced when demand of works in increased the capacity of an employee [3]. Stress is because when there is not personal control on social, physical and psychological environment. Stress increases the absenteeism in employees and reason of low job performance [4]. Anxiety is the kind of distress emotion usually feels by human, it is sometime known as nervousness or fear [5]. Stress can make angry and frustrated and it can come from any situation. Sometimes, a small amount of stress is good; it will increase the incentive, opportunity and performance of workers but high level of stress can create physically and mentally harmful and if it is persistent it can reduce the our understanding of right and wrong, it is best to cope better with stress according to the situation. Stress management is not about how to avoid or escape, the stress study is to understand how our body reacts to stress, and learn to develop skills and solutions to deal with this stress, and is studying to improve the adaptation of the body according with the level of stress.

Stress not only has negative impact on performance it also has positive impact on job performance of employees [6]. Zero stress is equal to death; stress at optimal level could increase challenges and performance of employees. Stress could work as positive and negative. Situations that are considered to create cause of stress are known as stressors. Stress is always not has negative impact on efficiency of employees, it also has positive impact on performance of employees. Positive stress increases, competition, motives, feels exciting and improves performance of employees. The anxiety and worries produce due to negative stress can be short or long term, it decrease performance and it could be responsible for physical and mental problems [7]. Rather than external source, some internal sources also can cause negative stress, like fears (e.g. fear of heights, public speaking, talking to strangers at a party) recurring patterns of
thoughts. Concern about future events e.g. pending results of medical tests, academic results and restrictions of work have influence on stress.

Factors Affecting On Job Stress

These are the following stressors which create job stress

Pressures at work places or work overload - When work presser exceeded than level of abilities of employees it become stress [8] and this is a situation when an employee feel stress when expectation from employees become higher than his capacity and if this condition is persist for long time then psychological and physical problems may arise.

Support at work - if there don’t have any support from boss, supervisors and colleagues at the work place, it also has negative impact on job performance.

Long work hours - Long sitting hours at work place also creates some time problem and reduces efficiency of employees [9].

Job insecurity - Job insecurity includes threats and fainting to one job [10]. Threat to the work covers both quantitative and qualitative aspects, quantitative aspects mean danger of job losing, while qualitative aspects related to the reduction of the functions of job, for example, promotions, increments and career development [11].

Role conflict - Role conflict is related to contradictory work or demand than other person, co-workers or may be boss, role conflict also responsible for the job stress.

Family - Working life and family are interdepending and have strong correlation with each other and it is affected by many other circumstances. Employees may also fall in stress condition if they feel conflict between career and family.

Control and decision latitude - Participation in decision making also have impact on job performance, if any employee involves in decision making process of organization, it could increase energy and performance of that employee [12].

Physical agents - The working environment and place also impact on the stress, like vapors, dust and many harmful substances at working place can create stress for employees. Stress also has in response to the physical effects of the work environment and this also affects employee performance [13].

Job performance of employees depend on wages, safety and satisfaction [14]. There also found negative impact of stress on job satisfaction [15]. Jungwee Park [16] studied in the banking sector, he found the link between security and work stress, results of this study found that the lack of job security is the main reason of stress at work and have a negative impact on the productivity of employees. It is found from many studies i.e. Jang et al [17]; Kangas et al [18]; Brooks-Carthon, et al [19] the working environment is very necessary condition for job satisfaction especially in field of nursing. The personal management is also very important for job satisfaction and this is very essential for any organization to have good personal management (Kokkinene et al [20]; Ali and Mohammad, [21]). The problem of personal management can increase dissatisfaction among employees (Newman et al [22]). Other factors lack of pension programs, low wages and non-ensured jobs are responsible for low level of job satisfaction and performance (Case et al. [23]; Harris-Kojetin et al. [24]).

The performance of employees depends upon the external and internal factors, external factors are related to outside of organization and internal factors are related to within the organization. Human resources are the main assets of any organization and to proper manage them is a great challenge of human resource department. Work load on employees has been increasing due to competition among industries and this workload is responsible to create high level of job stress on employees. It is a big challenge for organizations to keep safety and health of their employees. With long working hours, heavy workloads, conflicting environment create high level of stress. Job stress can also responsible to reduce memory of employees, increase medical bills, increase sick leaves, lateness to work and reduction in productivity of workers.

By encapsulate the above discussion it is found that reduction of job stress could increase the job performance of employees, keeping in view this importance; this study is focused to estimate the impact of external and internal factors on job performance of employees of telecommunication companies of Mongolia. On the base of literature review it is found that the telecommunication sector of Mongolia in untouched in the perceptive of the estimation the external and internal factors on job performance of employees.

This study is seems to important because,

a) It will provide the information about impact of internal and external parameters on job performance of employees.

b) This study will increase the exposure and wisdom of scholars and boost up their interest to do work in depth to deal with problems of stress.

Research Methodology
A set of primary data is utilized for the purpose of this study and four telecommunication companies (Mobicom, Unitel, Skytel and G-mobile) are targeted for data collection. Data is collected form supervisors, line supervisors, non-managers, middle level managers and top level managers with the help of simple random sampling technique. A well-structured and pre tested instrument is used to gather the information from respondents. Data is collected from 120 respondents and to check the reliability of questionnaire a pilot survey is conducted before final survey. For the analysis purpose descriptive and statistical analysis is conducted.

The logistic regression is used for this study because dependent variable is in the form of dichotomous variable. The application of logistic regression is used by Polson and Spencer [25]; Demaris [26], D’Souza, et al [27]; Chilot, et al [28] and Hussain, et al [29]. The logistic model in general form is given as

\[
\ln \left( \frac{P}{1-P} \right) = \sum \beta_j x_{ij} + \mu_i \tag{1}
\]

Where, \( P_i = \) prob \((y=1)\) is the conditional probability of respondents with good performance of job and \((1 - P_i) =\) prob \((y = 0)\) is conditional probability of having not good job performance. Similarly \( \beta_j \) shows the parameters need to be estimate whereas \( x_{ij} \) shows independent variables influence on performance of job for \( i \) th variable and \( j \) th individual and \( \mu_i \) is the error term. The specific form of logit model is given as,

\[
\ln \left( \frac{P}{1-P} \right) = a_0 + a_1 X_1 + a_2 X_2 + a_3 X_3 + a_4 X_4 + a_5 X_5 + a_6 X_6 + a_7 X_7 + a_8 X_8 + a_9 X_9 + a_{10} X_{10} + a_{11} X_{11} + a_{12} X_{12} + a_{13} X_{13} + a_{14} X_{14} + a_{15} X_{15} + \epsilon_i \tag{2}
\]

Where:

\( \ln \{P/(1-P)\} = \) Dependent variable \((1=\)Good job performance of employees; \(0=\)Otherwise\)
\( a_0 = \) Intercept term of the model.
\( a_1, a_2, a_3, a_4, a_5, a_6, a_7, a_8, a_9, a_{10}, a_{11}, a_{12}, a_{13}, a_{14} \) and \( a_{15} \) are the parameters to be estimated.
\( X_1 = \) Age of respondents (Years)
\( X_2 = \) Education (Number of years)
\( X_3 = \) Salary per month (USD)
\( X_4 = \) Experience (Years)
\( X_5 = \) Family size (Number of heads)
\( X_6 = \) No satisfaction with supply of equipment’s. Dummy \((1=Yes; 0=\)Otherwise\)
\( X_7 = \) Skills are not enough for the current job. Dummy \((1=Yes; 0=\)Otherwise\)
\( X_8 = \) Not satisfaction with current job. Dummy \((1=Yes; 0=\)Otherwise\)

This portion is divided into two parts, first part is related to explanation of descriptive statistics and second part consists of econometrics analysis.

### Descriptive Analysis

**Socio-economic parameters**- The variables with their statistics are given in table 1. The results are depicted that average age of respondents is 32 years. The average salary of employees is 715 USD per month with average experience of 7 years. The average education level of respondent is up to graduation. Around 6 numbers of persons are living in a household.

### External factors influence on performance of job -

Some parameters outside of organization have influence on job performance. Around 4 percent of respondent depicted that their skills are not according to job and only 5 percent of respondents have moral support from family. Majority of respondents (95%) have stress from family.

### Internal factors influence on performance of job -

If we consider the influence internal factors within the organization on job performance, it is found that majority of employees (95%) don’t have time of relaxation during job, about 60 percent of them explained their reason of low performance of job is due to low salaries. Around 44 percent of employees have workload. Similarly it is also found that only few percentages of employees about 26 and 35 percent received help from supervisors and colleagues respectively.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Socioeconomic variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age (years)</td>
<td>32.27</td>
<td>6.67</td>
</tr>
<tr>
<td>Education’ (Number of years)</td>
<td>4.05</td>
<td>0.83</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>Salary (USD/Month)</td>
<td>715.87</td>
<td>159.54</td>
</tr>
<tr>
<td>Experience (Years)</td>
<td>7.26</td>
<td>3.30</td>
</tr>
<tr>
<td>Family size (Numbers of heads)</td>
<td>6.45</td>
<td>1.40</td>
</tr>
</tbody>
</table>

**External factors influence on job performance (outside of organization)**

- Skills are not enough for current job (1=Yes; 0=No) 0.04 0.20
- Moral support from family (1=Yes; 0=No) 0.05 0.21
- Stress from family (1=Yes; 0=No) 0.95 0.21

**Internal factors influence on job performance (within the organization)**

- No time of relaxation during job (1=Yes; 0=No) 0.95 0.21
- Low salary (1=Yes; 0=No) 0.60 0.27
- Work overload (1=Yes; 0=No) 0.44 0.49
- Help from supervisor (1=Yes; 0=No) 0.26 0.44
- Help from colleagues (1=Yes; 0=No) 0.35 0.48

**Econometrics Analysis**

The explanation of logistic model is given in table 2. It is found that the coefficient of age is significance at 5 percent it is depicted that one unit increase in age of respondent the weighted log of odds in favor of job performance is decreases by 0.662 units. It is found that with increase of education the job performance of employees’ is also increases, parameter of education is significant at 1 percent level of significant, it is found that by one unit increase in education the weighted log of odds in favor of job performance is increases by 4.851 units. The coefficient of salary per month is significant at 15 percent it is revealed that by one unit increase in salary per month the weighted log of odds in favor of job performance is increases to 0.010 units. The coefficient of job experience is significance at 10 percent; it is found that with one unit increase in job experience of employees the weighted log of odds in favor of job is increases by 0.989 units. Family size is significant at 5 percent, it is depicted that by one unit increase in family size the weighted log of odds in favor of job performance is decreases to 2.533 units. The coefficient of dummy variable (i.e. No satisfaction with supply of equipment’s) is significant at 15 percent; it is revealed that with one unit of increase in this parameter, the weighted log of odds in favor of job performance is decreases to 5.568 units. Similarly the other dummy variables i.e. skills are not enough for the current job, not satisfaction with current job, not understanding the given tasks are significant at 10 percent level of significance, it is depicted that by one unit increase in these dummy variables the weighted log of odds in favor of job performance is decrease to 4.411, 2.150 and 4.631 respectively. The coefficient of low salary and supervisor help during work is significant at 15 percent. It is depicted that by one unit decrease in salary the weighted log of odds in favor of job performance is reduce to 3.951, similarly the weighted log of odds in favor of job performance is increases to 2.618 units if one unit increase in supervisor help during work. The coefficient of work overload is highly significant at 1 percent, it is depicted that by one unit increase in work overload the weighted log of odds in favor of job performance is decreased to 6.501 units. Stress from family is playing significant role, this coefficient is significant at 5 percent, it is found that by one unit increase in stress from family the weighted log of odds in favor of job performance is decreases to 3.840. The coefficients of colleagues help during work and moral support from family are found non-significant.

<table>
<thead>
<tr>
<th>Table 2. Logit model with coefficients of parameters</th>
<th>B (SE)</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (Years)</td>
<td>-0.662*** (0.339)</td>
<td>0.516</td>
</tr>
<tr>
<td>Education (Years)</td>
<td>4.851**** (2.093)</td>
<td>127.924</td>
</tr>
<tr>
<td>Salary per month (USD/Month)</td>
<td>0.010* (0.006)</td>
<td>1.001</td>
</tr>
<tr>
<td>Job experience (Years)</td>
<td>0.989** (0.553)</td>
<td>2.687</td>
</tr>
<tr>
<td>Family size (Number of heads)</td>
<td>-2.533*** (1.251)</td>
<td>0.079</td>
</tr>
<tr>
<td>No satisfaction with supply of equipments. Dummy (1= Yes; 0=Otherwise)</td>
<td>-5.568* (3.884)</td>
<td>0.004</td>
</tr>
<tr>
<td>Skills are not enough for current job. Dummy (1= Yes; 0=Otherwise)</td>
<td>-4.411** (1.851)</td>
<td>0.028</td>
</tr>
<tr>
<td>Not satisfaction with current job. Dummy (1= Yes; 0=Otherwise)</td>
<td>-2.150** (1.385)</td>
<td>15.212</td>
</tr>
<tr>
<td>Not understanding the given tasks. Dummy (1= Yes; 0=Otherwise)</td>
<td>-4.631** (1.984)</td>
<td>0.642</td>
</tr>
<tr>
<td>Low salary. Dummy (1= Yes; 0=Otherwise)</td>
<td>-3.951* (1.653)</td>
<td>0.892</td>
</tr>
<tr>
<td>Work overload. Dummy (1= Yes; 0=Otherwise)</td>
<td>-6.501**** (3.029)</td>
<td>0.002</td>
</tr>
</tbody>
</table>

1 (1) Up to primary (2) Up to middle (3) Up to matriculation (4) Up to graduation (5) Up to master (6) PhD (7) Other
Summary And Conclusion
On the base of results obtained from descriptive it is found that only 5 percent of employees have moral support from family and 95 percent of them have stress from family. Similarly around 95 percent of employees don’t have time of relaxation during job and 44 percent of employees have work overload. The results of logit model revealed that, age, family size, no satisfaction with supply of equipment’s, skills are not enough for current job, not satisfaction with current job, not understanding the given tasks, low salary, work overload and stress from family are found non-significant impact on job performance of employees. Similarly variables, education, salary per month, job experience and supervisor help during work have positive significant impact on performance of employees. But the coefficients of colleagues help during job and moral support from family are found non-significant impact on job performance of employees.

Suggestions And Policies
It is found that employees have received very little support from their supervisors and colleagues, it is suggested that, support should provide by supervisors, help to employees to manage their stressors and make work environment easier. In challenging time supervisors should keep employees motivating and should provide support to them to make realize that coworkers support is very important. To ensure the good performance of employees there should provide the time of relaxation to employees during working hours. To ensure the efficiency of employees the problem of lack of equipment’s must solve. Some employees explained their reason of low job performance is heavy work load and some of them reported that their skills are not enough for given assignment. Organizations should make proper work design, work distribution and efficient allocation of employees for proper job according to their skills. Salary per month of employees should also increase.

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficient</th>
<th>Standard Error</th>
<th>z-value</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supervisor help during work, Dummy (1= Yes; 0=Otherwise)</td>
<td>2.618*</td>
<td>(1.711)</td>
<td>15.192</td>
<td></td>
</tr>
<tr>
<td>Colleagues help during work, Dummy (1= Yes; 0=Otherwise)</td>
<td>0.561</td>
<td>(1.713)</td>
<td>1.752</td>
<td></td>
</tr>
<tr>
<td>Moral support from family, Dummy (1= Yes; 0=Otherwise)</td>
<td>-2.985</td>
<td>(27.812)</td>
<td>0.051</td>
<td></td>
</tr>
<tr>
<td>Stress from family, Dummy (1= Yes; 0=Otherwise)</td>
<td>-3.840***</td>
<td>(1.259)</td>
<td>0.064</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>1.986*</td>
<td>(4.980)</td>
<td>2.012</td>
<td></td>
</tr>
</tbody>
</table>

*, **, *** and **** indicate significant level at 15, 10, 5 and 1 percent level of significance respectively

References
[14] B. Schneider, P. J. Hanges, B. Smith and A. N. Salvaggio, Which comes first: Employee attitudes or


