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#### THE IMPACT OF WORKPLACE STRESS AND WORK OVERLOAD ON EMPLOYEE PERFORMANCE: AN EMPIRICAL STUDY FROM PAKISTAN'S BANKING SECTOR

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	<b>Abstract</b>
<p><b>Idress Gul<sup>*1</sup></b>  <sup>1</sup>Department of Management Sciences, NUML</p> <p><b>Ozal Saeed<sup>2</sup></b>  <sup>2</sup>Department of Management Sciences Abasyn University</p> <p><b>Zafar Khan<sup>3</sup></b>  <sup>3</sup>Department of Management Sciences Abasyn University</p> <p><b>Shahab Ahmad<sup>4</sup></b>  <sup>4</sup>Department of Management Sciences Abasyn University</p> <p><b>Dr. Aftab Alam Khan<sup>5</sup></b>  <sup>5</sup>AACSB Head College of Business Imam Mohammad ibn Saud Islamic University</p>	<p>The purpose of this research was to study the effect of work place stress and work overload on employee’s performance of various public and private banks in Islamabad area. For this study, Islamabad capital territory was selected firstly and five (05) different Government and private banks were chosen for the analysis. The study was quantitative and for this purpose questionnaire was the most applicable method for data collection. An adopted questionnaire of Donald A. Buckingham (2004) and Kavitha Venugobal (2017) was used to collect the data. Total of 300 questionnaires were distributed among the employees from pay scale 01 to 20 of the organizations out of which a sample of all 300 was received and finalized for further analysis. The collected data was analyzed with help of statistical package for social sciences (SPSS). Using Correlation Analysis, the relation between the variables was found which explained that both the independent variables (Stress and Work Overload) were negatively related to the dependent variable (Employee’s Performance). The Regression analysis tool was used to check the effect of both independent variables (Stress and Work Overload) on dependent variable (Employee’s Performance). The results gave clear evidence that if the employees are stress due to any reason either internal or external and are overburdened, uncomfortable in their job, their performance towards the organization will be low which ultimately will make hurdles in achieving organizational objectives.</p>
<b>Keywords:</b>	<p>Stress, Work Overload, Employee’s Performance, Role Conflict, Job Insecurity, Occupational Challenges, Motivation, Job Satisfaction.</p>



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### Introduction

#### Background of the Study

This study examines how work place stress at work and work overload affects employees' performance in the banking industry of Islamabad. The most troubling aspect of these concerns is that stress affects how well employees perform in their jobs within this industry. Work stress and work overload negatively affect employee productivity, impacting organizational performance and hindering the achievement of competitive advantages and long-term strategic objectives. The challenges in managing stress come from having too much to do, dealing with large projects, and being responsible for many tasks. Role confusion, political rivalry within organizations, and job instability are the sources of hindering stressors as per Sonnentag & Fritz (2025). The financial industry is crucial for Pakistan's economic growth. In the past few years, the sector had faced several challenges, including inflation, global economic instability, and technological changes. Despite these difficulties, banks in Pakistan have shown financial stability and growth. The State Bank of Pakistan (2025) reported that the asset base of commercial banks grew by 11% during the first half of 2025, with improved capital buffers and controlled risks. While these figures reflect financial strength, they also mask the growing stress faced by employees who are under constant pressure to meet high performance targets.

Stress in the workplace has become one of the most common problems affecting workers' health and job outcomes. Stress arises when job demands exceed the resources or coping ability of workers, leading to negative psychological and physical outcomes. In the Pakistani banking sector, studies have found that stress significantly reduces employee performance. For instance, Batool et al. (2023) reported that job stress negatively influenced both task efficiency and customer service quality among bankers. Similarly, Hussain and Javed (2024) observed that employees under high stress showed higher absenteeism and reduced productivity.

Work overload is another critical issue in the banking sector. Employees often face heavy workloads, strict deadlines, and demanding customers. When the quantity and complexity of tasks become unmanageable, employees experience overload, which reduces concentration, efficiency, and job satisfaction (Rashid & Khan, 2024). Research shows that both quantitative overload (too many tasks) and qualitative overload (tasks beyond skills) are common in banks and directly lower employee performance (Malik & Siddiqui, 2024). In today's dynamic corporate world business are increasingly focused on recognize employees as their most valuable assets. The performance of employees is directly linked to organizational success, particularly in service-oriented industries such as banking where efficiency, accuracy, and customer satisfaction are critical. However, employee performance is not only determined by skills and motivation but is also significantly influenced by workplace conditions, including levels of stress and workload.

Stress is an inherent aspect of human existence, arising from various sources such as personal challenges, societal pressures, and occupational demands. In contemporary society, stress has become increasingly prevalent due to rapid technological advancements, globalization, and the constant pursuit of efficiency. While some level of workplace stress can actually encourage employees to work more effectively, excessive or it's a chronic stress can prime to harmful effects on physical and also on mental health (Singh & Kumar, 2023).

Stress in the workplace has become a growing problem in two of developed and developing countries. It arises when job demands exceed employees' coping abilities and resources, resulting in psychological strain, reduced concentration, and lower productivity (Younas et al., 2022). In the banking sector, where employees manage strict deadlines, heavy customer interactions, and high accountability, stress can negatively affect both task completion and service quality.

Recent studies indicate a significant rise in work place stress levels among working individuals. For instance, a survey by the American Psychological Association (2023) realized that 83% of (U.S. employees experience work-related stress, with 60% feeling stress daily. This pervasive stress not only impacts an individual well-being but also has broader implications for organizational productivity and societal health (Keevee, 2025).

Job demands mismatching abilities, resources, or needs leads to harmful stress in the workplace. Employees in many fields face significant challenges due to this problem. According to the World Health Organization (world health organization, 2022), factors such as overwhelming workloads, stringent deadlines, limited control over one's work, and ineffective management practices are significant contributors to stress in the workplace.

#### Rationale of the study

The rationale of this study lies in understanding how workplace stress and work overload influence employee performance, particularly in the banking sector of Islamabad. Banking has become one of the most stressful professions due to long working hours, strict performance targets, and high customer service demands. These pressures often lead



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to psychological strain, fatigue, and reduced job satisfaction, which ultimately affect employee performance and organizational productivity (Shah & Javed, 2023). Investigating these relationships is crucial because employee performance is directly linked to organizational success and competitiveness.

### Problem Statement

In the current era of fast-paced organizational change, employee well-being has become a central concern for organizations striving for sustained performance. Among the many challenges faced by employees, workplace stress and work overload have emerged as pervasive issues that significantly hinder both individual and organizational productivity. Despite growing awareness of mental health in the workplace, stress levels among employees especially those working in demanding sectors such as banking remain alarmingly high.

The banking sector of Islamabad, known for its highly regulated, target-driven, and time-sensitive environment, places intense pressure on employees. Constant exposure to heavy workloads, customer demands, long working hours, and limited job autonomy has resulted in a substantial increase in employee stress and burnout (Khan & Iqbal, 2022). Research indicates that such stressors not only compromise employee satisfaction but also lead to deteriorating job performance, absenteeism, and high turnover rates (Bhutta et al., 2024).

Although international studies have examined workplace stress and performance, there is a noticeable and underexplored gap in localized research concentrating on how these factors affect banking professionals specifically in Islamabad. Furthermore, while many banks emphasize productivity and customer service, few have developed evidence-based interventions to mitigate employee stress and manage workload distribution effectively.

This study is thus driven by the need to explore and understand the effects of workplace stress and work overload on employee's performance within Islamabad's banking sector. Identifying these effects is essential for informing HR policies, improving job design, and enhancing overall organizational effectiveness. Without such insights, banks risk the ongoing deterioration of workforce morale and performance, which could compromise long-term competitiveness and service quality.

### Research Gap

Workplace stress and work overload have been widely recognized as critical factors influencing employee performance in various organizational settings. Numerous studies conducted in Western and developed economies have examined these variables individually or in combination, often concluding that stress negatively affects motivation, productivity, and job satisfaction (Nguyen et al., 2023; Singh & Kumar, 2023). However, despite the wealth of global literature, there remains a notable scarcity of empirical research contextualized to developing countries like Pakistan, especially in high-demand service sectors such as banking.

While some studies in Pakistan have explored occupational stress in general (Khan & Iqbal, 2022), few have specifically examined the dual impact of workplace stress and work overload on employee's performance in the banking segment of Islamabad. Furthermore, existing local research often lacks theoretical depth, updated data, or fails to account for the combined and interactive effects of multiple stressors in real organizational environments.

Moreover, most previous studies have relied on broad and generic samples, making it difficult to derive industry-specific insights. Given that the banking sector operates under unique pressures including regulatory compliance, time-bound financial transactions, and customer-centric service delivery there is a critical need for localized, sector-specific analysis that reflects the realities faced by banking professionals in Islamabad.

### Research Questions

- How does workplace stress influence employee's performance?
- What is the impact of work overload on employee's performance?

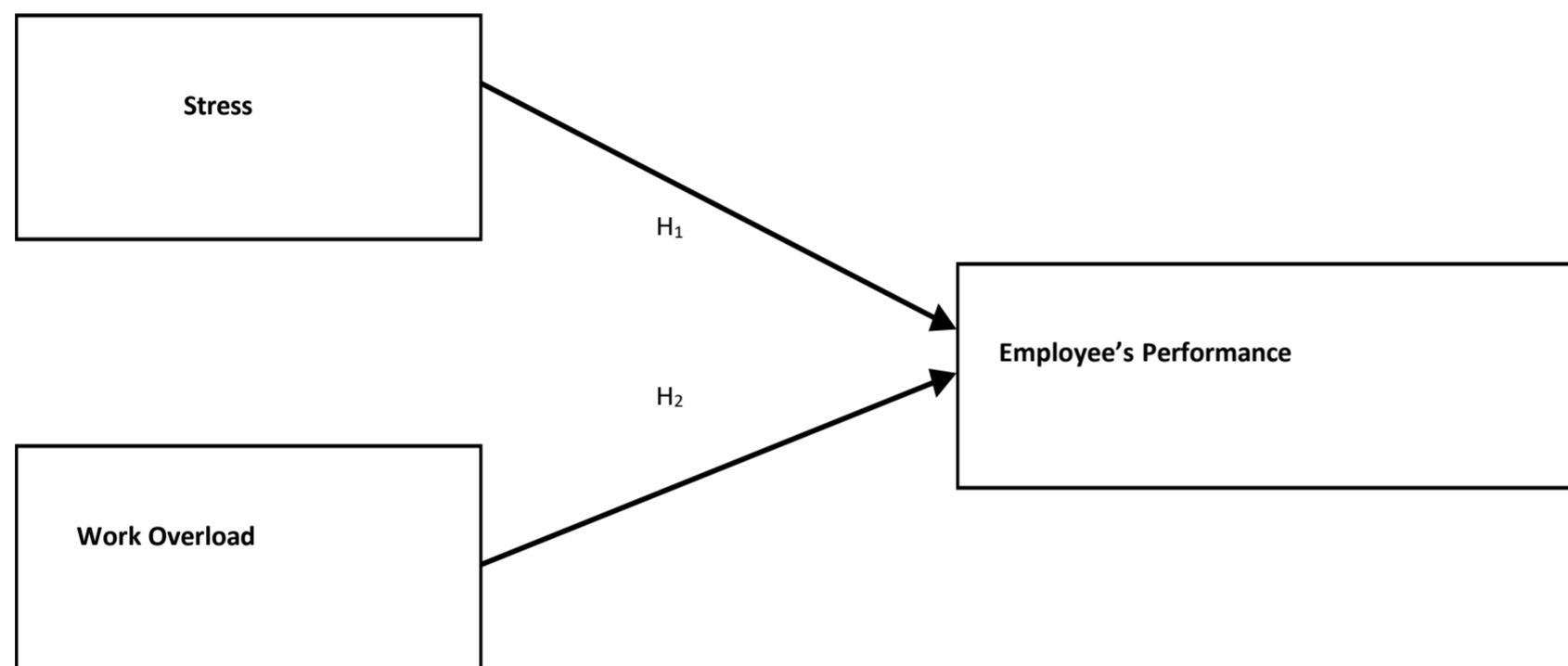
### Research Objectives

- To investigate the relationship between workplace stress and employee's performance.
- To investigate the relationship between work overload and employee's performance.

### Significance of the study

This study carries substantial academic importance, managerial, and societal value. First, it supports to the academic literature by providing experiential evidence on the impact of stress and work overload in a localized context Islamabad's banking sector—an area underrepresented in stress-performance studies. Most existing research on workplace stress is global or generalized; this study bridges that gap by focusing on a specific city and industry in Pakistan. Second, the study provides practical implications for HR professionals and bank management, enabling them to design targeted interventions to reduce stress and optimize workloads. By understanding how stress and overload affect employee performance, organizations can make informed decisions about employee well-being, job design, and resource allocation. Third, in the broader socioeconomic context, the study underscores the importance of mental health and sustainable working conditions. As banks are key drivers of economic stability, their operational efficiency is highly dependent on employee performance. Improving workforce morale and reducing stress will ultimately lead to better customer service, financial outcomes, and organizational resilience.

### Theoretical Framework



### Hypotheses

- H<sub>1</sub>:** Stress is negatively associated with employee's performance.  
**H<sub>2</sub>:** Work overload is negatively associated with employee's performance.

### RESEARCH METHODOLOGY

This chapter will delve into the assessment of the research design, detailing the study population, sampling methods, data collection instruments, and the procedures employed during data gathering. It will elaborate on the methodology by describing the process and how data is obtained and collected from the samples. The investigation will offer a comprehensive account of all variables utilized in the research. The description of variables will outline standardized formats for author naming and incorporate evidence validation, along with properties of measurement scales and time-related variables. A section devoted to hypothesis testing methods and data analysis procedures will also be included in this chapter, covering both the strategies applied and the measurement methodologies used.

#### Population of the Study

This study surely focuses on the banking sector of Islamabad to analyze how stress and work overload affect employee performance. Moreover, the research examines these factors within the specific context of banking institutions in the capital city. We are seeing almost 234 private and public schedule banks only in Islamabad region. We are seeing that the target population for this research is only the staff of the following banks. Also, we are seeing that these banks only have around 104058 employees working in them.

As per the lack of resources and proper time management, regarding accurate responses to questionnaire, employees from commercial banks in Tarnol, B17, D17, F17 and Taxila areas were contacted. Almost 1200 employees were included in this study.

### Sample Size and Sample Techniques

Moreover, a sample represents a part of the population itself. Further, it shows the characteristics of the larger group. We are taking only sample data from selected banks because we are seeing that testing the complete population of all these organizations is very difficult and takes too much time for hypothesis testing. For the survey, questionnaires were actually distributed among the selected employees of these organizations. The study definitely used this method to collect data from the chosen participants. We are seeing that the sample size is only 300, which we got from using Yamane formula.

$$n = \frac{N}{1+(N \times e^2)}$$

Where:

n = Sample Size N = Population

e = Margin of Error (5%)

### Unit of Analysis

The unit of analysis surely represents the specific level from which data is collected for research purposes. Moreover, all main research analysis is conducted at this particular unit or level. Basically, it can be a person, company, group or the same type of organization. This study actually examined how workplace stress and work overload definitely affect employee performance. This study further examines banking sector groups that are already listed in the population itself.

### Measurements and Instrumentation

The analysis focuses on these pre-listed banking units. Moreover, we are seeing that the study used a survey method only, where they adapted the questionnaire to collect data from the people who took part in the research. The questionnaire items are designed on a five, point scale itself. This scale further helps in measuring responses accurately. Basically, these are the same five response levels used in surveys - Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. Basically, the research instrument has three main sections Workplace Stress, Work overload and Employee's Performance - all following the same survey format. Further, basically, the first part has 06 questions to collect the same data about stress in respondent's organization. The second part has only 04 questions and we are seeing it is made to collect data about work overload given to them. Also, the third part of the questionnaire actually collects data about employee performance during stress and work overload. This section definitely focuses on how workers perform when they have too much work pressure. This section actually has 05 questions. You definitely need to answer all of them.

### Reliability of the Instrument

Reliability of the instrument refers to the ability of instrument of the study to accurately collect data for the construct intended by the study. In analysis of the variables, it is necessary that the instrument used in analysis is reliable. The instrument of the study has been proved to be reliable by different number of researchers around the globe.

### Descriptive Analysis Tools

Descriptive statistics is an important tool for description of data of the survey. This study uses mean, standard deviation, minimum and maximum values for description of the data. Mean presents the average score for the variables of the study; standard deviation presents the deviation of individual score from the mean score. Minimum and maximum values present the highest and lowest score for each of these variables.

### Correlation Matrix

As per the study methodology, correlation coefficient was used regarding finding the association between variables under analysis. The correlation coefficient shows how different variables are associated with each other. This method further helps to understand the relationship between variables itself. The correlation coefficient value surely ranges from -1 to +1, where -1 means strong negative correlation and +1 means strong positive correlation. Moreover, these values help us understand how strongly two



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variables are related to each other. The regression model actually needs explanatory variables that do not have auto correlation between them. This condition is definitely required for the model to work properly. As per regression analysis, we can find out how one variable affects another variable. This method is used regarding the relationship between different variables. It actually shows how one variable depends on another variable. This definitely helps us understand the relationship between two variables.

### Regression Analysis

In regression analysis, we surely explain one variable (dependent) using another variable (independent). Moreover, this method helps us understand how changes in the independent variable affect the dependent variable.

### Data Analysis Techniques

All the questionnaires were analyzed for incomplete & inappropriate reactions. The best reply given by the respondents are selected for further process of analysis while all the inappropriate responses are excluded from the data analysis. Questions of each variable either dependent or independent were coded in figures. Finalized questionnaires were entered in the SPSS. All the variables either dependent or independent were entered along with the coded questions. The responses obtain from respondents were than included in the software against the questions. To check how much, we can rely on the questions asked, reliability test was applied on all the questions. The response of reliability test can be analyzed on the value of cronbach's alpha. Descriptive Analysis is used to obtain Mean, Standard Deviation, Minimum and Maximum Values from the data. As Correlation analysis is the tool to check the association between the independent and dependent variables. The same is used after the descriptive analysis to check the relation between the variables of the study i.e. Stress, Work Overload and Employee's Performance. Normally the value of correlation ranges from -1 to +1. Regression analysis is used to analyze the change in dependent variable due to independent variables. In the last phase of analysis, the same tool is used to check/analyze the effect of stress and work overload which are independent variables on employee's performance, a dependent variable.

### Discussion and Analysis

The previous chapter discussed the methodological approaches and statistical techniques to be applied further. The chapter itself covered the proposed methods for the study. This chapter will surely present the main analysis and findings of the study. Moreover, it will cover all the important results obtained from the research. We are seeing that all proposed tests were applied only to find the main results for this study. Reliability tests were actually applied to check the data quality. The results definitely showed consistent patterns across all measurements. Basically, descriptive analysis was conducted to evaluate the same demographic information. To further ensure significant results, autocorrelation and normality tests were implemented. These tools help verify the data quality itself. To actually calculate the final results, regression analysis was definitely applied. Further, regression analysis includes coefficient testing, ANOVA and overall model discussion itself. Further, it provides a complete summary of the model results. After conducting the relevant tests, the main findings of this study were surely described, and the variables were presented to show their logical and significant relationships.

### Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded	0	.0
	Total	300	100.0

a. List wise deletion based on all variables in the procedure.

Variables	Cronbach Alpha
Employees performance	0.913
Work Overload	0.90

### Table 4.1 Reliability

Based on sample size of 300 a reliability test was conducted, according to the results of Table 4.1 minimum reliability of independent variable (work overload) is 90 percent while maximum reliability of workplace stress is 92 percent.

### Descriptive Statistical Analysis

#### Demographic Profiles of Respondents (Gender)

The study in total had 300 respondents from five different banks out of which more respondents are male with total number of 172 (57.3%) while there were 128 (42.7%) number of female who responds to our questionnaire.

#### Table 4.2.1.1 Gender Profile of respondents

	Frequency	Gender		Pay Scale
		Percent	Valid Percent	
Male	172	57.3	57.3	57.3
Valid Female	128	42.7	42.7	100.0
Total	300	100.0	100.0	

The study was conducted among the employees working in BPS-01 to BPS 18. The results of the survey showed that 28 (9.3%) respondents were in pay scale of 01-05, 28 employees (9.3%) were in 18-90 which is lower number and 106 employees which are highest numbers in the survey were in BPS 11 or 15, and 71 (23.7%) employees were working in the pay scale of 16-17 who responds to the questionnaire.

### Pay Scale

#### Table 4.2.1.2 Pay Scale Profile of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
01-05	28	9.3	9.3	9.3
06-10	67	22.3	22.3	31.6
11-15	106	35.3	35.3	66.9
Valid 16-17	71	23.7	23.7	90.4
18-20	28	9.3	9.3	100.0
Total	300	100.0	100.0	

### Qualification

The results about qualification of respondents shows that 18 (6.0%) respondents were PhD, 139 (46.3%) were Bachelors which is comparatively highest percentage among this category, 98 (32.7%) were Masters and 45 (15.0%) were Intermediate or below among the 300 respondents.



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### Qualification

**Table 4.31.3 Qualification Profile of Respondents**

	Frequency	Percent	Valid Percent	Cumulative Percent
Phd	18	6.0	6.0	6.0
Masters	98	32.7	32.7	38.7
Valid Bachelors	139	46.3	46.3	85.0
Intermediate & Below45	15.0	15.0	100.0	
<b>Total</b>	<b>281</b>	<b>100.0</b>	<b>100.0</b>	

### Age

While analyzing age of the respondents of the study the results of survey shows that 28(9.3%) were aged between 50-60 years old, 62 (20.7%) employees were aged between 40-49 years old. The maximum number of employees were aged between 30-39 years old and their numbers are about 117 (39.0%), 81 (27.0%) respondents were aged between 20-29 years, and only 12 (0.4%) respondents were aged below 20 years.

**Table 4.2.1.4 Age Profile of Respondents**

	Frequency	Percent	Valid Percent	Cumulative Percent
50-60	28	9.3	9.3	9.3
40-49	62	20.7	20.7	30.0
30-39	117	39.0	39.0	69.0
Valid 20-29	81	27.0	27.0	96.0
Below 20	12	4.0	4.0	100.0
<b>Total</b>	<b>281</b>	<b>100.0</b>	<b>100.0</b>	

### Current Organization

The results about the number of respondents from each organization showed that 100 (33.4%) respondents were from NBP, 92 (30.7%) were from Askari Bank, 26 (8.7%) were from Bank Alfalah, 55 (18.3%) were from MCB bank, and 27 (8.0%) were from Meezan bank.

### Organization

**Table 4.2.1.5 Organization Profile of Respondents**

	Frequency	Percent	Valid Percent	Cumulative Percent
NBP	100	33.4	33.4	33.4
Askari Bank	92	30.7	30.7	64.1
Bank Alfalah	26	8.7	8.7	72.8

MCB	55	18.3	18.3	91.1
	27	8.0	8.7	100.
Meezan bank Total	281	100.0	100.0	

### Descriptive Statistics of the Constructs

Descriptive analysis has been carried out on the data to analyze Maximum, Minimum, Mean and Standard Deviation of the constructs. The details of the data executed are given in the tabular form as well. There are total 300 numbers of respondents in the study. As per the output the minimum value of the gender is 1 and maximum is 2 which interpret male and female. The mean value of the output is 1.3915. The numbers of male respondents were large as compare to female respondents. Further if we look into the minimum and maximum values of pay scale, it is 3 and 5 respectively. It means that the respondents are from pay scale 15, 16, 17 and 18. The mean value is 4.2420 which mean most of the respondents were from pay scale 16 and 17. The mean value of qualification is 1.9751 which is near to 2. This illustrates that the maximum respondents are bachelor degree holders while the mean of age construct the output show value of 2.7473 which mentioned that the large number of respondents were from 30 to 39. While interpreting the questions ask vide questionnaire, S1, S2, S3, S4, S5 and S6 show the questions asked under the head of stress section. In S1 the mean value is 3.8968 which mean Agree. Most of respondents were agree to the first question that their job is stress full in the current organization. The mean values of other five questions (S2, S3, S4, S5 and S6) are 3.5338, 3.0605, 3.2562, 3.5480 and 3.4947 which show that the respondents were Agree, Neutral, Neutral, Agree and Neutral respectively to the asked questions. The second section of the questionnaire was about work overload that an individual has during his office timing in current organization. There were total 4 questions coded as WL1, WL2, WL3 and WL4. As per the mean value mentioned in below table the responses of the respondents to first question was Agree and the employees behave Neutral in the remaining three questions. While analyzing the employee's performance against the two variables there were five questions asked under the head of employee's performance. The questions were coded as EP1, EP2, EP3, EP4 and EP5. Considering the stress and work load factor in their official life the respondents replied to the 3<sup>rd</sup> part of questionnaire as Disagree to the first question, Neutral to the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> question while most of employees were Agree to the last question of the questionnaire as mentioned by the value of mean in below table.

### Descriptive Statistics

**Table 4.3 Descriptive Statistics of the Items of Instrument**

	N	Minimum	Maximum	Mean	Std. Deviation
Gender	300	1.00	2.00	1.3915	.48895
PayScale	300	3.00	5.00	4.2420	.64239
Qualification	300	1.00	4.00	1.9751	.66769
Age	300	1.00	5.00	2.7473	.78162
Organization	300	1.00	5.00	2.8968	1.39131
WS1	300	2.00	5.00	3.8968	1.37062
WS2	300	2.00	5.00	3.5338	1.22755
WS3	300	1.00	5.00	3.0605	1.32284
WS4	300	1.00	4.00	3.2562	.97386
WS5	300	1.00	5.00	3.5480	1.80832
WS6	300	1.00	5.00	3.4947	1.75687
WO1	300	1.00	5.00	3.5018	1.33931
WO2	300	2.00	5.00	3.3238	.96275



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WO3	300	2.00	5.00	3.4733	1.18931
WO4	300	1.00	5.00	3.4698	1.29006
EP1	300	1.00	5.00	2.0747	1.45336
EP2	300	1.00	5.00	2.6050	1.64659
EP3	300	1.00	5.00	2.8932	1.45504
EP4	300	1.00	5.00	2.5658	1.31615
EP5	300	1.00	5.00	3.3310	.98963

### Correlation and Regression Analysis

Pearson Co-efficient of Correlation was used to estimate the strength of linear relationship between Variables of the study. Simple linear regression is applied to find out the degree of change exercised by the independent variable (Stress, Work overload) on the dependent variable (Employee's performance) using SPSS package.

### Correlation Analysis

The previous chapter discussed the methodological approaches and statistical techniques to be applied further. The chapter itself covered the proposed methods for the study. This chapter will surely present the main analysis and findings of the study. Moreover, it will cover all the important results obtained from the research. We are seeing that all proposed tests were applied only to find the main results for this study. Reliability tests were actually applied to check the data quality. The results definitely showed consistent patterns across all measurements. Basically, descriptive analysis was conducted to evaluate the same demographic information. To further ensure significant results, autocorrelation and normality tests were implemented. These tools help verify the data quality itself. To actually calculate the final results, regression analysis was definitely applied. Further, regression analysis includes coefficient testing, ANOVA and overall model discussion itself. Further, it provides a complete summary of the model results. After conducting the relevant tests, the main findings of this study were surely described, and the variables were presented to show their logical and significant relationships. Moreover, these relationships were explained in a clear and systematic manner. Further, basically, we tested 300 samples and found that work overload has 90 percent reliability while workplace stress has the same high reliability at 92 percent.

**Table 4.5**

		Correlations		
		ST	WOL	EsP
1	.971**			
	.000			
300	281			
.971**	1			
.000				
300	300			
-.905**	-.910**			
.000	.000			

ST Pearson Correlation Sig. (2-tailed) N

WOL Pearson

Correlation Sig. (2-tailed) N



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EsP Pearson Correlation Sig. (2-tailed)  
 N 300 300 300

\*\* Correlation is significant at the 0.01 level (2-tailed).

In the above table we can see that the correlation between the dependent variable EP (Employee's Performance) and WS (workplace Stress) is ( $r = -0.90, P < 0.5$ ), which shows that there is significant and negative relationship between Employee's Performance and workplace Stress. The correlation between EP (Employee's Performance) and WO (Work Overload) is ( $r = -0.91, p < 0.5$ ), which shows that there is a significant and negative relationship between employee's performance and work overload.

### Regression Analysis

We are seeing that one variable depends on the other variable only. This shows how they are connected to each other. Basically, in regression analysis we use one independent variable to explain the dependent variable, and the same process shows how one variable affects the other. As per regression analysis, if p-value is less than 0.05, then the independent variable has significant relationship with dependent variable. Regarding significance level, when it is below 0.05, it shows strong connection between variables. Basically, regression analysis tests how dependent variables rely on independent variables and the same method gives the following results.

**Table 4.6 Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
1	.91	.84	.273		10.65479	1.694

a. predictors: (constant), WO, WS

As indicated in table no 4.6, we can see that R-square value is 0.84, which means that our independent variables i.e WS, WO causes 84% change in the dependent variable that is i.e EP.

**Table 4.7 ANOVAa**

Model		Sum Squares	of	df	Mean Square	F	Sig.
Regression		5767.026		2	2883.513	1268.320	.000 <sup>b</sup>
1	Residual	14531.142		297	113.525		
Total		20298.168		299			

a. dependent variable: EP

b. predictors: (constant), WO, WS

ANOVA Table 4.7 results show that p-value is 0.000 which is less than 0.05, hence. say that there is significant relationship between our independent variables i.e WS, WO and dependent variable i.e Employee's performance

### Employee's performance

B	R <sup>2</sup>	t		F	Sig
Stress	-0.905	0.820	-35.613	1268.320	0.00
Work overl ad	-0.910	0.910	-36.549	1335.838	0.00

The results were actually found by identifying  $\beta$ , R<sup>2</sup>, T, F values and significance levels. These statistical measures definitely helped determine the research outcomes. Beta actually shows how much the independent variable influences the dependent variable in a standardized way. It definitely measures the strength of this relationship between variables. If the beta value is positive, then surely for every 1 unit increase in the independent variable, the dependent variable will move in the positive direction by the unstandardized beta coefficient amount. Moreover, this positive relationship shows that both variables move in the same direction. The  $\beta$  value in this study is surely negative. Moreover, this finding indicates a clear inverse relationship between the variables. The beta value for stress is -0.905, which means one unit decrease in stress will further increase employee performance by 0.905 units. This negative relationship itself shows that lower stress leads to better performance. The  $\beta$  value for work overload is -0.910, which means reducing work overload by one unit will further increase employee performance by 0.905 units. This relationship itself shows that lower work overload leads to better performance. Moreover, r<sup>2</sup> is actually called the coefficient of determination. This term is definitely used in statistical analysis. The R<sup>2</sup> value itself ranges from 0 to 1, and further indicates the model's explanatory power. If R-square value comes 0, it surely indicates that the model explains none of the variability in response data around its mean. Moreover, this means the model has no predictive power for the given dataset. The value 1 indicates that the model itself explains all variability in the response data around its mean. Further, this means the model accounts for complete variation without any unexplained residuals. In this study, the R<sup>2</sup> value for stress was 0.820, which is surely close to 1. Moreover, this shows that the model explains the variability of response data

**Table 4.9 Summary of Hypotheses Testing**

Hypothesis	Statement	Supported?
H1	There is a negative association among Stress and Employee's performance.	Supported
H2	There is a negative association among work overload and Employee's performance.	Supported

### Discussion and Conclusion

This study aims to investigate how workplace stress and work overload influence employee's performance in the banking sector of Islamabad, Pakistan and to express this impact in quantitative terms. The study was undertaken in the light of significant contribution of human resource outcome. Total of five public and private banks are selected from Islamabad region. Employees were providing with questionnaire to obtain the required data and received their responses in order to analyze it for the impact of stress and work overload on their performance. The study's findings unequivocally show that employee performance in Islamabad's banking industry is greatly impacted by workplace stress and task overload. Strong negative correlations between the independent factors (overload and stress) and the dependent variable (employee performance) are revealed by the regression and correlation results. This implies that worker performance declines as workload and stress levels rise. The results indicated that are constant with past literature. For instance, Batool et al. (2023) found that workplace stress mediates the effect of occupational stress on job performance in Pakistani banks, showing that stress leads to reduced efficiency and productivity. Similarly, Vinod and Ambatipudi (2024) reported that chronic stress and workload pressures among bank employees reduced their engagement and performance. The results of this study confirm that banking employees in Islamabad experience similar challenges because of the challenging requirements of their work environment. The objective of this research was to identify and examine how work place stress, excessive workload, and job performance correlate within a company environment. Stress and work overload negatively impact employees' overall productivity, hindering organizational goals. The company must consider worker satisfaction when aiming for good outcomes. Employees who are happier tend to work harder and provide better services towards achieving company goals.

### Future Directions

Future studies should include banking employees from other major cities in Pakistan such as Karachi, Lahore, and Peshawar. This would improve the generalizability of findings across the country this study used a cross-sectional approach, future research should adopt longitudinal designs to examine how stress and workload affect performance over time and whether interventions can sustainably improve outcomes Other organizational and psychological factors, such as leadership style, organizational culture, job satisfaction, and employee engagement, should be included in future models to provide a more comprehensive understanding of performance determinants Future



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research could compare public and private sector banks, or even extend the scope to non-banking sectors, to examine whether the effects of stress and workload on performance differ across industries. While this study relied on quantitative surveys, qualitative research such as interviews and focus groups could provide deeper insights into how employees personally perceive and cope with workplace stress and overload.

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