# Journal of Economics, Finance and Management Studies

ISSN (print): 2644-0490, ISSN (online): 2644-0504 Volume 5 Issue 12 December 2022 Article DOI: 10.47191/jefms/v5-i12-53, Impact Factor: 6.274 Page No. 3910-3920

# Psychosocial Work Environment and Employees' Performance in Nigerian Oil and Gas Firms



# OSAZEVBARU Henry Osahon (Ph.D)<sup>1</sup>, AGBOR Ebipade<sup>2</sup>

<sup>1,2</sup>Department of Business Administration, Faculty of Management Sciences, Delta State University, Abraka.

**ABSTRACT:** This study investigated the effect of psychosocial work environment on the performance of employees of eight (8) oil and gas firms in Nigeria. Survey research design was used and questionnaire was the major data collection instrument which was administered to employees of oil and gas firms. Four (4) psychosocial work environment dimensions (proactive work behaviour, interpersonal relationship, feeling of safety, and job engagement) were used and data obtained were analyzed via descriptive and inferential statistical methods. The simple regression results established positive relationships between employee performance and proactive work behavior, interpersonal relationships, and feeling of safety. For job engagement variable, a negative effect was established. The study recommended that management of oil and gas firms should use proactive work behaviours such as motivational incentives to improve employees' performance. Also, management should use other options of engaging employees on the job via creating a conducive, safe and less hazardous work environment for employees.

**KEYWORDS:** Proactive work behaviour, Feeling of safety, Interpersonal relationship, Job engagement, Workplace environment **JEL CLASSIFICATION:** J28, L71, M12

# 1. INTRODUCTION

In strategic human resource management (HRM) literature, diverse theories have described the relationship between psychosocial work environment (hereafter, PWE) and employee performance. Remarkably, perspectives on PWE underscore some vital elements like work engagement, proactive work behaviour, job satisfaction, feeling of safety, team performance, interpersonal relationships, risk management etc, as dynamics affecting employee performance. Hashiguchi, Cao, Lim, Kubota, Kitahara, Ishida and Kodama (2020) defined workplace environment as the sum of the interrelationship that exists among the employees and the environment in which they function. The physical location, the immediate surroundings, behavioral practices, policies, norms, culture, resources, and working relationships all play a role in the workplace environment and have an impact on how employees carry out their duties (Osazevbaru & Amawhe, 2021).

According to Humphries (2015), creating an effective office environment comprises improving the working conditions for employees in order to increase their motivation and sense of purpose. Employees are satisfied when they feel their immediate surrounding is safe (Farh, 2012). Positive psychosocial forces have a significant impact on an employee's error rate levels, efficiency and inventiveness, collaboration with coworkers, absenteeism, and retention (Ramos-Villagrasaa, Barradaa, Fernández-del-Roa & Koopmans, 2019). More so, positive psychosocial factors can act as health-maintaining and health-enhancing agents for the employees (Bragg & Bowling, 2018; Chen, Li, Xia & He, 2017).

In developing and industrialized societies, both work and living environments can be major sources of adverse psychosocial factors which result in stressful experiences. The relative import of psychosocial factors in causing stress related issues according to Barrada, Castro, Correa and Ruiz-Gómez(2018), may vary widely in individuals and in different population groups.

A review of studies on occupational stressors and related psychological, physiological and behavioral disorders revealed that serious problems are found in roughly 5 to 10 percent of the working population, being higher among the older age group. Current trend in the promotion of occupational health and safety takes into account not only the physical, chemical and biological hazards in the work environment but also various psychosocial factors inherent in the organization which may have considerable influence on the physical and mental well-being of the worker. The working environment is increasingly being regarded as a set of interdependent factors making up a complex whole which acts on people at work (Kohun, 2012).

The effects of psychosocial factors in the work environment are numerous and varied. They include physical aspects of the organization, systems of work, and quality of human relations in the organization. All these factors interact and affect the psychological climate in the organization and the physical and mental health of employees. In specifics, the psychosocial work environment in the oil and gas sector is linked not only to the structure and living conditions of the working community but also to a whole range of demographic, economic and social problems (Cail, 2011). It is generally recognized that economic growth, technical progress, expanding productivity, and social stability depend not only on the means of production but also on the working and living conditions and on the level of health and well-being of workers and their families. The success of these businesses depends on the type of working environment that employees are exposed to (Chandrasekhar, 2011; Ramos-Villagrasa, Del Ro, Barrada, & Koopmans, 2019).

Psychosocial aspects like working conditions, role congruity, and social support from supervisors contextualize the office layout and design. Policies include both the human resource policies as well as the work circumstances of employees derived from industrial instruments and agreements reached with employees and unions. An improved physical work environment will enhance performance and productivity of the employees (Challenger, 2010). A healthy workplace environment makes good business sense and is characterized by respect that supports employee engagement and creates a high performance culture that encourages innovation and creativity (Kohun, 2012; Hashiguchi, Cao, Lim, Kubota, Kitahara, Ishida, &Kodama, 2020). Since they are in a better position to draw in and keep highly trained workers, businesses that are thought of as good places to work are more likely to have a competitive edge.

Less employee turnover, fewer fraud instances, better safety procedures, an easier time attracting and keeping qualified staff, and enhanced employee wellness are all possible outcomes of a positive workplace culture. In almost all high-performing oil and gas firms, one massage holds true above them all: 'people are an organization's most important asset (O'Neill, 2007). Employee performance is the combined results of effort, ability, and perception of tasks. It is imperative for organizational outcomes and success. Favourable workplace environment guarantees wellbeing of employees as well as enables them to exert themselves to their roles with all energy that may translate to higher performance (Taiwo, 2010).

The Nigerian oil and gas sector is characterized by high competition owing to among others, the lifting of exchange controls in 2009 which led to the liberalization of the sector. To survive and thrive, firms in the oil and gas sector have to embrace strategies of keeping the quality of the workplace high as a competitive strategy. Since employees' are the key resource of any oil and gas firm, long-term benefits of a properly designed and user-friendly workplace environment should be factored into any initial cost consideration. Special focus should be given to a performance culture that values each employee and encourages a sustainable work-life balance in order to consistently enhance working conditions (World at Work, 2007).

Against this backdrop, the study seeks to: (i) determine the relationship between proactive work behavior and employees' performance. (ii) Examine how interpersonal relationships at work influence employees' performance. (iii) Ascertain the relationship between feeling of safety and employees' performance. (iv) Investigate the relationship between job engagement and employees' performance in the oil and gas sector in Nigeria. The study hypothesized the following: (i) proactive work behavior has no significant relationship with employee's performance. (ii) Interpersonal relationship has no significant influence on employee performance. (iii) Feeling of safety does not significantly explain employee performance. (iv) Job engagement has no significant relationship with employees' performance.

#### 2. REVIEW OF RELATED LITERATURE

#### 2.1. Psychosocial Work Environment

The concept of PWE is difficult to grasp, since it represents workers' perceptions and experience, and reflects many considerations. Some of these considerations relate to the individual worker, while others relate to the conditions of work and the work environment. Still others refer to social and economic influences, which are outside the workplace but which have repercussions within it (Gummesson, 2018). An examination of work environment have characterized these different components in more explicit terms, as well as to explain the nature of their interactions and effects, emphasizing health among other outcomes. Fundamental individual factors include the worker's capacities and limitations relative to job demands, and the fulfilment of needs and expectations. Working conditions and the work environment include the task itself, physical conditions at the jobsite, worker/co-worker/supervisor relations, and management practices.

Factors external to the workplace but relevant to psychosocial concerns at work include families or private life concerns, cultural elements, nutrition, ease of transport, and housing. PWE as viewed in this manner must be defined broadly enough to account for these influences and their effects. With regard to the effects, studies of the psychosocial aspects of work and job conditions have been conducted mainly in the context of stress evaluations, with adverse effects such as emotional disturbances, behavioural problems and ill-health being noted. Hence, PWE have largely been seen in a negative way. However,

PWE in the oil and gas sector also need to be seen as having favourable or positive influences on health and other aspects of life. Recognition of positive psychosocial factors at work merits increased attention.

Recognizing that the human component and the organization are synonymous is essential to comprehending the fundamental role of workplace environment in the organization. Changing environments provide oil and gas companies with opportunities as well as a myriad of challenges. The management and integration of physical and psychosocial environments is one of the competitive issues encountered in the oil and gas sector. Most oil and gas companies are beginning to reconsider how their work environment is designed and what facilities they offer to staff. Therefore, the important component to enhancing performance and subsequently sustainable returns must be a supportive work environment (Abdulla, Baker & Vlasic, 2010). The idea of workplace environment has been operationalized by examining how much employees believe their immediate surroundings satisfy their social, emotional, and psychological requirements and the reason they continue to work for the company (Haynes, 2008).

The advantages of establishing and preserving a positive workplace are considerable. These include a competitive advantage, higher profitability, increased profits, increased security, and improved health. Enhancing the workplace environment reduces errors, complaints, and absenteeism while also increasing performance. Govindarajulu (2004) emphasized that in twenty-first century, businesses are moving towards more strategic approach of environmental management to enhance their performance through improving and managing performance levels of employees.

One of the vital dimensions of PWE includes the worker's capacities and limitations relative to job demands and fulfilment of needs and expectations. With regard to the effects, studies of the psychosocial aspects of work and job conditions have been conducted mainly in the context of stress evaluations, with adverse effects such as emotional disturbances, behavioral problems and ill-health being noted. Hence, psychosocial factors at work have largely been seen in a negative way.

#### 2.2. Employee Performance

Employee performance has been one of the most important objectives for several organizations. This is because higher levels of employee productivity provide an organization and its employees with various advantages. Higher productivity, for instance, results in favorable economic growth, significant profitability, and improved social advancement (Sharma & Sharma, 2014). Additionally, employees who are more productive can obtain better wages/salaries, better working conditions, and favourable employment opportunities. In this study, employee performance would be measured using employees' productivity.

Employees' productivity can be seen as a dimension of employees' performance. Employees that are more productive can also expect to receive more pay, better working conditions, and more favorable job chances. Additionally, increased productivity typically maximizes an organization's competitive edge through cost savings and an increase in high-quality output (Baily et al., 2015; Hill et al., 2014).

In fact, the issue of employee productivity has recently gained recognition in the literature and carries extreme significance. Previous research works on employees' productivity have been largely neglected (Brown et al., 2009; Filitrault, Harvey, & Chebat, 2016). As a result, it has been challenging to define and quantify employee productivity. For instance, despite the concomitant implications that it could rely on the form of business, the mainstream definition of productivity has mostly focused on the ratio between input costs and output value. Overall, conceptualizing, measuring, and evaluating the precursor of employees' productivity seem to be fraught with ambiguity.

The desire to increase staff productivity is one of the major difficulties that the majority of firms are currently facing. Employee productivity measures a worker's or a group of workers' effectiveness. In reality, productivity is a factor that has a direct impact on the revenue of the business (Gummesson, 2018). An employee's production during a given time period can be used to measure productivity. A worker's productivity will often be judged in comparison to the average output of workers performing similar tasks. It can also be measured in terms of how many units of a good or service an employee uses in a certain period of time (Piana, 2011). Staff productivity has become a key goal for corporations because employee productivity is mostly what determines an organization's success (Cato & Gordon, 2009; Gummesson, 2018; Sharma & Sharma, 2014).

Many studies have focused on one or two ways to measure productivity and since many different approaches are taken, it can be challenging to compare the results. Overall, there is a lack of an effective and standardized way to assess productivity. According to Sharma and Sharma (2014), employee productivity is based on the extent of time an employee is physically present at work, and extent to which the employee is efficiently working for the organization. Companies should address such issues in order to ensure high worker productivity. Productivity can also be evaluated in terms of the time spent.

#### 2.3 Dimensions of Psychosocial Work Environment

The dimensions of PWE adopted in this study include proactive work behavior, interpersonal relationship, feeling of safety, and job engagement

#### 2.3.1. Proactive Work Behaviour

PWE embraces proactive work behavior as a dimension when assessing employee performance, as well as their counterproductive performance (Navarro-Carrillo, Beltrán-Morillas, Valor-Segura & Expósito, 2017; Berg, *et al*, 2008). The fact is when there is the existence of proactive work behavior, it may influence workers' attitudes and behavior, an area in which practice work behavior element seems to be a deciding factor for promoting the performance of employees. Proactive work behavior encompasses motivation to work, embracing ethics and comfortably working under pressure (Tarurhor, 2017).

Proactive work environment as a dimension of PWE has been used by prior researchers like Navarro-Carrillo et al (2017). Remarkably, in the Nigerian context, there is dearth of studies on the relationship between proactive work behaviour and employees' performance, particularly for oil and gas companies and this study seeks to satisfy this.

#### 2.3.2. Interpersonal Relationships

Interpersonal relationships in the workplace are an unavoidable reality for all those working in the context of an organization. However, researchers had focused on the effects of negative interpersonal relationship at work on employee outcomes. These studies invariably find increased level of job dissatisfaction, and negative physical and mental health outcomes among employees who have been subjected to negative interpersonal interactions reflecting aggression, social exclusion, and incivility (Bowling & Beehr, 2016; Williams, 2010). However, positive interpersonal connections are associated with better individual and work-related outcomes (Heaphy & Dutton, 2008). Positive interactions foster positive interpersonal relationships, wherein workers find fulfilment. In this positive relational context, employees may find an opportunity to fulfill their need to belong (Sulea, Maricutoiu, Dumitru & Pitariu, 2015).

A fundamental human drive that controls both intentional and unconscious actions, thoughts, and feelings is the desire to fit in. To satisfy the need to belong, two requirements must be met: first, contacts must be regular, non-aversive, and second, they must take place within the framework of an established, long-lasting connection. Beyond family interactions, many adults find that their interactions with coworkers are rarely matched in terms of frequency and regularity. As a result, the workplace encourages the growth of long-lasting connections and repeated contacts.

Heaphy and Dutton (2008) made a vital distinction between a connection and a relationship in the workplace. According to these authors, connection involves mutual awareness of both parties that an interaction has taken place and does not imply intimacy. On the other hand, a relationship develops from the recurrence of interaction or connection. Thus, both connection and relationship require awareness and contribution of two parties. The study noted further that employees' subjective experiences of their connections with others have immediate and consequential effects on their mental wellbeing. For this reason, we see interpersonal relationship as an employee's subjective experience of recurring interactions or connections with other employees.

# 2.3.3. Feeling of Safety

Psycho-social work environment entails feeling of safety as a measure for evaluating employees' performance (Navarro-Carrillo, *et al*, 2017; Berg, *et al*, 2008). The idea is that when the work environment is considered or deemed safe it may positively affect workers' attitudes. Feeling of safety considers the physical safety and temperature in the workplace. It is recognized that owing to the increased pace of technological advancement, some forms of occupational exposure in combination with other factors (such as the sensitivity of the individual, way of life and the general conditions of the work environment) generate fears, which makes the workplace environment unsafe.

Feeling of safety as a dimension of psychosocial work environment has been used by prior researchers like Hashiguchi, Cao, Lim, Kubota, Kitahara, Ishida & Kodama (2020). Notably, in the Nigerian context, there is dearth of empirical studies on the link between feeling of safety and employees' performance, particularly for oil and gas companies and this warrants investigation.

#### 2.3.4. Job Engagement

The term job engagement refers to people's obligations or commitments to perform in a way that furthers both the organization's objectives and theirs. In order for employees to perform better, they must essentially be fully focused on the job at hand and accountable to the organization. By empowering people to manage their own duties and responsibilities, employers may foster a work environment that supports employees' well-being and boosts productivity and efficiency.

One of the top concerns for organizational executives is job engagement. According to McEwen (2011), an employee's position at work is influenced by how they perceive and rate many aspects of their working environment, including their employer, organizational leaders, the job at hand, and the workplace itself. Managers should focus on the workforce's abilities,

expertise, and talents in order to improve employee job roles. According to Rothmann and Storm (2013), behavioral satisfaction, efficacy, and involvement are all indicators of job engagement.

Job engagement is defined by Fleming and Asplund (2007) as "the ability to grab the brains, hearts, and souls of your employees to instill an inner desire and passion for greatness". Some studies have also considered the concept of job engagement as including cognitive, emotional, and behavioral components that are connected to the importance of employee performance (Shuck et al., 2011). It displays a worker's dedication and interest in the work that is intended to boost organizational performance.

Engagement was described by Bakker and Demerouti (2008) as "a pleasant, rewarding state of mind associated to work that is marked by vigor, dedication, and absorption." Vigor may be summed up as an employee's level of energy and mental toughness while performing his or her duties. According to Shirom (2013), vigor refers to an employee's overall physical and mental wellness. Sharma (2014), on the other hand, demonstrated dedication as being deeply interested in the task, which is evident in expressions of excitement, difficulty, and significance. The other aspect of job engagement, called absorption, was described as being completely concentrated and contently engaged to one's work, whereby the employee feels that time passes swiftly and finds it difficult to separate himself from work.

Markos and Sridevi (2010) state that employers should consider investing in work engagement, because recent researches on this topic have clearly indicated that there is a positive association between work engagement and performance outcomes, such as employee retention and productivity. Fleming and Asplund (2007) added that employees who are engaged or involved with their jobs are perceived to be more productive because they are motivated toward accomplishing their work beyond any personal factors. They are also more focused than those of disengaged counterparts. Furthermore, employees who are engaged are in most cases assumed to work more efficiently and with the aim of putting the success of the organization in their minds as a top priority.

Although many studies have emphasized the importance of job engagement in promoting performance and favorable economic outcomes, these claims are only occasionally backed up by empirical data (Saks, 2006). Additionally, it is stated that engagement ought to be seen as a crucial organizational strategy including all organizational levels (Frank et al., 2014). Saxena and Srivastava (2015) reported that work engagement has become one of the main challenges/activities that need to be well managed to fulfill organization goals and that there is need to test its effect on performance outcomes.

Based on the conceptual review, the following model was conceptualized to show the relationship between the independent variable (psychosocial work environment measures) and dependent variable (employee performance).

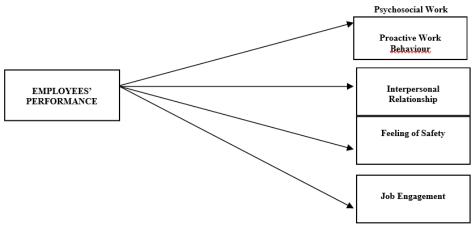


Figure 1. Conceptual Model of the Study Source: Conceptualized by Authors

# 2.4. Theoretical Framework

The study adopted the strategic management theory propounded by Ramos-Rodríguez and Ruíz-Navarro (2014). The theory identifies three roots to strategic management: economics, sociology and psychology as they have to do with psychosocial work environment and employee performance in organization. The link between psycho-social work environment and employees' performance is vital for competitive advantage. According to Sharma (2014), strategic management theory was initially a body of knowledge that would underpin practical advice to managers, but evolved into the endeavour to identify a theory with explanatory and predictive power that will encourage sound administrative psychosocial work environment and employee performance.

The strategic management theory identifies certain economic, psychological and sociological factors as affecting employees' performance to include feeling of safety, proactive work behavior, job engagement, job satisfaction, interpersonal relationship, work condition, among others. The relevance of strategic management theory to this current study is that notwithstanding other factors that may affect the way employees behave in the organization, psychosocial (a blend of psychological and sociological factors) are the most predominant affecting employees' performance.

The theory showed that improved employee performance is the outcome of a complex interface between the employee and the environment and the expected outcomes driving the employees' behavior (Ramos-Villagrasaa, *et al*, 2019; Ramos-Rodríguez & Ruíz-Navarro, 2014). The choice of the strategic management theory is premised on the ground that the theory offers one of the finest explanations as to why some employees are not performing well while others are.

#### 3. RESEARCH METHOD

In this study, descriptive survey design was used. The study population comprised employees of eight (8) oil and gas companies in Nigeria. The total population of these oil and gas companies is put at two hundred and twenty-two (222). Given the not too large nature of the population of study, all employees were used; however, out of the 222 employees, one hundred and ninety-two (192) representing about 86.5% responded to the questionnaire administered.

The major instrument of data collection is the questionnaire designed on a 4-point Likert scale of strongly agree(4), agree(3), disagree(2) and strongly disagree(1). In testing for reliability of the instrument, test-retest method was adopted and the outcomes obtained were subjected to a Cronbach Alpha reliability test. The research instrument yielded Cronbach Alpha coefficients as follows:

Dimensions/Variables	Cronbach Alpha Index
Employee Productivity	0.80
Proactive Work Behavior	0.71
Job Engagement	0.82
Interpersonal Relationships	0.84
Feeling of Safety	0.72

# Table 1. Cronbach Alpha Reliability Results

Source: Authors' Computation

This study builds on existing models of Cail (2011) and Gummesson (2018). In view of the above, the following empirical models were specified to determine the link between the dimensions of psychosocial work environment and employees' performance:

EmpPerf= β₀+ β₁PwBeh+ ui	equ. 1
$EmpPerf= \theta_0 + \theta_2 IntRel + u_i$	equ. 2
EmpPerf= β₀+ β₃FelSaf+ ui	equ. 3
$EmpPerf = \theta_0 + \theta_4 JobEng + u_i$	equ. 4

Where: *EmpPerf* = Employee performance (measured using employee productivity); *JobEng* = Jobengagement; *IntRel* = Interpersonal relationships; *FelSaf* = Feeling of safety; *PwBeh* = Proactive work behavior;  $U_i$  = Error Term;  $\beta_0$  = Intercept;  $\beta_1 \dots \beta_4$  = Coefficients of the independent variables.

Data obtained were analyzed using descriptive statistics, Pearson correlation, and inferential (simple regression) statistical tools.

#### 4. RESULTS AND DISCUSSION

Statistics	Empperf	Pwbeh	Felsaf	Jobeng	Intrel
Mean	2.3658	2.6163	2.5937	2.5763	2.7343
Median	2.5000	2.6667	2.6667	2.6667	2.6667
Skewness	-1.0525	-0.3327	-0.534	-0.531	-0.1923
Kurtosis	4.1723	2.6940	3.3103	2.8240	2.5052
Maximum	3	4	4	3.6667	4
Minimum	1	1	1	1	1
N	192	192	192	192	192

#### Table 2. Summary of Descriptive Statistics

**Source:** Authors' Computation

Table 2 shows the summary of descriptive statistics (mean, median, skewnesss, kurtosis, maximum, minimum, and number of observations). The result showed that the maen values of the dimensions of psychosocial work environment (pwbeh=2.62; felsaf=2.59; jobeng=2.58; intrel=2.73) and employee performance (empperf=2.37) surpassed the criterion mean value of 2.0. The same was found for the median values for all the variables of the study; an indication that the perceptions of the respondents are closely connected and their views are common on PWE and employees' performance.

The skewness and kurtotis results were used to assess the normality of data. The kurtosis results showed that *empperf* (4.17) had the highest kurtosis and *intrel* (2.51) the least kurtosis. Additionally, the kurtosis values for all the variables revolved around 2.5 to 4.1; an indication that the variables are not far from normally distributed. More so, the skewness values showed that the PWE dimensions skewed towards one path (negative) with employee performance (*empperf*).

	Empperf	Pwbeh	Felsaf	Intrel	Jobeng
Empperf	1.0000				
Pwbeh	0.0835	1.0000			
Felsaf	0.1378	0.1446	1.0000		
Intrel	0.0220	0.1960	0.0382	1.0000	
Jobeng	-0.0211	0.0834	0.2242	0.0136	1.0000

#### **Table 3. Pearson Correlation Coefficient Matrix**

Source: Authors' Computation

Table 3 showed the Pearson correlation coefficient (PCC) matrix of the dimensions of psychosocial work environment (pwbeh, felsaf, intrel and jobeng) and employee performance (empperf). The result showed that the psychosocial work environment dimensions (pwbeh, felsaf, and intrel) were positively correlated with employee performance (empperf) except job engagement (jobeng) that was negatively correlated with employee performance. This implies that while there are positive relationships among proactive work behavior, feeling of safety and interpersonal relationship and employee performance, job engagement negatively relates with employee performance.

#### 4.1 Testing the Hypotheses

# Test of hypothesis 1 using model 1

Table 4. Regression Result of Proactive Work Behaviour and Employees' Performance

Number of (	Obs. =	192				
F (1, 190)		= 1.33				
Prob > F	=	0.2497				
Empperf	Coef.	Std. Error	t	P>/t/	95% Confide	ence Interval
Pwbeh	0.0512	0.0443	1.15	0.250	-0.0367	0.1387
_cons.	2.2318	0.1198	18.62	0.000	1.9955	2.4682

Source: Authors' Computation (2022)

In Table 4, the regression result for proactive work behavior (pwbeh) and employees' performance (empperf) had coefficient value of 0.0512. This value is positive which means that proactive work behaviour has positive influence on employee performance. However, the statistical significance of this value as determined by the p-value of the t-statistics shows that the p-value (0.250) is greater than the 0.05 significance level. Again, the t-value of 1.15 lies outside the 95% confidence interval and the probability value of the F-statistics (0.2497) is greater than 0.05. Based on this statistical evidence therefore, the proposed hypothesis is not rejected. This implies that there is insignificant and positive relationship between proactive work behavior and employee performance.

#### Test of hypothesis 2 using model 2

Table 5. Regression Result of Interpersonal Relationships and Employees' Performance

Number of (	Obs. =	192				
F (1 <i>,</i> 190)		= 0.09				
Prob > F	=	0.7621				
Empperf	Coef.	Std. Error	t	P>/t/	95% Confide	ence Interval
ntrel	0.0159	0.0525	0.30	0.762	-0.0877	0.1196
cons.	2.3222	0.14679	15.82	0.000	2.0327	2.6118

In Table 5, the coefficient of the explanatory variable (Intrel = 0.0159) is positive. This implies that interpersonal relationship can increase employee's performance. However, the explanatory power of this variable is rather statistically insignificant. This is because the t-statistics which measures statistical significance has a probability value (0.762) greater than 0.05. Again, the 95% confidence interval excludes the t-value of 0.30; and the F-stat is statistically insignificant judging from its probability value that is greater than 0.05. Clearly, the positive influence of interpersonal relationships on employee performance is not significant statistically and accordingly, the hypothetical proposition is accepted.

# Testing hypothesis3 using model 3 Table 6. Regression Result of Feeling of Safety and Employees' Performance

	0		0 /				
Prob > F = 0.0566   Empperf Coef. Std. Error t P>/t/ 95% Confidence Interv   Felsaf 0.0951 0.04957 1.92 0.057 -0.0026 0.1929	Number of C	Obs. =	192				
Empperf Coef. Std. Error t P>/t/ 95% Confidence Interv   Felsaf 0.0951 0.04957 1.92 0.057 -0.0026 0.1929	F (1, 190)		= 3	3.68			
Felsaf 0.0951 0.04957 1.92 0.057 -0.0026 0.192	Prob > F	=	0.0566				
	Empperf	Coef.	Std.	Error t	P>/	/t/ 95% C	Confidence Interval
cons 2,1192 0,1319 16,06 0,000 1,8588 2,379	Felsaf	0.0951	0.049	957 1.	92 0.0	57 -0.002	0.1929
	_cons.	2.1192	0.13	19 16	5.06 0.0	00 1.858	8 2.3795

Source: Authors' Computation (2022)

The results in Table 6 show that the regression coefficient (0.0951) carries positive sign. With this result, the parameter has positive impact on the dependent variable. Which means that feeling of safety can increase employee's performance. The t-value for this estimate is 1.92 with a probability value of 0.057. This probability value is greater than 0.05 but less than 0.1. Thus, the estimate is not significant at 5% but only at 10%. More also, the 95% confidence interval does not include the value of t. Hence, it can be concluded that while feeling of safety can increase performance but it is strong enough to drive performance in the study area. Accordingly, the hypothesis proposed is not rejected.

# Test of hypothesis 4 using model 4

Table 7. Regression Result of Job Engagement and Employees' Performance

-						
Number of C	Obs. =	192				
F (1, 190)		= 0.09				
Prob > F	=	0.7709				
Empperf	Coef.	Std. Error	t	P>/t/	95% Confide	ence Interval
Jobeng	-0.0136	0.04672	-0.29	0.771	-0.1057	0.0785
_cons.	2.4000	0.1240	19.36	0.000	2.1562	2.6456

Source: Authors' Computation (2022)

In Table 7, the estimate of the explanatory variable, Jobeng, is -0.0136. The sign of this estimate is negative which means that job engagement does not increase performance. The statistical significance of this variable measured by the t-value shows that it is not significant. Implicitly, the negative influence is not statistically strong. The t-value is -0.29, its probability value is 0.771 which is greater than 0.05, and the t-vale does not lie within the 95% confidence interval. The probability value of the F-statistics (0.7709), which is greater than 0.05, points to the insignificance of this parameter estimate. In the light of the foregoing, the hypothesis proposed is not rejected. This implies that there is an insignificant relationship between job engagement and employee performance.

# 4.2. Discussion of Findings

Proactive work behaviour connotes motivation to work, ethically and comfortably working under pressure in an organization. Prior studies (Berg, *et al*, 2008; Navarro-Carrillo, *et al*, 2017) have established that proactive work behaviour can be used to assess employee performance as well as their counterproductive performance. The rationale for this assertion may be connected to the fact that when there is the presence of proactive work behaviour in an organization, it may affect employees' behaviour. Findings from the simple regression result showed that proactive work behaviour insignificantly and positively affects employees' performance in oil and gas firms in Nigeria. This finding agrees partly with the result of Navarro-Carrillo, *et al* (2017) who found that proactive work behaviour positively and significantly affects the performance of employees but diverges from the same study in that our study did not find significant effect.

Interpersonal relationships are those unavoidable realities for people working in and within an organization. Interpersonal relationship may be in the context of the relationships that workers find as a social purpose. Findings of the

simple regression result revealed that interpersonal relationship insignificantly and positively affects employees' performance of oil and gas firms in Nigeria. This finding is at variance with the result of Sulea et al (2015) who found that interpersonal relationship positively and significantly affects the performance of employees in India.

The feeling of safety is the physical safety and temperature employees experience in the work environment. Feeling of safety as a dimension of psychosocial work environment has been used by prior studies like Hashiguchi, Cao, Lim, Kubota, Kitahara, Ishida and Kodama (2020). Remarkably, the regression result showed that feeling of safety insignificantly but positively affects employees' performance of oil and gas firms in Nigeria. This finding deviates partly from the result of Hashiguchi, *et al* (2020) who found that feeling of safety positively and significantly affects the performance of employees.

Job engagement is the commitments by employees to act in line with organizational goals and those relating to themselves. When employees are to perform better, they are required to be well engaged in their tasks. Several researches have emphasized the significance of job engagement in driving employee performance and business outcomes; there are few evidences that show support for this assertion in Nigeria. Findings of the simple regression result revealed that job engagement insignificantly and negatively affects employees' performance of oil and gas firms in Nigeria. This finding diverges with the result of Navarro-Carrillo, *et al* (2017) and Jalal (2015) who found that job engagement positively and significantly affects employees' performance. This result is expected because of the high level of casualisation of workers in the Nigerian oil and gas industry. Majority of them do not feel engaged and therefore, job engagement variable is not a driver of performance in the industry.

#### 5. CONCLUSION AND RECOMMENDATIONS

Competition in all sectors of the global economy is compelling management of oil and gas firms to strive towards providing a work environment that is capable of promoting good work behavioural practices, safety, interpersonal relationship and job engagement for the workforce. In fact, there is an extensive viewpoint in human resource management literature that when the workforce is given good work environment, it results to increased performance or productivity. While the above viewpoint is widespread in the literature, there are no assertions that the link between psychosocial work environment (in area of feeling of safety, job engagement, proactive work behaviour and interpersonal relationship) and performance may vary (negative or positive).

Consequently, this study examined the relationship between psychosocial workplace environment and employee performance in Nigerian oil and gas sector. Results indicated that all the dimensions of psychosocial workplace environment of the study (proactive work behaviour, interpersonal relationship feeling of safety, and job engagement) do not significantly affect the performance of oil and gas employees. Given the findings of the study, the following recommendations were proffered. (i) The management should use proactive work behaviours like provision of motivational incentives for employees in order to adequately improve employees' performance. (ii) The management should use other options of engaging employees on the job, such as creating a conducive, safe and less hazardous work environment for employees.

#### REFERENCES

- 1) Abdulla, J. Baker, S. & Vlasic, B. (2010). Environmental performance in a banking perspective. Journal on Finance and Banking, 33(1) 22-33.
- 2) Baily, M. N., Farrell, D., Greenberg, E., Henrich, J. D., Jinjo, N., Jolles, M., & Remes, J. (2015). Increasing global competition and labor productivity: Lessons from the US automotive industry. McKensie Global Institute, November, 7.
- 3) Bakker, A. B., & Demerouti, E. (2008). Towards a model of work engagement. Career Development International, 13(3), 209-223.
- 4) Barrada, J.R., Castro, Á., Correa, A.B. & Ruiz-Gómez, P. (2018). The tridimensional structure of socio-sexuality: Spanish validation of the revised socio-sexual orientation inventory. Journal of Sex and Marital Therapy, 44(3), 149-158. https://doi.org/10.1080/0092623X.2017.1335665
- 5) Berg, T.I.J.V.D., Alavinia, M., Bredt, F.J., Lindeboom, D., Elders, L.A.M., & Burdorf, A. (2008). The influence of psychosocial factors at work and lifestyle on health and work ability among professional workers. International Archaeology and Occupational Environmental Health Journal, 81(2), 1029-1036.
- 6) Bowling, N.A. & Eschleman, K.J. (2010). Employee personality as a moderator of the relationships between work stressors and counterproductive work behavior. Journal of Occupational Health Psychology, 15(2), 91-103. doi: 10.1037/a0017326

- 7) Bragg, C.B. & Bowling, N.A. (2018). Not all forms of misbehavior are created equal: Differential personality facetcounterproductive work behavior relation. International Journal of Selection and Assessment, 26(2), 27-35. https://doi.org/10.1111/ijsa.12200
- 8) Brown, J., Elliott, S., Christensen-Hughes, J., Lyons, S., Mann, S., & Zdaniuk, A. (2009). Using human resource management (HRM) practices to improve productivity in the Canadian tourism sector. Electronic Article, University of Guelph, 1(1), 1-15.
- 9) Cail, F. (2011) "Investigations in operators working with CRT display terminals: Relationships between task content and psycho-physiological alterations", in Ergonomie aspects of visual I display terminals. Proceedings of the international workshop, Milan, 17-19
- 10) Cato, S. T., & Gordon, J. (2009). Relationship of the strategic vision alignment to employee productivity and student enrolment. Research in Higher Education Journal, 7(1), 1-20.
- 11) Chandrasekhar, K. (2011). Workplace environment and its impact on organizational performance. International Journal of Business Systems, 7(1), 17-18.
- 12) Chen, Y., Li, S., Xia, Q. & He, C. (2017). The relationship between job demand and employees' counterproductive work behaviors: the mediating effect of psychological detachment and job anxiety. Frontiers in Psychology, 8(18), 1-15
- 13) Farh, C. C. & Seo, T. (2012). Emotional intelligence, teamwork effectiveness, & job performance: the moderating role of job context. Journal of Applied Psychology, 2(1), 1-13
- 14) Filitrault, P., Harvey J. & Chebat, J.C. (2016). Service quality and service productivity management practice. Industrial Marketing Management, 25(3), 243-255.
- 15) Fleming, J.H., & Asplund, J. (2017). Human Sigma. New York; Gallup Press.
- 16) Frank, F. D., Finnegan, R. P. & Taylor, C. R. (2014). The race for talent: retaining and engaging workers in the 21st century. Human Resource Planning, 27(3), 12-25.
- 17) Govindarajulu N, Bonnie, F. Daily. (2014). Motivating employees for environmental improvement. Industrial Management and Data Systems, 1(1), 1-19
- 18) Gummesson, E. (2018). Productivity, quality and relationship marketing in service operations. International Journal of Contemporary Hospitality Management, 10(1), 4-15.
- 19) Hashiguchi, N., Cao, J., Lim, Y., Kubota, Y., Kitahara, S., Ishida, S. & Kodama, K. (2020). The effects of psychological factors on perceptions of productivity in construction sites in Japan by worker age. International Journal of Environmental Research and Public Health, 17(3517), 1-18. doi:10.3390/ijerph17103517
- 20) Haynes, B.P. (2008). The impact of office comfort on productivity. Journal of Facilities Management, 6(1), 37-51
- 21) Heaphy, E. D., & Dutton, J. E. (2008). Positive social interactions and the human body at work: Linking organizations and physiology. Academy of Management Review, 33(4), 137-162.
- 22) Hill, C., Jones, G., & Schilling, M. (2014). Strategic management: theory: An integrated approach. London: Cengage Learning.
- 23) Humphries, M. (2015). Quantifying occupant comfort: Are combined indices of the indoor environment practicable? Building Research and Information, 33(4), 317-325.
- 24) Jalal H. (2015), Improving employee productivity through work engagement: Empirical evidence from higher education sector. Management Science Letters, 6(2), 61–70.
- 25) Kohun, (2012). Workplace Environment and its impact on organizational performance in public sector organizations. International Journal of Enterprise Computing and Business System International Systems,1(1), 11-23
- 26) Markos, S., & Sridevi, M. S. (2010). Employee engagement: The key to improving performance. International Journal of Business and Management, 5(12), 89-96.
- 27) McEwen, D. (2011). Employee engagement: A systemic approach to high employee engagement. London: Macmillan Publisher
- 28) Navarro-Carrillo, G., Beltrán-Morillas, A.M., Valor-Segura, I. & Expósito, F. (2017). What is behind envy? Approach from a psycho-social perspective. Revista de Psicología Social, 32(2), 217-245. https://doi.org/10.1080/02134748.2017.1297354
- 29) O"Neill, M.J. (2007). Measuring workplace performance. New York: Taylor and Francis.
- 30) Osazevbaru, H.O. & Amawhe, P.E. (2021). Empirical narratives on workplace environment and employees' performance nexus: Evidence from the knowledge industry. Journal of Academic Research in Economics, 13(3), 422-441
- Piana, V. (2011). Productivity. Available online from: http://www.economicswebinstitute. org/glossary/prdctvt.htm [24<sup>th</sup> January, 2022]

- 32) Ramos-Villagrasaa, P.J., Barradaa, J.R., Fernández-del-Ríoa, E. & Koopmans, L .(2019). Assessing job performance using brief self-report scales: The case of the individual work performance questionnaire. Journal of Work and Organizational Psychology, 35(3), 195-205
- 33) Rothmann, S., & Storm, K. (2013). Work engagement in the South African police service. Available at: http://www.sajip.co.za/index.php/sajip/article/view/925/973. [Accessed 30 January, 2022]
- 34) Saks, A. M. (2016). Antecedents and consequences of employee engagement. Journal of Managerial Psychology, 21(7), 600-619.
- 35) Saxena, V., & Srivastava, R. K. (2015). Impact of employee engagement on employee performance Case of manufacturing sectors. International Journal of Management Research and Business Strategy, 4(2), 139-174.
- 36) Shirom, A. (2013). Feeling Vigorous at work? The construct of Vigor and the study of positive affect in organizations, in Ganster, D. and Perrewe, P.L. (Eds). Research in Organizational Stress and Well-being, JAI Press, Greenwich, CT, 135-65.
- 37) Shuck, M. B., Rocco, T. S. & Albornoz, C. A. (2011). Exploring employee engagement from the employee perspective: implications for HRD. Journal of European Industrial Training, 35(4), 300- 325.
- 38) Sulea, C., Maricutoiu, L., Dumitru, C.Z. & Pitariu, H.D. (2015). Predicting counterproductive work behaviors: a metaanalysis of their relationship with individual and situational factors. Psihologia Resurselor Umane, 8(1), 66–81.
- 39) Tarurhor, M. E. (2017). Work stress and employees' performance amongst staff of Delta State University, Abraka: The moderating role of career development. Ilorin Journal of Management Sciences, 4(1), 1-12
- 40) Williams, H. M., Parker, S. K., & Turner, N. (2007). Perceived dissimilarity and perspective taking within work teams. Group and Organizational Management, 32(2), 569-598.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0)

(https://creativecommons.org/licenses/by-nc/4.0/), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.