



Work Environment and Employee Productivity: A Study of Nigerian Breweries, Ibadan, Oyo State, Nigeria

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Abstract

The rise in the number of business' closure and poor performances in Nigeria is not unconnected with harmful work environment and attendant workers' psychological and emotional health. This study investigated the effect of work environment on employee performance at Nigerian Breweries, Ibadan, Oyo State. The study adopted survey research design with the primary data obtained using a well-structured questionnaire administered to randomly selected 255 staff of the company. Data were processed and analyzed using descriptive and inferential analyses. The tested hypotheses indicated that work environment had significant effect on employee performances. It was revealed that work environment impacted significantly on employee's wellbeing and job security. It was therefore recommended that the company put in place mechanisms and host of packages that would ensure healthy work environment.

Keywords: Work Environment; Employee Welfare; Job Security; Organisation Productivity.

Introduction

There has been growing concern about the negative effects of work environment on employee well-being, job satisfaction, and overall productivity. The rise in the number of business' closure and poor performances in Nigeria is not unconnected with harmful work environment and attendant workers' psychological and emotional health. Hence employee performance is critical for any company because it ultimately determines the company's success (Shaughnessy, 2017). Walton (2008) defined a toxic organization as one within which there exists noxious behavior that are disruptive, destructive, exploitive and dysfunctional while abuses are pervasive and tolerated. Shain (2009) defined a poisoned work environment characterized with persistent and repetitious pattern of abuse, harassment or discrimination over time; the same is ignored, allowed to exist and/or supported by the employer with no adequate steps taken to remedy the situation.

Consistent with the above, researchers have noted that the mere presence of stressors like high workload, destructive behaviour in the work environment does not necessarily imply toxicity (Padilla *et al.*, 2007; Reed, 2004). Indeed, a number of researchers point to the importance of the persistence and dosage of stressors, as well as organizational members'

responses to them (see, for example, Lawrence, 2008; Maitlis and Ozcelik, 2004). Opperman (2002) viewed work environment as processes, systems, structures, tools or conditions in the workplace that impact favorable or unfavorable individual performance. The work environment also includes policies, rules, culture, resources, work relationships, work location, internal and external environmental factors all such of which influence the ways that employees perform their functions.

Most researchers on the present study discussed toxic leaders and their effects on workers (see, for example, Goldman, 2006; Pelletier, 2010; Reed and Olsen, 2010; Steele, 2011); fewer, however, have viewed the phenomenon more broadly and considered contributors beyond leaders, such as co-worker interactions (Chamberlain and Hodson, 2010; Frost, 2003), work-related processes (Frost, 2003, Maitlis and Ozcelik, 2004), and organizational culture (Hartel, 2008; Shain, 2009; Walton, 2008). Seeking to gain a better understanding of the phenomenon from this broader perspective, the current research explores the notion of a toxic work environment as a systemic issue, where system means a group of related parts that move or work together (System, 2016).



According to Maslow's theory of needs, security remains an important concern for people. A toxic workplace is seen as an indispensable factor that demolishes a person's sense of security, and thus, is bound to have a negative impact on well-being and performances. The effort-reward imbalance model advances that when employees perceive that their effort exceeds the receipt of rewards, such as pay, recognition, and job security, they experience high levels of stress and burnout. This leads to reduced job satisfaction, poor work performance, increased absenteeism and turnover. The social support theory emphasizes the role of social relationships in work environment and employee performance. It lends credence to the fact that social support from colleagues and supervisors can act as a buffer against the negative effects of job stressors. Employees who receive support from their colleagues and supervisors are more likely to have better mental health outcomes, job satisfaction, and work performance.

On the empirical front, Rasool, *et al.* (2021) explored the effect of toxic workplace environments on employee engagement. It used quantitative research approach with data obtained from 301 workers in the small and medium-size enterprises in China. The researchers employed partial least squares structural equation modelling. The results of the study confirmed that a toxic workplace environment has a negative impact on employee engagement. It further confirmed that organization support and employee well-being significantly mediate a toxic workplace environment and employee engagement.

Ali *et al.* (2013) investigated the relationship between work environment and employee productivity. They found that working conditions were significantly related to employee productivities in manufacturing sectors. With particular focus on such variables as comfort level and temperature in the office work, the study of Junaida *et al.* (2010) investigated the physical work environment on staff productivity. With 150 participants among civil servants in the Ministry of Youth and Sports in Malaysia, the study established a significant relationship between workplace environment and employee productivity. A study by Maslach *et al.* (2001) found that work toxicity, in the form of emotional exhaustion, depersonalization, and reduced personal accomplishment, is associated with lower job

satisfaction, reduced organizational commitment, and increased turnover intentions. Onyishi *et al.* (2019) found that work toxicity, in the form of job stress, work overload, and poor work-life balance, significantly reduces employee productivity and effectiveness.

Employees, being vital and direct stakeholders in ensuring survival of an organization and or institutions, interact with the clients, suppliers and or intermediaries in providing products and or services. From the foregoing, literatures indicated that some employees experience very difficult conditions such as toxic leadership, colleagues and customers, work processes and organizational culture. With dearth of literature on work environment and employees' productivity in Nigeria, this study was conducted to empirically examine the effect of work environment on employee's productivity at Nigerian Breweries, Ibadan, Oyo State, Nigeria. It specifically sought: (i) to determine the relationship between work environment and employee's productivity; and (ii) to investigate the effects of job toxicity on employee's wellbeing and security.

Materials and Methods

This study sought to investigate the relationship between work environment and employee performance at Nigerian Breweries, Ibadan, Oyo State Nigeria. It has a theoretical linkage with Maslow's theory of needs that security is of great concern for people. The social support theory also emphasizes social relationships at the workplace as linking employee performances, among others. The study adopted a survey research design with primary data obtained using a well-structured questionnaire administered to a randomly selected 255 staff across relevant units and staff cadres of the Nigerian Breweries, Ibadan, Oyo State Nigeria. The research instrument was validated using content and face validity while the data were processed using both descriptive and inferential analyses.

Results and Discussion

Table 1 revealed the socio-demographic characteristics of 255 sampled respondents. The distribution by gender indicated that 198 (78%) were male while 57 (22%) were females, indicating the majority were male. The distribution of respondents by age indicated that 89 (35%) of the participants were in the range of 18 - 25years, 127 (50%) were within



the age category of 25 – 40years, 39 (15%) of the respondents were 40 years above. This shows that most of the staff members of Nigerian Breweries, Ibadan, Oyo State Nigeria were within the age range of 25years – 40 years. The proportion of respondents with GCE/SSCE qualifications were 55 (21%), 101 (40%) were NCE/OND holders, while 99 (39%) were HND/BSC holders. This implies that majority of the respondents had qualifications above NCE/OND level. Similarly, 78 (31%) of

the respondents were single, 121 (47%) of the respondents were married, 35 (14%) of the respondents were widowed while 21 (8%) of them were separated. This implies that majority of the respondents were married. Based on work experience, 46 (18%) of the participants had between 0 and 2 years, 62 (24%) had 3 to 5 years, 83 (33%) had 6 to 11 years, while 64 (25%) of them had above 11 years' work experience. By this, majority of the respondents had 6 to 11 years' work experience.

Table 1: Socio-demographic Characteristics of Respondents

Characteristics	Category	Frequency (n)	Percentage (%)
Gender	Male	198	78
	Female	57	22
Age (Years)	18 – 25	89	35
	25 – 40	127	50
	Above 40	39	15
Education	GCE/SSCE	55	21
	NCE/OND	101	40
	HND/BSc	99	39
Marital Status	Single	78	31
	Married	121	47
	Widowed	35	14
	Separated	21	8
Work Experience	0 – 2 years	46	18
	3 – 5 years	62	24
	6 – 11 years	83	33
	Above 11 years	64	25

Source: Researchers' Computation, 2024

Test of Hypotheses

The hypotheses formulated were tested for validation. The simple linear regression was used to ascertain the effect of independent variable on the dependent variable.

Hypothesis One (H_{01}): Work environment does not significantly affect employee's productivity.

Table 2: Summary of Linear Regression Test of Significant Relationship between Work Environment and Employee's Productivity

Variables	Co-efficient	Standard Error	t-statistics	P-value
Constant	4.418	3.086	9.214	0.000
Work Environment	3.233	3.042	7.012	0.000

R square: 0.647 No. of Observation: 255

Adjusted R square: 0.802 R: 0.791

F-statistics: 72.149

Source: SPSS computation 20.0

Table 2 presents the linear regression model of significant relationship between work environment and employee's productivity with $F(1, 253) = 72.149$, $p < 0.05$ implying significance values reported less than 0.05 ($p = .000 < 0.05$). Thus, we reject the null hypothesis (H_{01}) that work environment does

not have significant relationship with employee's productivity and accept the alternative hypothesis that work environment significantly affect employee's productivity. Hypothesis Two (H_{02}): Workplace toxicity has no significant effect on employee's wellbeing.



Table 3: Summary of Correlation Test of significant effect of workplace toxicity and employee's wellbeing

Variable	Mean	SD	N	1	2	P
1 Workplace toxicity	4.214	1.574	255	1		0.000
2 Employee's wellbeing	4.010	0.792		0.789*	1	

*P<0.05

Source: SPSS computation 20.0

Table 3 shows correlation test of significant relationship between workplace toxicity and employee's wellbeing. The correlation value of $\rho = 0.789$ indicates a positive correlation between workplace toxicity and employee's wellbeing. Also, the p-value 0.000 is less than 0.05 (significant level); thus, the null hypothesis which that workplace toxicity has no significant effect on employee's wellbeing is rejected while the alternative hypothesis is accepted. It implies that to a large extent workplace toxicity has significant effect on employee's wellbeing.

Conclusion

The results of this study basically establish the effect of work environment on employee performance in an organization, using a study of Nigerian Breweries, Ibadan, Oyo State Nigeria. It, no doubt aligned with the theoretical proposition that work environment impacts on employee well-being, productivity, and job security. The findings here corroborated and aligned with empirical outcomes in the studies of Tio (2014) and Rasool *et al.* (2021) at different study locations. It is therefore recommended that the management should adopt both preventive and remedial measures to curtail toxins at the workplace environment for enhanced productivity and staff wellbeing. Management may adopt periodic meetings with employees to receive their grievances for effective management.

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