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An Empirical Study on the Intricacies of Occupational Stress on Employees in the Banking Sector

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Abstract

Research regarding stress has primarily focused on coping styles of stress by individuals rather than on the role of the work environment as a major source of stress for an employee. One such industry which has undergone massive changes over the last ten years is the banking industry. The banking industry is the most important constituent of the financial sector of any economy. Keeping this in mind the present study is an attempt to understand the impact and intricacies of occupational stress on employees in the banking sector. The study also made an attempt to see whether there is an association between job stress and job satisfaction and was concluded with suggesting suitable measures to be taken by the bank managements to have a competent, productive, and stress free workforce to meet the present and future challenges. The data was collected through a structured questionnaire which was administered to the bank employees. The study uses statistical tools like Regression, correlation and Mann whitney test.

Keywords: *Job Stress, Job Satisfaction, Job Performance, Banks, Public Sector Banks, Private Sector Banks, Job Performance.*

Introduction

The word 'stress' has become an interesting issue with the advances of the present century which is rightly called the 'Age of anxiety and stress'. Till recently research regarding stress has primarily focused on coping styles of stress by individuals rather than on the role of the work environment as a major source of stress for an employee. The study of the subject 'Organization Behavior' has contributed to the world of employee well being in which occupational stress has invariably been a major area of study. The terms work stress, job stress, or occupational stress is used interchangeably (Dollard, 2003) ^[2]. Employers and governments have had increasing concern about occupational stress for over twenty years (Le Fevre *et al.* 2003) ^[8]. In the past decade, effects of economic globalization and rapid technological changes have resulted in increased workloads and a faster pace in the work place (Dollard, 2003) ^[2]. Modern trends such as organizational downsizing, competition for funding, and high demand jobs have led to rising occupational stress (Dollard, 2003) ^[2]. The cost of occupational stress is a recognized problem around the world (Dollard, 2003) ^[2].

Concept of Stress

Cox (1985) ^[1] opined that stress is part of a complex and dynamic system of transaction between the person and the environment. Eliot (1988) ^[3] expressed stress as the body's response to any real or imagined event perceived as requiring some adaptive response and/or producing strain. Steinberg & Ritzmann (1990) ^[12] stated that stress can be defined as an under load or overload of matter, energy or information input to, or output from, a living system. Levi (1996) ^[7] stated that stress is caused by a multitude of demands (stressors), such as an inadequate fit between what we need and what we are capable of, and what our environment offers and what it demands of us. In essence, stress can be considered as any factor, acting internally or externally, that makes it difficult to adapt and that induces increased effort on the part of the person to maintain a state of equilibrium both internally and with the external environment (Humphrey 1992) ^[5].

Causes of Occupational Stress

In organizations, frequent causes of stress are physical working conditions, job requirements, lack of control and excessive demands, overwork and shift schedules, bullying, harassment and violence, work overload, job insecurity, cutbacks and reorganization, high demand for performance, technology and work place culture. Bullying has become a widely-recognized hazard in the present workplaces. Bullying is an offensive, intimidating, malicious, insulting or

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humiliating behavior; abuse of power or authority which attempts to undermine an individual or group of employees and which may cause employees to suffer stress.

Sexual harassment in workplace has been a major source of worry for both genders, more for women, since long. Also, subtle discrimination at workplaces, family pressure and societal demands add to these stress factors. Verbal abuse, threats, slurs, insults, discrimination on the basis of age, race, ethnic origin, gender, sexual orientation or ability also causes stress.

Adjusting to the workplace culture, whether in a new company or otherwise, can be intensely stressful. Making one adapt to the various aspects of workplace culture such as communication patterns, hierarchy, dress code if any, workspace and most importantly working and behavioral patterns of the boss as well as the co-workers, can be a lesson of life. Maladjustment to workplace culture may lead to subtle conflicts with colleagues or even with superiors. As a result of this the rise of office politics or gossip can be a major stressor.

Review of Literature

Ouyang Y (2009) ^[9] took banking employees of Taiwan as the sample. He stated that with the serious financial crisis that began in 2008, many banking service personnel lost confidence and this influenced their job involvement and job performance. The empirical results found that job instability of banking service personnel has negative influence on job performance and job involvement. However, job instability has a significant positive influence on job stress. Job stress has a positive influence on job involvement and job performance. Job involvement has a positive influence on job performance. Out of these, the most important factor on job performance is job involvement and the second factor is job stress.

Shahid N *et al.* (2011) ^[10] in his study on Branch level Managers, operational managers, supervisors and officers (credit officers, remittance officers, customer services officers and relationship officers) of a bank stated that bankers are under a great deal of stress due to many antecedents of stress such as lack of administrative support, excessive work demand, problematic customer relations, coworker's relationship, family & work life balance and risk involved in job. These stressors contribute to decreased organizational performance, decreased employee overall performance, decreased quality of work, high staff turnover, and absenteeism due to health problems such as anxiety, depression, headache and backache. Majority of the bankers felt that their job is stress full and that stress in turn decreases their performance and is a contributor to employee dissatisfaction.

Kartinah A and Tiong M. N (2011) ^[6] in their study on 167 bank officers in Malaysia indicated that majority of the respondents have a level of stress ranging from moderate to high, with the most stressful factor being those pertaining to the intrinsic aspects of their job. In terms of the demographic factor, gender was shown to have no significant correlation with the bank officers' workplace stress. In contrast, all the variables under organizational characteristics were verified to have a significant relationship with workplace stress, with organizational climate and structure being the most dominant. The bank officers generally believe that conflicting or incompatible job demands and expectations that need to be satisfied simultaneously are a significant cause of stress for them.

Faizan M *et al.* (2011) ^[4] in his study on the banking sector in Pakistan stated that bank jobs seem to be too hectic as heavy

workloads, time constraints, role conflicts and role ambiguity create stress among bankers which resultantly decreases their level of job performance. One basic cause of stress in banking sector of Pakistan is non-stop 9am to 5pm banking which means there may be no lunch break and it is not enough. Even in small local banks of Pakistan it is evident that they facilitate their big customers after the banking hours i.e. after 5pm. So bankers have to work longer hours as compared to other related jobs which is also a major reason of concern.

Showkat H G (2012) ^[11] in his research included 150 employees who are Managers and 150 Non-Manager Bank employees in Jammu and Kashmir. The sampling population belonged to an age group of employees between 25-60 years. The study indicates that the bank employees at managerial level have high workload compared to bank employees at Non-managerial level. The employees feel that the work allotted is exhausting and it is beyond their expertise and limit. The research indicates that the bank employees at managerial level have high job burnout compared to bank employees at Non-managerial level. Higher the job burnout among bank employees related to the work and work schedule, higher the occupational stress. The study shows that the managers are not satisfied with adequate support from their superiors in the work accomplishments, carrying out their job the way they want, importance given to job, workplace conditions and dissemination of functional duties under tremendous work pressure, possibly leading to stress and distress.

Objectives of the Study

1. To identify the causes of Occupational stress among bank employees
2. To find the association between job stress and job satisfaction by developing a model.
3. To offer suggestions for a stress free environment at the work place.

Research Methodology

The study has been partly descriptive and partly diagnostic. The primary data for the current research was collected through survey method using a well-structured questionnaire. The questionnaire was tested for its content validity with experts and for its face validity with respondents from the banks. The data from secondary sources is collected through books, journals, reports, research studies, internet sources, magazines, newspapers, and bank websites to understand the basic concepts and literature pertaining to stress in general and occupational stress of bank employees in particular.

The researcher has taken 3 public sector banks and 3 private sector banks for the purpose of the study. The three banks covered under public sector were Corporation Bank, Syndicate bank, Vijaya bank and in private banks Karnataka bank, ICICI bank and Axis bank. The study was conducted in the branch offices of these banks only as the nature of work is different in branch offices when compared to regional and head offices. 5 point Likert scale was used for the study. 1=Most stressful, 2= more stressful, 3= stressful, 4= less stressful, 5= least stressful. Each and every item in the questionnaire was coded and the responses were fed to the computer using excel spreadsheets. Then, each and every item was analyzed using different statistical tools and techniques. In addition to the usual descriptive analysis, some more statistical techniques were used in the present study. Descriptive statistics were used to obtain the mean and standard deviations. The researcher has utilized Statistical

Package for Social Sciences (SPSS) to analyze and interpret the data to be presented in this study. Techniques like correlation and regression analysis are used.

Data Analysis

Job stress: From the literature survey 72 variables which had an influence on stress in banks was identified. Factor analysis was done to reduce the 72 identified variables to 13 factors

such as job conditions, physical environment and repressive union activities, work life balance, inadequate planning of work, job ambiguity, demands of the family, adaptability to change, absence of employee involvement, undue expectations from job, job rigidity, lack of efficient manpower, performance pressure and unforeseen contingencies.

Table 1: Regression analysis of factors causing stress in banks

Type of Bank	Unstandardized Coefficients		Standardized Coefficients	t	p
	Beta	Std. Error	Beta		
(Constant)	.027	.083		.321	.748
Job Conditions	.047	.033	.053	1.398	.163
Physical Environment & repressive union activities	.041	.030	.048	1.345	.179
Work life Imbalance	.033	.028	.039	1.172	.242
Inadequate planning of work	.085	.024	.106	3.528	.000
Job ambiguity	.036	.027	.042	1.320	.187
Demands of family	.122	.023	.153	5.277	.000
Adaptability to change	.102	.021	.127	4.760	.000
Absence of employee involvement	.055	.021	.083	2.597	.010
Undue expectation from job	.065	.023	.091	2.850	.005
Job rigidity	.026	.023	.030	1.122	.262
Lack of efficiency manpower	.119	.020	.178	5.954	.000
Unforeseen contingencies	.087	.029	.096	3.020	.003
Performance pressure	.156	.020	.193	7.690	.000

Source: Field survey

Table 2: Adjusted R square value and results of ANOVA for job stress across the banks in general Model Summary

Model	R	R Square	ANOVA F Value	p Value
1	.892	.795	155.960	.000

Source: Field survey

Regression analysis was performed to evaluate the significant factors causing stress at the work place amongst banks in general. In that respect stress level is taken as the dependent variable and all the 13 factors causing stress taken as independent variables. All the 13 factors has 79.5% influence on job stress amongst the banks in general. In banks on the whole inadequate planning of work, demands of the family, adaptability to change, absence of employee involvement, undue expectations from job, lack of efficient manpower, unforeseen contingencies and performance pressure has significant effect on stress level as for all the cases $p < 0.05$.

Further among all these factors performance pressure, lack of efficient manpower, demands of the family, adaptability to change, inadequate planning of work, has more effect as standard $\beta > 0.1$ followed by absence of employee involvement ($\beta = .083$), undue expectations from job ($\beta = .091$) and unforeseen contingencies has least effect on stress ($\beta = .096$) and rest of the factors has no significant effect on stress level.

Job satisfaction: From the literature the researcher identified 23 variables which bring job satisfaction to employees in the organization. Further the factor analysis technique was run to reduce the 23 identified variables to 5 factors which bring job satisfaction in the organization. The five factors are interpersonal relationships at work, supportive organization policies, career advancement prospects and homely environment at work.

Table 3: Regression analysis of job satisfaction among banks in general

Model	Unstandardized Coefficients		Standardized Coefficients	t	p
	B	Std. Error	Beta		
(Constant)	.870	.146		5.961	.000
Interpersonal relationships at work	.170	.040	.182	4.262	.000
Supportive organizational policies	.210	.042	.242	4.960	.000
Career advancement prospects	.049	.028	.070	1.793	.074
Social life	.180	.031	.228	5.766	.000
Homely environment at work	.173	.041	.166	4.191	.000

Source: Field survey

Table 4: Adjusted R square value and results of ANOVA for job satisfaction across the banks in general Model Summary

Model	R	R Square	F value	p value
2	.714	.509	110.222	.000

Source: Field survey

Regression analysis was performed to evaluate the factors leading to job satisfaction at the workplace across the banks in general. Job satisfaction is taken as the dependent variable and all the 5 factors leading to job satisfaction are taken as independent variables. All the 5 factors has 50.9 percent

influence on job satisfaction across the banks in general. In banks on the whole, interpersonal relationships at work, supportive organisation policies, social life and homely environment at work has a significant effect on job satisfaction as for all the cases $p < 0.05$. Further among all these factors supportive organisation policies and social life has more effect as standard $\beta > 0.2$ followed by interpersonal relationships at work ($\beta = .182$), while homely environment at work has the least effect on job satisfaction ($\beta = .166$) and the rest of the factors have no significant effect on job satisfaction.

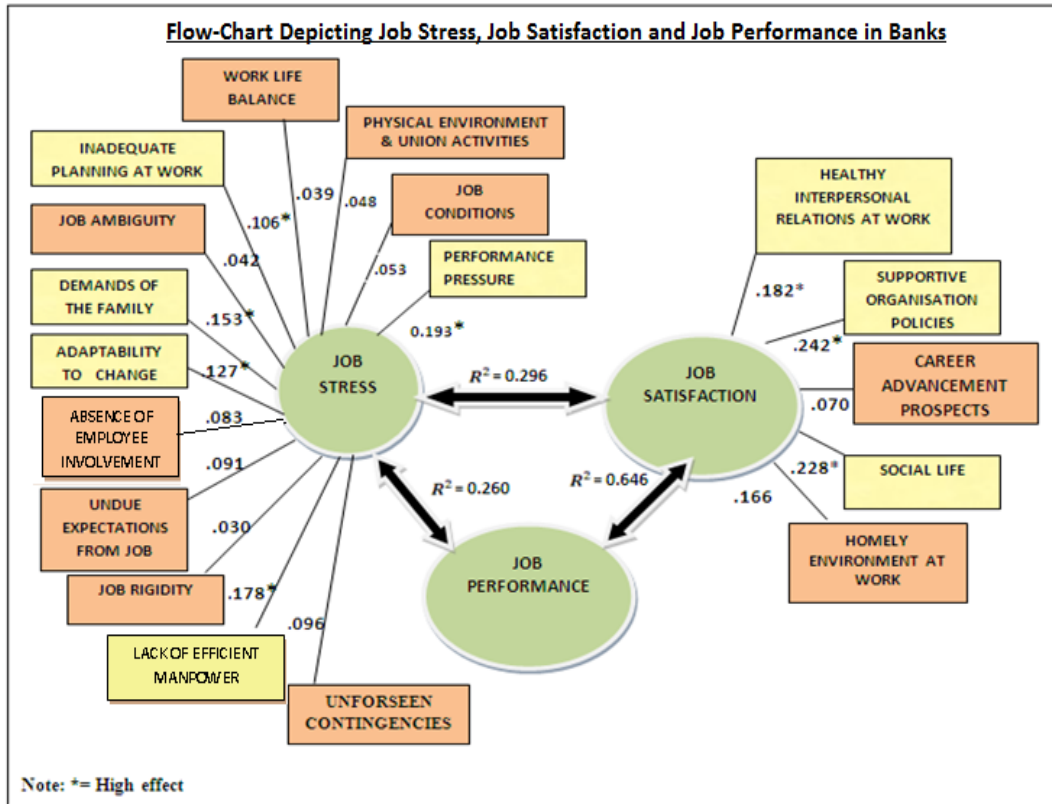


Fig 1: A pictorial representation of the factors influencing Job stress, Job satisfaction and job performance in banks

The empirical study has enabled the researcher to evolve a model to explain the occupational stress of employees in the banking sector. The model shows the factors causing stress among bank employees in general. The 13 identified factors are job conditions, job ambiguity, demands of the family, absence of employee involvement, performance pressure, physical environment and repressive union activities, work life balance, inadequate planning of work, adaptability to change, job rigidity, lack of efficient manpower and unforeseen contingencies and undue expectation from job. Among them performance pressure (standardized beta coefficient. 193), lack of efficient management (standardized beta coefficient. 178), demands of the family (standardized beta coefficient. 153), adaptability to change (standardized beta coefficient. 127), and inadequate planning of work (standardized beta coefficient. 106) has more effect on the stress level of the employees.

The study also identified the factors leading to job satisfaction of employees in the banking sector. The above model shows the 5 factors leading to job satisfaction which are healthy interpersonal relationships at work, supportive organization policies, career advancement prospects, social life and homely environment at work. Among them supportive organization

policies (standardized beta coefficient. 242), social life (standardized beta coefficient. 228) and healthy interpersonal relationships at work (standardized beta coefficient. 182) has more effect on job satisfaction of the employees.

The model explains the association between job stress, job satisfaction and job performance. The coefficient of determination R^2 is used to interpret the value of coefficient of correlation between job stress, job performance and job satisfaction. There is 29.6 percent influence of job stress on job satisfaction and 26 percent influence on job performance. Further there is 64.6 percent influence of job satisfaction on job performance.

Suggestions for a Stress Free Environment at the Work Place

The problem of stress is inevitable and unavoidable in any occupation and banking is no exception. The present study has found the factors such as performance pressure, inadequate planning at work, adaptability to change, demands of the family and lack of efficient manpower caused more stress among the bank employees in general. Accordingly the suggestions are given.

Performance pressure: The present study has found that performance pressure puts a lot of stress on bank employees. Although the banks have computerized and automated their services it is the employees who add value and make them profitable. Though the banks have adopted latest available technologies they have their own loopholes like slowing down, program error, breakdown etc which puts a lot of pressure on employees. Even after decades of computerization there has been duplication of activities with the maintenance of both hard and soft copies of books of account, checking of entries etc. In this connection banks should reduce the paper work on the basis of prioritization of documents.

During the field work the respondents opined that when there was heavy pressure of work, they work on holidays for which they have no complaints. But they wish to get a comp off on the day they require. Therefore it is desirable for the banks to respect the feelings of their employees. Further employees who have worked for a long period without taking leave or vacations should be sent on a compulsory holiday so that they get refreshed and get back to work with enthusiasm.

Inadequate planning at work: The plans and policies of the organization must be well communicated to all levels of employees and sufficient care must be taken to encourage the feedback before enforcement. Banks should provide town hall sessions to employees where they get a chance to open up freely with the higher level. The plans and policies must not only be communicated but also reinforced with rewards. The branch heads must take enough care to involve the employees in the planning process and take them into confidence. The target achievement at the branch level or at organization level should be celebrated which would improve the morale of the employees. The family members can also be encouraged to join such celebrations. This would motivate them to perform better and the plans set will be achievable.

Regulatory driven policies are beyond one's control. But when organization driven policies are planned and communicated properly then the employees could finish the work in a more relaxed manner. The respondents also opined that there should be flexibility in timings occasionally when leaving the office.

Adaptability to change: Change is taking place at a very fast pace and we have to keep pace with this. Employees should have the capacity to learn new things and unlearn the old ones. The organization should provide a conducive environment to enable the employees to cope up with change as well as to bring out the best from its employees. This can be done by identifying the most dynamic leader as branch head who can energize his/her employees to get the best performance by organizing various motivational, attitude building and job oriented programmes.

Demands of the family: Today we cannot imagine life without TV, washing machine, car, refrigerator, mobile phones, computers, internet connectivity etc. What was termed as comforts and luxuries in the past are termed as necessities today. The choice over a wide array of products and services has put a pressure on the employee's income, that he is forced to get the best education for his children, the best health care for his family etc. Life has become a race to achieve a materialistic success. The demands of the family have gone beyond ones reach and the employees struggle to maintain a balance. Here it is important to relook and

reinforce the values and principles in our life and imbibe the same in our children's life too.

Lack of efficient manpower: The population in most of the public sector banks is on the verge of retirement. Hence those banks where there is shortage of staff, adequate manpower should be provided. Banks should incorporate programmes to get the best manpower to fill up this gap. For this the banks should conduct IBPS coaching programmes by tying up with colleges and social organizations so that awareness is created amongst the youth about the job opportunities which will be created in the banks.

In order to improve the efficiency and productivity of the employees training programs should be organized. Resource persons for the training program should be a mixture of people both from within the bank and from outside. This would make the employees within the organization proud and happy that they got a chance to address their colleagues. Resource persons from outside the organization would bring in innovative ideas and thoughts. Banks should initiate change management programs by creating awareness amongst the employees and explaining the need for it. Bank employees should be encouraged to take up their exams for promotion so that they are promoted to higher designations with higher pay scale. In banks, promotions are tied to the transfers. Many a times to avoid the transfer employees forego the promotion which has negative effect on the growth and profitability of the bank. Keeping this in mind banks can motivate the eligible employees by assuring them the least inconvenience caused by the transfers. The location fitment can be done according to the employees' preference which would help them to be more productive at the work place.

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