

A Study on Antecedents and Consequences of Stress in Banking Sector.

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Abstract

Stress has become one of the global issues in the current working environment. Though the modern day organisations have succeeded in coping up with changing industry structures, their success in tackling their employees' stress level is still a question mark. Unless employers do not try to lower their employees stress level, it will affect their organisations indirectly by various means such as increase in absenteeism, high employee turnover etc. Especially, it is not good for organisations such as financial institutions where lump sum money is involved in day-to-day activities. Also the modernisation of the industry led to various changes in the working environment here by challenging the ability of employees to cope up with it. Due to these reasons, employees working in financial sector particularly bank employees are more prone to stress. Hence, it is mandatory to study their stress levels in order to avoid negative consequences. So this study attempts to compare the perception of public and private sector employees on reasons and outcomes of stress in Indian Banks. These comparative findings suggest separate policy implications for employees working in banks. This study also throws light on the scope of future research work in this area and adds definitely to the existing literature.

Keywords: Stress, job characteristics, organizational factors, personal factors, counseling, perceptions, coping strategies

Introduction

Stress is defined as "the reactions of individuals to new or threatening factors in their work environments"

Types of Stress

- Stress can be either positive or negative.
- Some new work situations can bring us positive challenges and excitement. For example, promotions to new jobs present employees with positive stress. Employees may feel anxious about their new work assignments; they also anticipate them eagerly and look forward to the additional challenges, rewards, and excitement. In these cases, the new and uncertain job situations create positive stress. The positive stress is also called the eustress.
- However, there are certain other types of work that are very threatening and anxiety-arousing. For example, depression in the economy can create negative stress for sales personnel, because they will be much more anxious about making sales commissions and sales quotas.

Sources of Job Stress

- Job Characteristics
 - a) Role ambiguity
 - b) Role conflict
 - c) Role overload
 - d) Ethical dilemmas
- Interpersonal Relationships
 - a) Amount of contact with others
 - b) Dealing with people in other departments
 - c) Organizational climate
- Organizational Factors
- Personal Factors
 - a) Career concerns
 - b) Geographical mobility
 - c) Rate of life change

Organizational strategies for managing stress are: -

- Encouraging effective organizational communication with the employees in order to avoid role ambiguity/conflict.
- Effective communication can also change employee views and perceptions.
- Encourage employee's participation in decision-making. This will reduce role stress; Grant the employees greater independence, meaningful and timely feedback, and greater responsibility
- Have a fair and just distribution of incentives and salary structure;
- Promote job rotation and job enrichment.
- Create a just and safe working environment;
- Have effective hiring and orientation procedure;
- Appreciate the employees on accomplishing and over-exceeding their targets

Employee counseling is a very good strategy to overcome employee stress. Through counseling, employees can become aware of their strengths and how to develop those strengths; their weaknesses and how to eliminate them; and they can develop strategies for changing their behavior, etc.

It is a technique aimed at controlling a person's level of stress especially chronic stress, usually for the purpose of improving every day functioning. Stress produces numerous physical and mental symptoms. It includes physical health decline as well as depression absenteeism, escaping from work responsibilities, arriving late, leaving early etc., deterioration in work performance, more of error prone work, memory loss etc., cribbing, over-reacting, arguing, getting irritated, anxiety etc., deteriorating health, more of accidents, etc. improper eating habits (over-eating or under-eating), excessive smoking and drinking, sleeplessness, etc.

This study previews such studies that have been carried out in the recent past in finding out bank employees stress level. The similar studies, such as study on stressors, study on how occupational stress vary with demographic factors, nature of banks, job cadres, job satisfaction and job performance etc. are grouped under same captions for our easier understanding.

Literature Review

Dayo (2012) found that working environment is significantly related to workers morale and also working environment is significantly correlated with perceived workers productivity. Chandrasekar (2011) found that environmental factors are conducive to work and he also found that factors that affect attitude of employees to work are- interpersonal relationships control over environment, shift, emotional factors, job assignment, overtime duty extended work. Kang and Sandhu (2011) in their article said that Stress is an individual's state of mind in an encounter of a demanding situation or any constraint in the organization which s/he feels harmful or threatening for her/himself. Stress emerges from various energy seeping conditions in the working environment.

Ramzan & Ahmed (2013) conducted a study on effects of job stress on employees' job performance a study on banking sector of Pakistan wherein, Job tension linked negatively with quality of work life, job satisfaction, goal accomplishment, organizational commitment, self-esteem at work, quality of family life, and life satisfaction. It was found that the relationship between job stress and job performance is negatively correlated at significance level of .7 Impact of job stress on job performance is 27.8%. Job-related tension linked positively with troubles at work, work participation, work expectations, lack of mental support from a mentor, and family expectation. The study was conducted only in industry that was banking sector and the impact job stress on job performance was measured only in one sector, if we want to generalize the results of this study then this study should be replicated in other sectors of Pakistan as well.

Shukla (2013) conducted a study on stress management among the employees of nationalized banks and following was observed as Main factors of stress

- Work overloaded (50%)
- Tension (44%)
- Employees' conflict (24%)

- Only (48%) feel that strategies used by banks are effective
- (50%) employees use yoga or other ways

Vivek (2013) conducted a survey on occupational stress of bank employees. It was found that Job satisfaction and job stress is negative. Role boundary, responsibility etc were not included, and Modernizations were not included. The growing importance of interventional strategies is felt more at organizational level. This particular research was intended to study the impact of occupational stress on Nationalized Bank employees. Although certain limitations were met with the study, every effort has been made to make it much comprehensive.

Problem Statement

To measure the employees perception on Antecedents and Consequences of stress in the banking sector.

Objectives

- (i) To find out the perception of employees on various reasons of work stress in banks.
- (ii) To identify the various effects/outcomes of facing work stress in banks.
- (iii) To suggest stress coping strategies for employees working in banks.

Methodology

Research Design

Research design : Descriptive Research

Data collection method : Primary Data

Sources of Data Collection

Primary data sources : Structured Questionnaire

Secondary data sources : Information were collected through journals, magazines, articles, and various websites.

Sampling Framework

Sample size : 80 employees working in banks

Sampling area : Noida

Sampling technique : Convenient sampling

Limitations of the Study

The respondents were over burdened with work load in their work place.

Accuracy of the analysis is dependent on the data provided.

Analysis and Interpretation

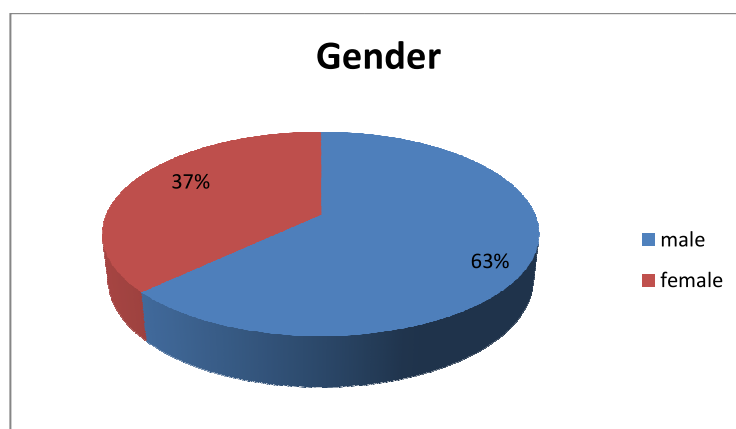


Figure No. - 1

Out of 54 respondents 63% were Male and 37% were Female.

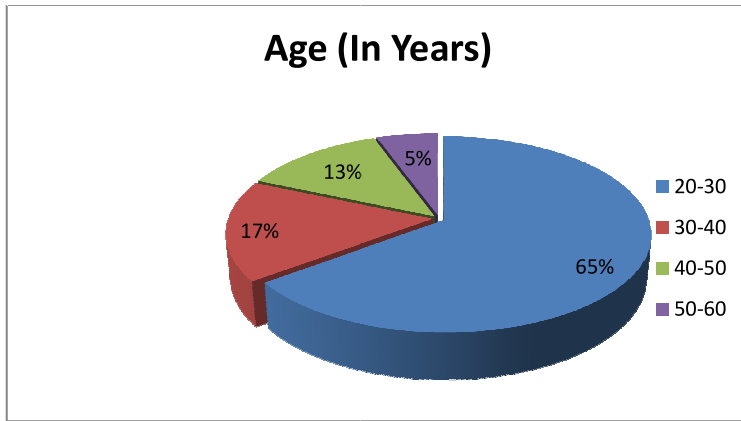


Figure No. - 2

Out of our 54 respondents 65% was in 20-30 age group , 17% was in 30-40 age group,13% was in 40-50 age group, and 5 % was in 50- 60 age group.

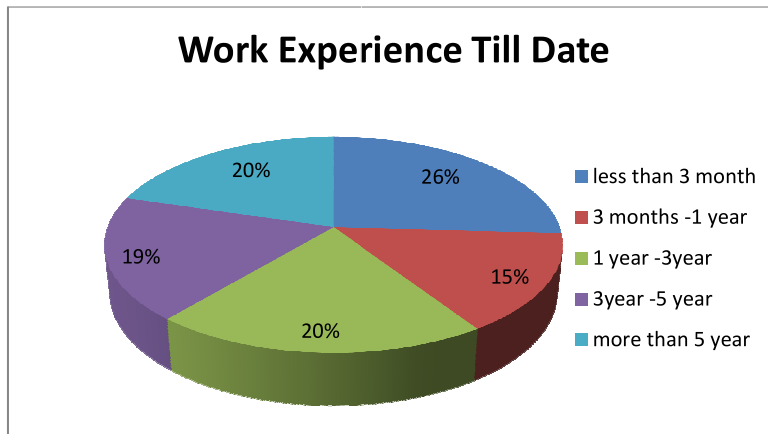


Figure No. - 3

Out of our 54 respondents 26% were having less than 3 month work experience, 15% were having 3months-1year of work experience, 20% were having 1year to 3 year of work experience 19% was having 3year -5year of work experience and 20% were having more than 5 year of work experience

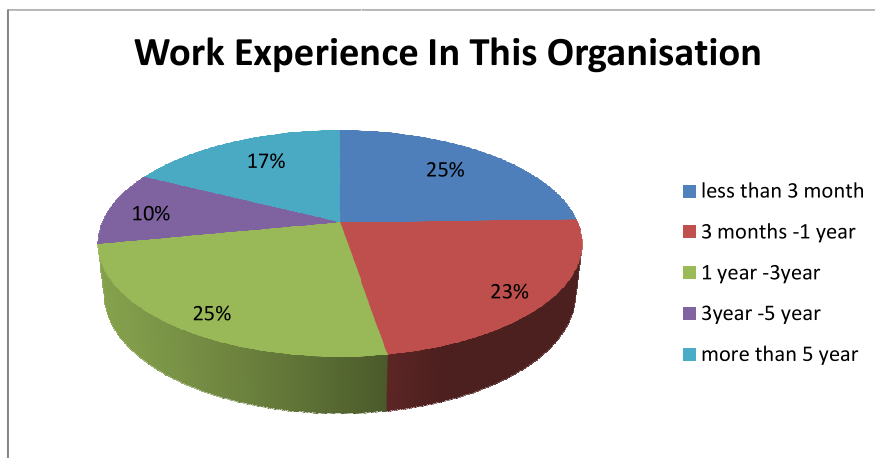


Figure No. - 4

Out of our 54 respondents 25% were having less than 3 month work experience, 23% were having 3months-1year of work experience, 25% were having 1year to 3 year of work experience 10% was having 3year -5year of work experience and 17% were having more than 5 year of work experience.

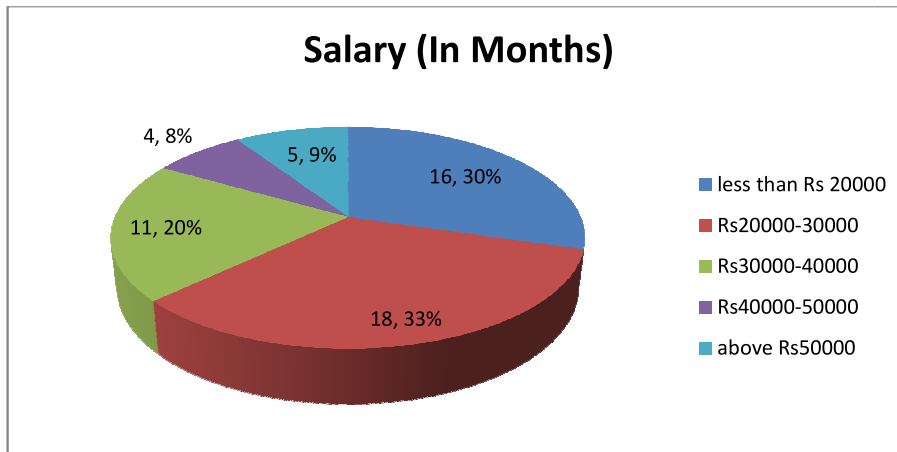


Figure No. - 5

Out of our 54 respondents 30% were having salary less than Rs.20000, 33% were having salary between Rs 20000-30000, 20% were having salary between Rs. 30000-40000, 8% were having salary between 40000-50000 and only 9% are having salary above Rs 50000.

Analysis of Employees Perception on Reasons and outcomes of Stress

S No.	Variable	Public Sector Mean	Private Sector Mean	Public Sector Standard Deviation	Private Sector Standard Deviation
1	Job autonomy	3.1	3.2	0.7	1.0
2	Work family conflict	3.3	3.9	0.8	0.9
3	Workload	4.0	4.4	0.7	0.9
4	Fairness	3.2	2.9	0.8	0.9
5	Work pressure	2.9	3.1	0.7	0.8
6	Working environment	2.9	3.2	0.9	0.9
7	Management support	3.2	3.1	0.8	0.8
8	Job security	3.4	2.6	0.8	1.1
9	Career goals	3.1	3.2	0.7	0.9
10	Working hour	4.1	4.3	0.9	1.1
11	Deadline	3.3	4.1	0.9	1.0
12	Role ambiguity	3.1	2.9	0.8	0.8
13	Pay package	2.8	2.9	0.9	0.9
14	Health	3.2	3.1	0.7	0.9
15	Organizational commitment	3.0	3.3	0.8	0.7
16	Turnover intention	3.0	4.2	0.8	0.7
17	Absenteeism	3.6	3.2	0.9	0.7

Job Autonomy

As per our study, the employees working in both public sector banks and private sector banks agree that job autonomy creates stress on them. As we can see, mean of public sector banks is 3.1 and mean of private sector banks is 3.2. This shows that job autonomy creates more stress in private sector banks when compared with public sector banks.

Work Family Conflict

As per the study, the employees working in both public sector banks and private sector banks agree that work family conflict exists. It is seen that mean of public sector banks is 3.3 and mean of private sector banks is 3.9. This indicates that there exists more work family conflict in private banks when compared with public banks.

Work Load

The employees working in both public sector banks and private sector banks agree that they have work load. The mean of public sector banks is 4.0 and mean of private sector banks is 4.4. This shows that there is more work load in private banks when compared with public banks.

Fairness

The employees working in public sector banks are given equal opportunity of transfers and promotion but in private sector banks employees disagree on the point of fairness. It is seen that mean of public sector banks is 3.2 and mean of private sector banks is 2.9.

Work Pressure

According to the study, the employees working in private sector banks face more work pressure when compared with public sector banks. The mean of public sector banks is 2.9 and mean of private sector banks is 3.1.

Working Environment

In public sector banks the employees perception towards working environment is negative, they feel that their colleagues are not friendly. But in the private sector banks, the employees face good working environment. Here, the mean of public sector banks is 2.9 and mean of private sector banks is 3.2.

Management Support

The employees working in both public sector banks and private sector banks agree that they have management support. It is observed that the mean of public sector banks is 3.2 and mean of private sector banks is 3.1. It shows that public sector bank employees have more management support than private sector bank employees.

Job Security

The employees of public sector banks have job security but the employees of private sector banks do not feel that their job is secured. The calculated mean value of public sector banks is 3.4 and private sector banks is 2.6. Job security is more in public sector banks when compared with private sector banks.

Career Goals

The employees of both public sector and private sector banks feel that they have accomplished their career goals. The respective mean values of public sector and private sector banks are 3.1 and 3.2.

Working Hour

The employees working in both public sector banks and private sector banks have to work for long hours. They have to work more than the standard working hours, i.e. 8 hours. We can see that the mean of public sector banks is 4.1 and private sector banks is 4.3.

Deadline

The employees of both public sector and private sector banks feel stress due to shorter deadlines. They want longer duration to complete their work. The respective mean values are 3.3 and 4.1.

Role Ambiguity

The employees of public sector banks experience role ambiguity more than private sector bank employees. The respective calculated mean values are 3.1 and 2.9.

Pay Package

The employees working in both public sector banks and private sector banks feel that the compensation given to them is not adequate. The respective mean values of public sector and private sector banks is 2.8 and 2.9.

Health

The employees of both the banks face health issues due to work pressure, long working hours etc. The obtained mean values are is 3.2 and 3.1.

Organizational Commitment

The employees working in both public sector banks and private sector banks agree that organizational commitment is there. We see that the mean of public sector banks is 3.0 and private sector banks is 3.2.

Turnover Intention

The employees of private sector banks have high turnover intention than employees of public sector banks. The mean of public sector banks is 3.0 and mean of private sector banks is 4.2.

Absenteeism

The employees working in public sector banks have high rate of absenteeism than employees of private sector banks. The mean score of public sector banks is 3.6 and private sector banks is 3.2.

Hypotheses testing of Employees’ Perception on Antecedents and Consequences of Stress

H₀: there is no significant difference in perception of employees on reasons of stress among public and private sector

H₁: There is a significant difference in perception of employees on reasons of stress among public and private sector.

t-Test: Paired Two Sample for Means

	Variable 1	Variable 2
Mean	287.6153846	213.1538
Variance	129.5897436	178.9744
Observations	13	13
Pearson Correlation	0.498363676	
Hypothesized Difference	Mean	0
Df	12	
t Stat	21.44239378	
P(T<=t) one-tail	3.08846E-11	
t Critical one-tail	1.782287548	
P(T<=t) two-tail	6.17691E-11	
t Critical two-tail	2.178812827	

Calculated p-value is less than 0.5, therefore H₀: is rejected and H₁: is accepted.

Result = It is less than 0.5 so alternate hypothesis is accepted.

There is a significant difference in perception of employees on reasons of stress among public and private sector banks

Hypothesis test for outcomes of stress

H₀: there is no significance difference in perception of employees on reasons of stress among public and private sector

H₁: There is a significant difference in perception of employees on reasons of stress among public and private sector

t-Test: Paired Two Sample for Means

	Variable 1	Variable 2
Mean	280	215.75
Variance	156.6666667	4.916667
Observations	4	4
Pearson Correlation	0.168144667	
Hypothesized Difference	Mean 0	
Df	3	
t Stat	10.41416555	
P(T<=t) one-tail	0.000944792	
t Critical one-tail	2.353363435	
P(T<=t) two-tail	0.001889584	
t Critical two-tail	3.182446305	

Result = It is less than 0.5 so alternate hypothesis is accepted.

So there is a significant difference in perception of employees on outcomes of stress among public and private sector banks.

Stress Management Strategies used by banks

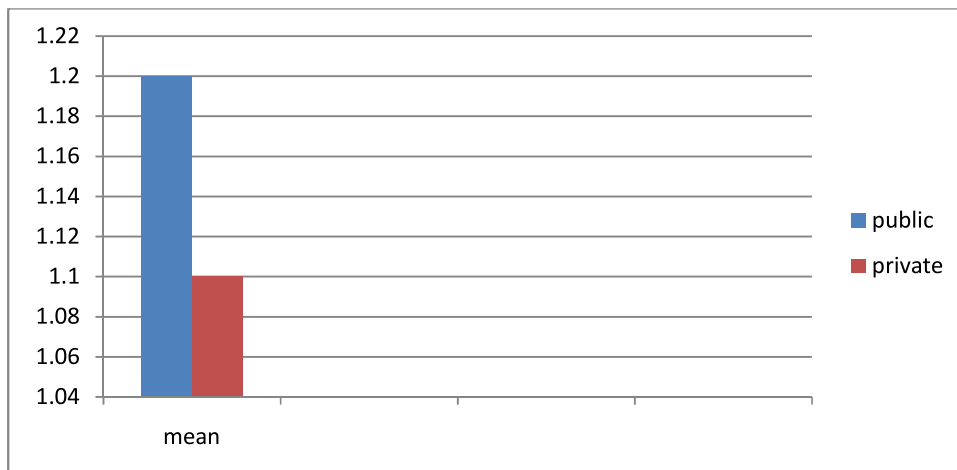


Figure No.- 6

As per our study employee of both the sector says that there are no such strategies used by their bank to manage their stress only training programs are being conducted. As the mean calculated for public sector is 1.2 and private sector is 1.1

Effectiveness of the Stress Management Strategies

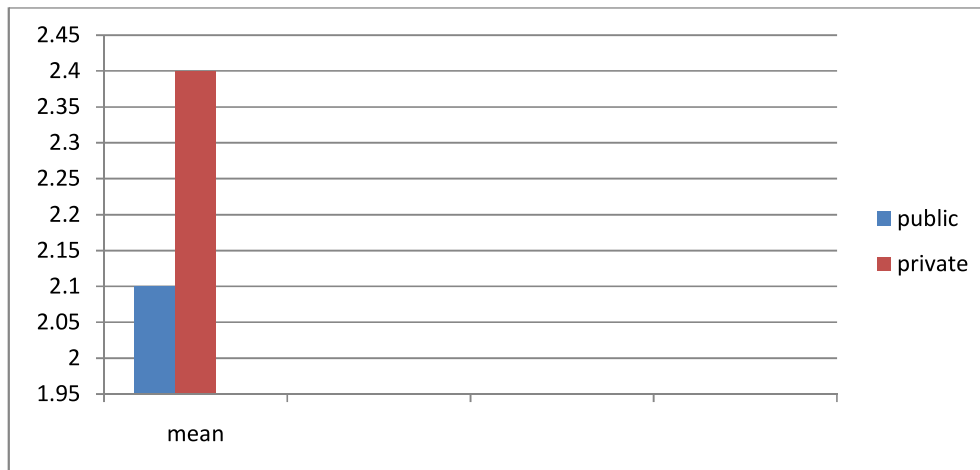


Figure No.- 7

As per our study employee of both the sector says that there are no such strategies used by their bank to manage their stress only training programs are being conducted. These programs are also not effective. As mean calculated for public sector is 2.1 and private sector is 2.4.

Conclusion

Most of the employees are afraid with the fact that lack of quality in their work creates stress on them. Job autonomy creates more stress in private sector banks when compared with public sector banks. More work family conflict issues were found in private banks when compared with public sector banks. The work load in private sector banks is more than the employees of public sector banks.

Fairness is not a reason of stress in public sector but a reason of stress in private sector. Private sector employees enjoy good working environment and it is not an antecedent of stress for them, but the employees working in private sector feel stress due to their working environment. Management support is not an antecedent of stress of the employees working in both public and private banks. However, career goals are antecedents of stress for both public and private sector bank employees. Health of employees are getting affected due to several factors like work load, job security etc., which cause stress. Employees working in private sector banks have more turnover intention than public sector banks. Job security is more in public sector banks than the employees of private sector banks. So it creates stress for employees in private sector banks. Work load and working hour in both public and private sector is the main cause of stress. In private sector banks there is more stress due to work-family conflict and deadline, when compared with public sector banks. As per the study banks do not use any strategies to overcome the stress level of employees, only counseling programmes are offered when needed. But the quality of counseling programmes are not effective.

There is a significant difference in perception of employees on antecedents of stress among public and private sector for both consequences of stress and reasons of stress. Hence, different stress management strategies should be deployed to enhance employee performance in both public and private sector banks.

Future Scope

Stated below are the ways in which this study opens up ways to further explore on the topic and related areas.

- The study can further be explored on a different sample.
- The study can be explored in a different geographical location other than Noida.
- The same study can be conducted with larger sample size.
- Various other statistical tests can be used for comprehensive analysis & findings.

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