

# Perception of Banking Sector Employees on Work Stress and Work Performance: A Study in Private Banks of Shimla District in Himachal Pradesh

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**Abstract**—As business activities grow with economic development of the world, work stress or stress at work place has become a common problem in business organizations in modern times. Employees come under various types of work related pressure, leading to stress, which in turn affects their performance at work place. Commercial banks play an important role in facilitating business activities the world over. This holds true for India as well, where in addition to public sector banks, many private banks have expanded their operations. Employees in the private sector banks belong to various educational and cultural backgrounds. It is important for the management to understand the problem of work stress amongst its employees. This paper presents the results of a study conducted on the perception of employees of some private sector banks in Shimla district of Himachal Pradesh. The perception of employees was based on a detailed questionnaire prepared to know about work stress, its causative factors and impact on work performance. A cross section of employees from different age groups; belonging to various levels and educational qualifications were selected as respondents. The branches of the private sector banks selected in Shimla district are located in the urban and rural areas. This level of diversity of respondents has helped in enhancing the richness of the responses on work stress and performance. The results of the study will help the banks in particular and banking sector in general to know about the problem of work stress so that they can take measures to address it.

**Keywords:** Work stress, Work performance; Private sector banks, Perception

## 1. INTRODUCTION

Work or job stress is an important factor that affects work performance. It is important to know about the conditions at the workplace, including work stress for optimum productivity and performance. Organizations are giving importance to knowing about the reasons for work stress and how these can be reduced or totally overcome. The workplace conditions have changed dramatically in recent years, particularly in banks and other commercial organizations. As competition increases, there is pressure on employees to perform and deliver.

Any adverse condition such as work stress affects productivity, morale and health of the employees. Work stress

has been defined as the harmful physical and emotional responses that occur when job requirements do not match the worker's capabilities, resources and needs [1]. Many different factors are responsible for work stress either singly or in combination with each other. Job strain is an important cause of work stress and directly affects the performance of the employee at the workplace.

According to [2], job strain is determined by the interactions between psychological demands and decision latitude. Work stress or job stress can be attributed to many different factors or causes. [3] States that uncertain job security and fear of lay off is also an important source of psychological stress for some especially during times of economic contraction. Employees often worry about job insecurity and this causes stress, thereby affecting their performance at workplace.

Workplace attitude is the way of doing things in the work place, including the way they think and feel. This could be positive or negative attitude. Positive attitude helps the organization while negative attitude harms the organization. Positive attitudes in the workplace have many benefits, such as better teamwork, increased morale and higher productivity. Negative workplace attitude is harmful for the organization. Stress at work place influences the attitude of an employee at the workplace.

Workplace performance is the performance of employees in the work place. It is influenced by many factors like workplace attitude, working conditions, stress and other factors. The overall objects of HRM in business organizations are to improve the workplace performance. It is this context that study of workplace stress and workplace performance is of immense importance, particularly in banking organizations where the employees are exposed to different types of customers and are also required to facilitate various types of financial transactions.

In today's fast changing business world, the role of commercial banks has become very important as they provide a mechanism for almost all financial transactions to take place.

[4] Thousands of employees of all levels working in commercial banks in India contribute significantly for meeting the long and short term objectives of the organization as a whole; also for industrial growth; rural development; growth of the small and medium sector and also for promoting entrepreneurship. Most of these employees are well educated and trained [5] having joined the profession in their mid- or late twenties. Bank employees are required to work under tight schedules and deal with customers from different cultural, educational and financial backgrounds. The nature of work that employees are required to do is also varied in nature.

Studies of this type help in bringing out the causative factors of work stress which is affecting work place performance so that the management could initiate steps for reducing stress and improving workplace performance. These are of immense use to the management of the banking sector as it helps them in understanding various causes of work stress and work out ways to eliminate them. Workplace performance also needs to be studied in the context of work stress.

## 2. OBJECTIVES

This study was conducted in selected private sector banks of Shimla district in Himachal Pradesh and was based on the perception of the employees working in these banks on work stress and work performance. The main objectives of the study were:

- I. To determine the perception of the employees on work stress and performance.
- II. To identify the main causative factors responsible for work stress amongst the employees of these banks.

## 3. STUDY AREA

Shimla is the capital city of Himachal Pradesh and is called as the queen of hills. Each year lakhs of tourists visit Shimla. They contribute significantly to the commercial and financial activities in this town. Other than tourism, horticulture and agriculture also contributes significantly to the income of the people of this district. There are many banks operating in Shimla town and its nearby areas which include private banks. The private banks perform many commercial functions and their operations have increased in the past many years.

Shimla district was selected as the study area as it includes both urban and rural areas and there is a mix of commercial activities in the district.

## 4. METHODOLOGY

The following methodology was adopted for this study:

### a-Preliminary survey

A preliminary survey of the banks of Shimla district was done. It was observed that even though public sector banks dominate

the banking activities in the district, there are also a significant proportion of banks in the private sector. There have an important share of the banking services in the district. Amongst these, the private sector banks located in different parts of the district were selected for undertaking this study.

### b-Selection of banks

There are many private banks which are operating in Shimla and other areas of Shimla district. There are many branches of private banks operating in Shimla town and other parts of the district.

They include the following banks:

- i. HDFC Bank
- ii. Bharti Axa Life
- iii. IDBI
- iv. Indus-Ind bank
- v. ICICI Bank

The branches and also some of the state/ regional offices of the selected private banks, located in the district of these banks were selected on random basis.

### c-Introductory visits

Introductory visits were conducted in these banks for meeting the employees including the managers. Preliminary discussions were carried out with the senior management at various branches and regional offices to facilitate the process of questionnaire formulation and other methods for data collection for the study.

General observations were made in these banks after which the branches of the private sector banks to be covered were selected.

### d- Development of questionnaire and collection of primary data

A detailed questionnaire was developed for collecting primary data on the perception of the employees on work stress and work performance. More than 40 questions were framed on various aspects to bring out the work place conditions, causes of work stress and workplace performance. Five point scales was used against each question. This included the options like – strongly agree; agree; neither agree nor disagree; disagree and strongly disagree.

The primary data collection was done through informal interviews with the employees of the bank. Thereafter, randomly selected employees were requested to fill the questionnaire for knowing their perception on work stress and work performance. Overall about 50 questions were answered by each respondent. These includes questions on general

perception of the bank; causes of work stress and conditions at work place.

The respondents have marked any one of the options in the five point scale.

### **e-Secondary data collection**

The secondary data for this study was collected from various publications including books, journals, annual reports, other reports and unpublished literature.

### **f-Data analysis**

The data collected as a part of the above mentioned process was analyzed by using standard statistical software and other analysis techniques. This helped in understanding the perception of the respondents on work stress and work performance.

## **5. SAMPLING PROCESS**

The respondents selected as a part of the sampling process were from different levels, backgrounds and age groups so as to have a cross section view of the population.

The sampling processes adopted for this study are:

1. Sampling Methods:- Random Sampling
2. Sample Size:- 76 Respondents
3. Sampling Units:- senior level, middle level and clerical staff
4. Sampling Area:- Shimla district
5. Population details: - the population sampled comprised of the senior level, middle level and clerical staff of the banks. The chief manager and the branch managers also played an important role in responding to the questionnaire.

The respondents included:

- a. Female and male employees
- b. Employees with different length of services
- c. Employees at different levels in the bank
- d. Employees with different qualifications
- e. Employees of different age groups

## **6. RESULTS AND CONCLUSIONS**

On the basis of this study, the following results and conclusions can be drawn:

Most respondents agree that the bank has specific culture and values and the bank makes good use their abilities and skills.

This brings out high satisfaction levels about their work place amongst employees of the banks.

1. A majority of the employees agree that the bank offers necessary training to do the job well; provides real opportunities to improve the skills and abilities of the employees and gives necessary resources to do the job well. This is another positive perception about their banks, amongst the employees who were selected as respondents.
2. A significant number of employees are satisfied with the information received from management on what's going on in the bank and are satisfied with the functioning of the bank. They also feel that as a place to work, things seem to be getting better.
3. A considerable proportion of the employees would recommend their bank as a good place to work.
4. However, only about half of the respondents expressed the view that lack of job security is the reason of stress. About the same proportion also holds the view that lack of job permanence leads to job stress; future job change is a cause of stress and fear of skill redundancy causes stress.
5. Unrealistic deadlines have been identified by a majority of employees as a cause of stress.
6. However, less than half the employees feel that technology overload is the reason of stress; unmanageable workloads cause more stress and lack of involvement in the decision making also causes stress.
7. A majority of the respondents agree that aggressive management style affects the work culture.
8. Less than half of the respondents agree that lack of support from other employees causes stress; isolation at workplace causes stress and personal harassment in the form of unkind words or behavior leads to stress.
9. More than 50% of the respondents agree that the lack of understanding and leadership causes stress; superiors forever finding the fault also causes stress and when others take credit for personal achievement it causes stress.
10. However, the level of agreement that poor relationships with colleagues is a cause of stress and friction or anger amongst the employees causes stress is slightly less than half.
11. Most respondents agree that stress is caused due to unwanted place of posting in the bank; insufficient breaks is a cause of stress and over demanding and inflexible work schedules is also a cause of stress .
12. A majority of respondents feel that stress is due to little control over life at work.
13. However, a majority of respondents do not attribute that stress is due to excessive travel time or work in bank interfering with home personal life or lack of information about what is going on in the bank or uncertainty about exact job responsibility.

14. More than half of the respondents do not feel that work stress is due to fear of violence or close monitoring of work performance or dull and repetitive work or dealing with difficult customers.
15. The perception of a majority of employees in the bank is that stress is due to their seldom receiving adequate acknowledgement or appreciation when their work is really good and due to different groups at work demanding things from them which are hard to combine.
16. Most employees agree that job stress is affecting their performance in the bank.
17. It is felt by a majority of the employees working in these banks that stress is also due to pressure of long working hours.
18. However, many employees do not agree that that job stress is due lack of clarity about their duties and responsibilities or slow work speed.
19. Majority of the respondents agree that repetitive and high specialized routine is a cause of stress.

Based on the results from no. 1 to 4, it can be concluded that the banks are considered to be a good place to work with most employees having a positive view about their bank. This is considered to be a very encouraging response as the employees have a positive impression about their place of work.

The causes of work stress which in turn affects work place performance in the private sector banks of Shimla district in Himachal Pradesh have been summarized in the following points:

- a- Lack of job security; job permanence; future job change and fear of skill redundancy amongst employees.
- b- Unrealistic deadlines; technology overload; unmanageable workloads and lack of involvement in the decision making.
- c- Lack of understanding and leadership; superiors forever finding faults and when others take credit for personal achievement.
- d- Poor relationships with colleagues and friction or anger amongst the employees.
- e- Unwanted place of posting in the bank; insufficient breaks and over demanding and inflexible work schedules.
- f- Employees seldom receiving adequate acknowledgement or appreciation when their work is really good and due to different groups at work demanding things from them which are hard to combine.
- g- Pressure of long working hours; lack of clarity about their duties and responsibilities or slow work speed; repetitive and high specialized routine.

Other than the causes of stress brought out in the above points; most employees feel that stress at work place is affecting their work performance. There are causes which have been strongly agreed to or very strongly agreed to by less than half the

respondents; while other causes have been strongly agreed to or very strongly agreed to by more than a majority of the respondents.

These causes are a reason of concern for the bank management which needs to take suitable steps for removing them for improving work place conditions and thereby increasing employee morale; health and also the productivity of the bank.

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