

IMPACT OF JOB STRESS ON TURNOVER INTENTIONS AMONG EMPLOYEES OF PRIVATE SECTOR BANKS, COIMBATORE

Mr.S.MOHANRAJ¹

Dr.K.K.RAMACHANDRAN²

¹Ph.D Research Scholar

²Director

GRD Institute of Management

Coimbatore, Tamil Nadu

India

ABSTRACT: *The Indian banking sector have compelled by various domestic and global factors to reform and to adjust with competitive environment. Due to this situation more than 60% of the bank employees have one or other problem directly or indirectly related to these drastic changes. Whereas continuous growth of competition, restructuring and technology changes in the private sector banks leads to increase the level of stress, job dissatisfaction and turnover intentions among employees. Due to high level of turnover among employees, the private sector banks faces a greater difficulties and it is noted that little attempt has been taken by the researchers to integrate the job stress with turnover intention. Stress is a significant and expensive workplace problem for employees and their employers. Therefore, it becomes necessary to understand whether there is any significant relationship between job stress and turnover intentions among employees working in private sector banks in Coimbatore district. Hence problem of this study is to investigate "how the job stress causes an impact on turnover intention among employees of private sector banks, Coimbatore district". The study is explanatory in nature and depends upon both primary and secondary data. Multi stage sampling procedure was adopted to collect the data from the Coimbatore district of Tamil Nadu. 54 branches are considered for collection of data, uniformly from 10 employees of each bank covering administrative executives, marketing executives and executives was selected using stratified proportionate random sampling method. The statistical tools used for the study are simple percentage method, correlation and regression analysis. Result shows that there is a significant positive correlation between job stress and turnover intentions ($r=-0.531$, sig.0.000). Also there a strong variance observed through regression which indicating that there is a significant positive influence on turnover intentions based on job stress among employees of the private sector banks. It was concluded that there is a significant impact of job stress on turnover intention which means that majority of employees have a high degree of job stress and private sector banks need to safeguard their employees making them physically enthusiastic and emotionally high by making physically strong and healthy. Further, this study also supported the view that the managers of private sector banks should get strategic steps to reduce job stress and turnover intention among the employees.*

Key words: Employees job stress, Private sector banks, Turnover Intentions, etc.

1. INTRODUCTION

Globalization and privatization drove arrangements have constrained the saving money area to change and acclimate to have a focused edge to adapt to multinationals drove condition. Indian business banks which dismantled them from the conventional saving money exercises, which has a more noteworthy bearing on the brain research of the workers to embrace to the changing needs of the business and fulfilling the desires for the clients and the keeping money establishments. Because of this circumstance the confirmation from existing writing states that over 60% of the bank representatives have one or other issue

specifically or by implication identified with these intense changes. This eventually brought about pressure, work disappointment and turnover aims. The critical rivalry in the saving money industry between people in general and old private area banks, new age private segment banks and remote banks is for the most part through innovation advancement, redesigning and modernization. The entire exercise is focused to enhance client relationship and convey quality administrations to clients.

The principal objective of Indian banking had been the attainment of growth with social justice and equity. Finance which acts as a catalytic agent, is a great necessity. The private-sector banks in India represent part of the Indian Banking Sector that is made up of both private and public sector banks. The "Private Sector Banks" are banks where greater parts of state or equity are held by the private shareholders and not by government. The private sector banks are split into two groups by financial regulators in India, old and new. The new private sector banks are those that have gained their banking license since the liberalization in the 1990s.

Stress is a significant and expensive workplace challenge for employees and employers. Work stress is linked to health issues more strongly than any other life stressor, including family issues and financial problems. As these statistics suggest, stress is a significant workplace problem for employees and their employers. Stress takes a toll on the employee by contributing to increased job burnout also takes a toll on the organization through decreased productivity, decreased retention and decreased Also, it is imperative that empirical research be done exploring the role that work-related stress has on employee burnout, engagement and turnover intention.

Employee turnover is an important factor which is influencing employee productivity. Sut and Chad (2011) indicated that employee turnover is cause of economic losses of organization. It reduces greatly the job efficiency. Similarly, Barak et al., (2001) suggested that employee turnover is terror and costly, it reduces organizational effectiveness and employee productivity to a certain extent, and manager must spend more energy and material to develop a new talent to replace the employees who leave out. Hence employee turnover is worth managers to pay attention to invisible burden

2. REVIEW OF LITERATURE

Bano et al. (2012) conducted a study to explore the difference in job related stress between public and private sector employees of manufacturing companies, based on ten role stressors. They showed in the study that stress level was found moderate in both public and private sector employees and no significant difference was found in overall stress level in public and private sector employees

Ramananda Singh et al. (2011) conducted a study on "Stress in the banking sector of India and abroad". It shows that employees in the banking sector score higher levels of stress and insecurity and show evidence insignificantly worse health indicators with respect to those of employees working in the other sectors. Stress has become a corporate buzzword and it affects the individual as well as the organizations. If taken positively, results are positive and further negatively, the results are negative. Recent research reveals that low to moderate level of stress enable an employee to perform better. However, a high level of stress spread over a long period eventually takes its toll and the performance declines. Hence, it is the need of the hour that the management of banks should take corrective measure to overcome the dysfunctional effects of stress. In recent days, managements are adopting stress management techniques such as employee assistance programs, proper selection and training, wellness programmes, stress audit, participative management, equitable performance appraisal and reward system and the like.

Sharma et al. (2011) in a study collected data from 530 frontline employees from various public and private sector banks and tried to assess the causes of role stress. The identified eight role related factors which represent twenty –two variables. They concluded that role indistinctness, role excess, role invasiveness, role divergence, role augmentation, self-diminution, role fortification and resource shortage are the causes of role stress.

3. PROBLEM STATEMENT

Job Stress is a significant and expensive workplace challenge for employees and employers. Private sector banks are not exceptional in this regard. Globalization and privatization led policies compelled the banking sector to reform and adjust to have a competitive edge to cope with multinationals led environment. Over the last few decades, the Indian financial system underwent some major changes in terms of structures, management techniques and the regulatory environment which have a significant impact on employees that have lead to voluntary turnover intentions. Employees searching for conducive work environment to cope with the situation and achieve maximum satisfaction in their job shall help to achieve less turnover intentions. Therefore, it becomes necessary to understand whether there is any significant relationship between job stress and turnover intentions among employees working in private sector banks in Coimbatore district.

4. OBJECTIVES

- To know the demographic profile of the employees working in the private sector banks in Coimbatore district.
- To examine the impact of Job stress on turnover intentions among employees working in private sector banks in Coimbatore district.

5. HYPOTHESES

a) CORRELATION

H₀: There is no correlation between Job stress and turnover intentions.

H₁: There is a significant correlation between Job stress and turnover intentions.

b) REGRESSION

H₀: There is no relationship between Job stress and turnover intentions.

H₁: There is a significant relationship between Job stress and turnover intentions.

6. METHODOLOGY

The study is explanatory in nature and depends upon both primary and secondary data. With the help of five point Likert Scale, descriptive research design has been adopted. The survey questionnaire was circulated among the sample bank employees of the specific banks were asked to examine each item and determinants contributing towards stress in their job through the survey instrument. Multi stage sampling procedure was adopted to collect the data from the Coimbatore district of Tamil Nadu. Employees of different designations are classified into Executive-Administration, Executive Officer and Marketing Executives are considered for sampling. Researcher identified 583 total scheduled commercial bank branches functioning in Coimbatore. 54 branches are considered for data collection. Uniformly 10 employees covering all the three designated categories are taken using Stratified Proportionate Random Sampling Method. Therefore, the total number of samples selected for the study is 540 numbers. The statistical tools used for the study are simple percentage method, correlation and regression analysis.

7. ANALYSIS AND RESULTS

7.1. Demographic Variables

Table 1: Demographics of Employees working in private sector banks

| S.No. | Demographic Variables | Respondents (540 Nos.) | Percentage (100%) |
|-----------|------------------------------------|---------------------------|----------------------|
| 1. | Age | | |
| | Below 30 Years | 210 | 38.9 |
| | 31 to 40 years | 130 | 24.1 |
| | 41 to 50 years | 115 | 21.3 |
| | Above 50 years | 85 | 15.7 |
| 2. | Gender | | |
| | Male | 323 | 59.8 |
| | Female | 217 | 40.2 |
| 3. | Marital Status | | |
| | Married | 315 | 58.3 |
| | Unmarried | 225 | 41.7 |
| 4. | Educational Qualification | | |
| | Under Graduate | 278 | 51.5 |
| | Post Graduate | 157 | 29.1 |
| | Others (Diploma/ITI/M.Phil., etc.) | 105 | 19.4 |
| 5. | Designation | | |
| | Marketing Executive | 130 | 24.1 |
| | Executive Officer | 202 | 37.4 |
| | Executive-Administration | 208 | 38.5 |
| 6. | Monthly Income | | |
| | Upto Rs.30000 | 186 | 34.4 |
| | Rs.30001 to 40000 | 88 | 16.3 |
| | Rs.40001 to 50000 | 109 | 20.2 |
| | Above Rs.50000 | 157 | 29.1 |

Table 1 shows, 38.9% of the respondents are in the age below 30 years, 24.1% of the respondents are in the age group of 31 to 40 years, 21.3% of the respondents are in the age between 41 and 50 years and the remaining 15.7% of the respondents are in the age above 50 years. Most (59.8%) of the respondents are male and 40.2% of them are female. While the respondents marital status are concerned, most (58.3%) of them are married and 41.7% of are unmarried. With respect to educational qualification more than half (51.5%) of them are under graduates, 29.1% are post graduates and the remaining 19.4% of them possess other qualifications like technical education, semi-professional or professional education. Designation of the bank employees are classified into three categories in which highest number of respondents (208 – 38.5%) are Executive – Administration, while 37.4% of them are executive officers and the remaining 24.1% of the respondents are marketing executives. When considering the monthly income, 34.4% of the employees earn upto Rs.30000 per month, while 29.1% are having income above Rs.50,000, 20.2% of the respondents are earning Rs.40,001 to Rs.50000 and the remaining 16.3% of the respondents are having monthly income between Rs.30,001 and Rs.40,000.

7.2. Correlation

Table 2: Correlation between Job stress and Turnover Intentions

| | | Turnover Intentions | Job Stress |
|---------------------|---------------------|---------------------|------------|
| Turnover Intentions | Pearson Correlation | 1 | .531** |
| | Sig. (2-tailed) | | .000 |
| | N | 540 | 540 |

| | | | |
|------------|---------------------|--|-----|
| Job Stress | Pearson Correlation | | 1 |
| | Sig. (2-tailed) | | |
| | N | | 540 |

** Correlation is significant at the 0.01 level (2-tailed).

Table 2 shows strong positive significant correlation between Job stress and turnover intentions ($r=0.531$, $sig.0.000$) to accept the alternative hypothesis.

7.3. Regression Analysis

Table 3 explains the percentage of variance in the dependent variable (turnover intentions) explained by the explanatory variables (Job stress) at 64.5% variance which means that there is a significant influence of Job stress on turnover intentions among employees working in the private sector banks in Coimbatore district.

Table 3: Regression analysis showing relationship between Job stress and Turnover Intentions

| R Value | R Square Value | Adjusted R Square Value | Degree of Freedom – (V ₁ , V ₂) | F-Value | Significance |
|---------|----------------|-------------------------|--|---------|--------------|
| 0.803 | 0.645 | 0.642 | (5, 534) | 193.935 | 0.000 |

Predictors: Job Stress

Result of the equation shows = $12.825 - 0.078$ (Job Stress)

Table 4: Coefficient showing the relationship between Job Stress and Turnover Intentions

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 12.825 | .453 | | 28.282 | .000 |
| | Job stress | -.078 | .038 | -.084 | -2.046 | .041 |

Dependent Variable: Turnover Intentions

Table 4 shows beta coefficient measured between job stress as the independent variables to predict the turnover intention which is the dependent variable shows significant relationship between the two factors ($t=-2.046$, 0.041) at 1% level to accept alternate hypothesis.

8. SUMMARY OF THE RESULTS

Demographic Variables

- More than one third (38.9%) of the respondents are in the age below 30 years
- Most (59.8%) of the employees are male
- Most (58.3%) of the bank employees surveyed for the study are married
- More than half (51.5%) of them are under graduates
- Highest number of respondents (208 – 38.5%) are Executive – Administration
- 34.4% of the employees earn upto Rs.30000 per month

Result shows that there is a strong positive significant correlation between Job stress and turnover intentions ($r=0.531$, sig.0.000). Also there is 64.2% of variance observed through regression which is proved through beta coefficient -0.078 ($t=-2.046$, 0.041) at 1% level which means that there is a significant positive influence of job stress on turnover intentions among employees working in the private sector banks. The relationship between job stress and turnover intentions has been heavily researched. The general conclusion of these reviews is that there is a significant positive correlation between job stress and turnover; that is employees with high job stress are more likely to quit their jobs.

9. SUGGESTIONS

All private organizations are prone to meet targets and achieve profits in this case; private sector banks are not exemption in this regard. Therefore, necessary initiatives to distribute the work or recruiting supporting staff can help reduce the Job stress in the private sector banks. Sharing the job and creating more opportunity to new comers can reduce the burden of experienced people to marginally relax to improve productivity in their job. Imparting training and making employees understand the new technology through continuous support from supervisors will help the employees to adopt to the new technology and exhibit efficiency which can reduce their work load will help them reduce work stress and lead to job satisfaction. An intermittent revision in salary or incentive for the extra work done can enhance employee psychological wellbeing and motivate them towards good performance in their jobs.

10. CONCLUSION

The study concluded that if banks can ensure a safe working environment, properly trained employees, genuine recognition for the employees work and supervisory support would reduce the job stress among the employees working in private sector banks. Stress is a condition or feeling expressed when a person perceives that demand exceeds the personal and social resources of the individual. The stress will be different among different workers, there by the management has to identify their problems and it will help to manage the stress. The process of stress management is named as one of the key for happy and successful employees.

REFERENCES

1. Bano, B., and Jha, R. K.,(2012),Organizational role stress among public and private sector employees: A comparative study. The Lahore Journal of Business, 1(1), PP. 23-36. Retrieved on 01.10.2012.
2. Ramananda Singh, H., and Sonit Dutta,(2011), "Stress and its Study in the banking sector of India and abroad"Prabandhan:Indian Journal of Management, Vol.4,No.2, February, PP.11-15.
3. Sharma, J., and Devi, A.,(2011), Role Stress Among Employees: An Empirical Study of Commercial Banks, Gurukul Business Review, Vol. 7, Spring.