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THE IMPACT OF JOB STRESS ON JOB SATISFACTION AMONG ITES-BPO EMPLOYEES - AN EMPIRICAL STUDY

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Abstract

The study is an attempt to explore the impact of job stress on job satisfaction and job future/ advancement among ITES - BPO employees working in UAE. Data were collected from 70 employees from prominent ITES - BPO companies located within UAE. A 26 item questionnaire was used, with job stress as the independent variable and job satisfaction and job future or career advancement as dependent variables. Correlation Analysis and One - Way Anova were used for the current study. The results of Anova indicated that there was a significant relationship between marital status and job stress and pay of an employee and job stress. Correlation Analysis also reveals significant relationships between job stress and job satisfaction, the attitude of management towards employees, promotion ability of employees and leadership traits of managers. The study reveals that ITES – BPO employees in UAE were prone to moderate levels of job stress.

Keywords: Job Stress, Job Satisfaction, Job Future, ITES Employees, Job Responsibility and ITES Environment.

1.1 Introduction

Job Stress, also known as Workplace Stress, is a prevalent and costly problem seen in today's workplace. About one-third of workers world-wide report high levels of stress. Three-quarters of employees believe that they experience more on-the-job stress than a generation ago.

It is generally perceived that Job Satisfaction is directly correlated with the mental well-being of the employees. Job Stress, on the other hand, is the main cause of problems not only in a person's professional life but also in his or her personal life. A stress filled employee makes wrong decisions and has a negative relationship with co-workers. Some signs of a stressed employee at work are reduced productivity, mistakes, low quality work and absenteeism. On the other hand, a satisfied employee is a vital pre-requisite for a healthy company.

A recent survey, conducted in 2008 by UAE's leading newspaper, 'The Gulf News', shows that along with UAE's explosive commercial success, there is a dangerous downside in terms of workplace health. The ITES sector is one such sector which seems heavily affected by Job Stress resulting in employee turnover. The ITES sector is a dynamic industry where enormous changes have been occurring as seen in the last decade and these changes have occurred at a rapid speed. With change comes stress inevitably. Most of the ITES employees in UAE are from countries other than UAE, with India being in the lead. The reasons for this could be that Indians are better educated and most of them possess a graduate education. They are also technically competent and fluent in English speaking skills. A trend is also seen in the age group of 25 - 40 years, with a majority of ITES - BPO employees because this age group can withstand dynamic changes taking place at the workplace.

1.2 Review of Literature

Fred Luthans (1995) defines Stress” as an adaptive response towards external situation resulting in physical, psychological deviation and/or changing of behaviour among the members of an organization”. Stress will not happen instantaneously. Instead it happens through a long process. Not all stress is negative. De Cenzo and Robbins (1999) state that stress could be manifested both in negative and positive ways. Stress is said to be positive if it improves performance and it is said to be negative if it hinders work performance.

Job Satisfaction describes how content an individual is with his or her job. Job Satisfaction is a very important attribute frequently measured by organizations. The most common way of measurement is the use of rating scales where employees report their reactions to jobs. Weiss (2002) has said that Job Satisfaction is an attitude and it is made up of three components; affect (emotion), beliefs and behaviours. De Cenzo and Robbins (1999) describe Job Satisfaction as a collection of positive and/or negative feelings that an individual holds towards his or her job. Another apt understanding of Job Satisfaction is by Drever (1964) who describes it as “an end state of feeling”.

Job Satisfaction and Job Stress are related to an individual’s long term career goals, to his future in the organization. Every employee seeks to rise in his or her career. Hence, Job Future or Career Advancement is seen as a determinant of Job Satisfaction. Technical competence in ITES-BPO employees is not enough. They also need to widen their portfolios of job roles, job skills and experiences.

Job Advancement can be challenging during periods of economic recession, company downsizing, and company restructuring. Job Advancement can also be challenging when there is keen competition for jobs in the field and if the employer tends to hire from outside

the company. Further, Job Advancement can be challenging when workplace issues are involved such as office politics, company politics, workplace attitudes, personality differences between managers and employees and resistance to change (Robin Jacobs 2003).

1.3 Statement of the Problem

The ITES-BPO employees in UAE are constantly facing changes due to the uncertainties in the global market as a result of which these employees are subjected to work stress. This study was initiated to understand the influence of Job Stress on Job Satisfaction. The other aim is to assess the influence of demographic profile of the ITES - BPO employees on Job Stress.

Based on a comprehensive review of literature and theoretical background of the variable, Job Stress, a 26 item questionnaire was developed for measuring Job Stress and its influence on Job Satisfaction. The questionnaire was administered on seventy employees from the ITES – BPO companies and they were asked to indicate their agreement or disagreement to these statements on the respective scales.

1.4 Research Objectives of the Study

The objectives of this study are listed below:

- To explore the effects of demographic variables such as age and marital status on the levels of job stress experienced by ITES and BPO employees.
- To find an association between job stress and job satisfaction among ITES and BPO employees.
- To find out how job stress can affect job future or advancement in ITES and BPO employees.

1.5 Hypotheses of the Study

Hypotheses were set for the F –test and the correlation analysis to check whether there was any association between the variables. The study proposes the following hypotheses:

- a) There is no significant association between the marital status of ITES- BPO employees and job stress.
- b) There is no significant association between pay and job stress.
- c) There is no significant association between the job stress and job satisfaction.
- d) There is no significant association between the job responsibility and job stress.
- e) There is no significant association between promotion and job satisfaction.
- f) There is no significant association between attitude of management towards employees and job stress.

1.6 Sample Selection

Samples were selected by using judgement sampling and personal knowledge and opinion. The Researcher has adopted a Non-Probability Sampling Technique in order to select the sample from a relatively large population framework in each organisation. It was difficult to get the list of all employees to adopt any Random Sampling Technique. Hence the Researcher utilised the Judgement Sampling Procedure - that is, using Researcher's judgement in administering the questionnaire and conducting the personal interview with only those employees who can spare time for filling the survey. The Convenience of the Researcher in terms of travel and transportation time were major factors decided the appropriate representation of employees. Therefore, the Researcher selected 10 employees from each of the seven companies to arrive at a final sample size of 70.

1.7 Data Collection

The Researcher selected samples in such a way that all relevant ITES-BPO employees were represented in the data. To determine the stress level of executives, it was decided to collect 70 samples from ITES-BPO companies. Keeping this fact in mind, factors influencing Job

Stress were identified and a questionnaire was prepared and pre-tested. Necessary modifications were incorporated in the final draft which was administered for the collection of primary data. The questionnaire was divided into four sections comprising of socio-economic background, stress constructs, job satisfaction and job future. Each question in the questionnaire for socio-economic background was tailed with alternative answers. For Job Stress, each question was tailed with three alternative answers and for Job Satisfaction, each question was tailed with four alternative answers and for Job Future, each question was tailed with five alternative answers from which the respondents had to choose one which expressed their opinion. By virtue of data obtained from the research survey, descriptive and analytical tests were carried out.

1.8 Period of the Study

Four months were spent for the completion of the research topic and research activity. This period was directed towards data gathering and analysis, as well as towards the drafting of reports on the various phases of the research.

1.9 Tools Used

The questionnaires were entered, verified, and edited by using IBM® SPSS® statistical software. Completed questionnaires were analysed by using SPSS 11 version as tools of the study. The Likert type scaling technique was adopted to secure the total stress score value of the respondents. Further, the stress of the employees has been classified into three levels, namely no stress, moderate stress and high stress for analytical purposes. In order to analyse the relationship between the level of stress of the respondents and socio-economic background, the percentage method was used. The F-test was employed to test the association between the socio-economic background and the levels of stress of the respondents. In order to study the association among the variables in Job Stress,

Job Satisfaction and Job Future, the correlation co-efficient technique was used.

1.10 Limitations

There are two limitations that need to be acknowledged and addressed regarding the present study. The first limitation concerns the cross-disciplinary nature of this study. The second limitation has to do with the extent to which the findings can be generalized beyond the cases studied.

2.1 Job Stress and ITES Environment

The ITES sector is concerned with outsourcing of critical but non-core business process or functions of an organization to external vendors for long periods of time on a set of predefined performance metrics. Today more and more organizations are recognizing the practical and enhanced value of externally delegating processes as opposed to doing them in house. The ITES sector in UAE caters to the global economy primarily as a provider of low-end services. This very feature has shaped the nature of employment that has been created in this sector. Mobility, Flexibility and Employee Relationship Management are the three major characteristics of employment in this industry. The third characteristic of this sector, the Employee Relationship Management, deals with attracting, developing and retaining workforce.

The ITES sector in UAE has a younger workforce in the age group of 25-35 years. These young people are techno-savvy, aware of market realities and opportunities and they are career oriented. Factors like lack of career advancement, too much workload, employee morale, risks involved in decision making and organizational climate lead to stress among them. It is also seen that most of the ITES-BPO employees have high career aspirations and job expectations and therefore, they are ready to take risks.

The workforce in ITES sector faces many challenges. The technological advancements in

this sector come up in short span of time and hence these employees need frequent upgradation of their skills to remain marketable. The working conditions are quite stressful. The employees work long hours and cannot take leave when sick as fellow colleagues do not co-operate. These conditions lead to Job Stress which can influence Job Satisfaction and Job Future.

2.2 Job Stress and Job Satisfaction

Job Satisfaction is a very important attribute which is frequently measured by organizations.

Factors contributing to Job Satisfaction in the ITES environment are treating employees with respect, providing regular employee recognition, empowering employees, offers above industry-average benefits and compensation and positive management which offers employees realistic goals, specific measurements and clearly defined expectations. According to Stamps and Piedmonte (1986), Job Satisfaction has been found to have a significant relationship with Job Stress in a study conducted on nurses working in hospitals. Roy Payne and J. Graham Jones (1980) identified that while lack of satisfaction can be a source of stress, high satisfaction can alleviate the effects of stress. This study shows that both Job Stress and Job Satisfaction are interrelated. In the ITES sector, Job Dissatisfaction would lead to employees leaving the organization. In UAE too, it is observed that ITES-BPO employees were experiencing stress.

2.3 Job Stress and Career Advancement

Career Advancement and Job Stress are deemed to be related because individuals could experience stress as a result of perceived lack of opportunity to further their career prospects within the organization for which they work. Limited information is available regarding the relationship between Job Stress and Job Future or career advancement. However, research has

demonstrated that a conflict between the personality characteristics of employees, such as their career preferences, needs, motives and values and the attributes of their organizations, are related to individual behavioural outcomes such as job dissatisfaction, low organizational commitment and engagement, substandard job performance, job stress and turnover (M. Coetzee & M. De Villiers 2007). In terms of socio-demographic factors, Martins, (2005) for example, found that personality characteristics can influence how individuals interpret and respond to what happens to them, including stress.

3.1 Analysis and Discussion

The selected sample showed that 55.7 percent (39) of ITES employees belonged to the age group of 25-30 years of age. The second leading sub - group in the category of age was seen in 41 years and above (24.3 percent). 20 percent of the employees in the sample belonged to 36-40 years of age and 7.1 percent belonged to 31-35 years of age (7.1 percent). This shows that senior and experienced people are preferred in ITES jobs in UAE. The sample shows males and females to be equally divided (50 percent) in the chosen sample. The UAE work culture believes in 'Equal Employment Opportunity' and practices fair enough to both males and females. In the income category, the sample consisted of employees belonging to the income groups of AED 5000-7000 (38.6 percent) and AED 7000 and above (38.6 percent). The second majority was seen in the income group of AED 3000 to 5000 (20 percent) and the sample had less number of people in the income group AED less than 3000. The ITES-BPO employees in UAE earn high salaries because they are seen to be technically competent, better educated and experienced working class. As per Table-5, study reveals that maximum number of employees, experienced moderate levels of stress, (45.7 percent) in terms of job responsibility i.e. being accountable for one's work performance.

Employees, who experienced high levels of stress, constituted 37.1 percent and 17.1 percent did not experience stress at all. This proves that the organizational support is the significant factor which is found to be lacking at their workplace.

The study indicates that when it comes to cooperation from colleagues during sickness or injury, half of the employees experienced moderate stress while one-fifth of the employees experienced a lot of stress and less than one-third of the employees experienced stress in the same situation. Hence we can conclude that support from peers, which plays an important role in reducing stress in an individual, is missing in the ITES environment. It is found that the negative feedback from supervisors and public could lead to moderate and high levels of stress in ITES-BPO employees. The sample chosen had equal number of employees (47.1 percent) experiencing moderate and high levels of stress (refer Table-4). The percentage of employees, who experienced no stress at all, was limited at 5.7 percent. More than half (52.9 percent) of the employees were clear about their future job expectations. However, around 45.7 percent of employees were still very unclear. The reason maybe because the ITES sector is still in its development phase in UAE as a result of which this industry experiences very rapid changes. Half of the employees were fairly certain about their capability to support oneself in the event of losing one's own job. More than one-third of the employees, however, were somewhat certain and less than one-tenth of the employees were little uncertain about being able to support oneself financially when they lost their job.

Hypothesis Testing

Ho: There is no significant association between the marital status of ITES - BPO employees and job stress.

It is revealed that the F value is 14.867 and P value is 0.000 at 5 percent level of significance. The analysis of the **Table – 1** indicates that there was significant association

between the Marital Status of ITES employees and Job Stress. Majority of the respondents in the age group of 25-30 years of age were married and married employees have additional responsibilities at home, besides those at work. Hence the present uncertainties of ITES work environment were, therefore, stress provoking.

Ho: There is no significant association between pay and job stress.

The F value is 5.011 and P value is 0.000 at 5 percent level of significance. The analysis of the **Table – 2** reveals that there was significant association between Pay and Job Stress. It has been proven statistically that there was significant association between Pay as an independent variable and Job Stress. It is significant that the pay earned by ITES-BPO employees was high and work expectations were also greater. Hence these employees were subject to certain level of stress.

Ho: There is no significant association between job stress and job satisfaction.

Analysis of the **Table – 3** indicates that null hypothesis can be rejected, as it has been proven statistically that there was significant relationship between the Job Stress as an independent variable and Job Satisfaction. Hence ITES organisations should reduce Job Stress in employees in order to enhance Job Satisfaction.

Ho: There is no significant association between job responsibility and job stress.

Analysis of the **Table – 3** reveals that null hypothesis can be rejected, as it has been proven statistically that there was significant relationship between the Job Responsibility as an independent variable and Job Stress. In other words, unclear work expectations can be frustrating because employees cannot fulfill their job responsibilities to their full potential.

Ho: There is no significant association between promotion and job satisfaction.

Analysis of the **Table – 3** reveals that null hypothesis can be rejected, as it has been proven

statistically that there was significant relationship between Promotion as an independent variable and Job Satisfaction. Negative feedback from superiors leads to moderate levels of stress. Hence this can be a factor for hindrance to employees' level of Job Satisfaction and higher productivity.

Ho: There is no significant association between attitude of management towards employees and Job stress.

Analysis of the **Table – 3** reveals that null hypothesis can be rejected, as it has been proven statistically that there was significant relationship between Attitude of Management towards employees as an independent variable and Job Stress. In other words, the attitude of management is a significant factor in causing job stress to employees.

3.2 Findings and Suggestions

The overall findings of the study indicate that Job Stress among ITES employees was associated with Job Satisfaction and Job Future or career advancement. These employees experienced moderate levels of stress. The study reveals that Job Stress is a major hazard at the work place of ITES-BPO employees.

The study has brought out the following suggestions as stated below:

1. The more control employees have over their work, the greater is their job satisfaction, the higher is their work quality and their stress levels will also be lower. Employees must be given freedom to make job related decisions, the flexibility to organize their work in the way they find optimal and the authority to make arrangements. For example, when an individual falls sick.

2. One of the sources for Job Stress is that the employee did not know what was expected of him. This is true for any industry and it is applicable to ITES sector which experiences dynamic changes. Hence it is

necessary that any changes taking place in the organization must be communicated clearly so that these ITES-BPO sector employees will have a clear idea about their jobs, roles and responsibilities.

3. The workplace should be seen as a place which facilitates employees' social interactions with other colleagues on professional and domestic matters. This is especially important for high pressure jobs like the ITES- BPO sector where employees spend long hours away from home and it is sometimes necessary to reduce the monotony of work. Research shows social support reduces the negative effects of stressful situations.

3.4 Conclusion

It is being recognized that Job Stress is a major hinderance to work performance of ITES-BPO employees. These employees live in a much faster paced world and experience Job Stress in their lives as they balance the demands of their work and home lives. Hence there is need for a change in the lifestyles of these employees. While liberalization of the UAE Economy has expanded opportunity for employment and additional incomes in the ITES sector, these changes are at the cost of employees being stressed out too often.

The best way to cope with this unhealthy stress is to recognize when one's stress levels are building. While we often think of stress as the result of external events, the events themselves are not necessarily stressful. It is the way in which each individual interprets and reacts to an event that produces stress. Employees vary significantly in the type of events they experience as stressful and this is seen in their responses to those events.

3.5 Scope for Further Research

With regard to the scope for further research, the following areas are suggested by

the researchers: (i) the primary data for the present research were collected during a period when the whole world was reeling under the pressure of global recession and hence a research in the same area after the recovery from recession is suggested because it would help validate or nullify the present findings. (ii) The study was based on a small sample and hence there is scope to cover more number of firms in the future. Attempts could be made to have a proper representation of small, medium and big firms.

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Table – 1: Showing One-Way ANOVA for Association Between Marital Status and Job Stress

S.no	Marital status	Mean	S.D	SS	Df	MS	Statistical inference
1	Job stress						F = 14.867 P < 0.05 Significant
	Between Groups			154.748	2	77.374	
	G1(n= 20)	29.05	2.259				
	G2(n=47)	26.51	2.339				
	G3(n=3)	32.00	.000				
	Within Groups			348.695	67	5.204	

G1 = Married/ G2 = Single never married / G3 = Single Divorced

Table – 2: Showing One-Way ANOVA for Association between Pay and Job Stress

S.no	Pay	Mean	S.D	SS	Df	MS	Statistical inference
1	Job stress						F = 5.011 P < 0.05 Significant
	Between Groups			93.401	3	31.134	
	G1(n=2)	23.00	1.414				
	G2(n=14)	27.71	2.920				
	G3(n=27)	28.56	2.517				
	G4(n=27)	26.59	2.258				
	Within Groups			410.042	66	6.213	

Pay [in AEDs] G1 = At least 3000/ G2 = 3001 to 5000 / G3 = 5000 to 7000 / G4 = 7000 & above

Table – 3: Showing the Correlation between Independent Variables and Job Stress

Job stress in ITES companies	Correlation value	Statistical inference
The need to be accountable for doing my job	.249(*)	P < 0.05 Significant
I am satisfied with my current job	.219 (*)	P < 0.05 Significant
The chances for promotion are good	-.247(*)	P < 0.05 Significant
Leaders over-emphasize the negatives (e.g. supervisor evaluations, public complaints)	-.339(**)	P < 0.01 Significant

Table – 4: Showing the Percentage Analysis of Job Stress and Administrative Duties

	Frequency	Percent
No stress at all	4	5.7
Moderate	33	47.1
A lot of stress	33	47.1
Total	70	100.0

Table – 5: Showing the Percentage Analysis of Job Stress about Job Responsibility

	Frequency	Percent
No stress at all	12	17.1
Moderate	32	45.7
A lot of stress	26	37.1
Total	70	100.0