



## FACTORS CAUSING STRESS AND IMPACT ON JOB PERFORMANCE: A CASE STUDY ON BANKS OF DINAJPUR, BANGLADESH

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### ABSTRACT

Stress either mental or physical is a major problem faced by employees in the working environment that affects performance. This study attempts to identify the potential factors that cause stress, and how they affect the job performance for employees in banking sector of Bangladesh. In this study a survey has been conducted on 100 bank employees in Dinajpur district of Bangladesh with the help of structured questionnaire using likert scale and in-depth face to face interviews. The results show some significant factors that cause stress and negatively affect the performance of bank workers. The factors are increased workload, lower salaries, unreachable target, centralized management, customer dealings, technological problem, lack of acknowledgement, longer time frames. The study suggests that the banks should concentrate on these vital issues through congenial work environment and revision of compensation, technology system, service delivery system, and time management. The limitations of the study are small sample size and a few numbers of banks compared to total number of banks in Bangladesh.

Keywords: Bank, job stress, job performance, market competition,

### INTRODUCTION

Stress either mental or physical is a major problem faced by employees in the working environment that affects performance. Nowadays, both the employers and the government are very much concerned about the increasing job stress amongst the employees. Over the past few decades stress is emerging as an increasing problem in organizations. Stress has been defined in different ways over the years. Robbins and Judge (2008) define Stress as a dynamic condition in which an individual is confronted with an opportunity, demand, or resource related to what the individual desires and for which outcome is perceived to be both uncertain and important. Usman and Ismail (2010) elaborated that work related stress as one of the most increasing and problematic issue for the working organizations. Originally, it was conceived as pressure from the environment, then as strain within the person. The generally accepted definition today is one of the interactions between the situation and the individual. It is the psychological and physical state that results when

the resources of the individual are not sufficient to cope with the demands and pressures of the situation. Thus, stress is more likely in some situations than others and in some individuals than others. More typically, stress is associated with demands and resources. Demands are responsibilities, pressures, obligations, and even uncertainties that individual faces in the workplace. Resources are things within an individual's control that can be used to resolve the demands.

Sometimes, organization gives an unrealistic expectations, especially in the time of corporate reorganizations, puts unhealthy and unreasonable pressures on the employee. Automatically it can be a great source of stress and suffering. Increased workload, extremely long work hours and intense pressure to perform at peak levels all the time leave an employee physically and emotionally drained. Job stress arises when demands exceed abilities, while job-related strains are reactions or outcomes resulting from the experience of stress (Westman 2005). According to Hans Selye (1974), stress is a physiological reaction to certain threatening environment and is caused by events in the work

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environment. He asserted that stress is “the non-specific response of the body to any demand.” As Usman and Ismail (2010) have elaborated that stress is that state of mind of an individual in which he faces confusion and conflict between demands, responsibilities or opportunities and desired work outcomes of these and feels that these important and necessary outcomes are not clear and productive.

Several studies have attempted to determine the relationship between stress and job performance. Some studies revealed that job stresses do not impact on job performance. Some studies revealed that job stresses impact on job performance negatively. Occupational stress if not managed properly may lead to increase in absentee rates, internal conflicts and low employee morale (Christo and Pienaar, 2006). The health and safety executive reported that over half a million individual in Britain believe that they are experiencing work related stress at a level that is making them ill (HSC 1997). Manzoor *et al.* (2012) found that job stress does not impact employees’ job performance. Jamal M (2011) proposed four types of relationships were proposed between job stress and job performance; positive linear, negative linear, U-shaped/curvilinear, and no relationship. This study aims at finding some factors that create job stress and ultimately impact on job performance negatively. The objective of this study is very straight forward. The very basic issue is to identify the potential factors that cause job stress and that impact on job performance. Suggestions are also provided to deal with the factors which cause job stress and that impact on job performance.

## MATERIALS AND METHODS

In this study, a survey has been conducted with the help of questionnaire in which a likert scale and an in-depth face to face interview have been used. The Questionnaires were used to collect data on causes of job stress and relationship between job stress and job performance. Multiple variables were taken into consideration and analyzed. A sample of 100 employees from the banks of Dinajpur from Bangladesh was used for this analysis. Banks include government and private banks. The data were also collected from the secondary sources like published journals, books, periodicals, web sites etc. This is an exploratory research which has been conducted to identify the work related stress factors and its impact on the performance of the bankers, and banks of Dinajpur was taken as the case for this.

## RESULTS AND DISCUSSION

Work stress is defined as the harmful physical and emotional responses that occur when job

requirements do not match the worker's capabilities, resources, and needs (National Institute of Occupational Safety and Health 1999). Work stress can come from a variety of sources and affect employee in different ways.

In this study an attempt has been made to identify (through question and interview) some factors that impact on job performance. 100 respondents were taken as sample, 80% of the respondents were male and 20% were female. A summary of the overall percentage of agreeable level of opinion is depicted in table 01. As per purpose of the study, we have tried to find out the following factors.

1) **Over workload:** Work creates stress when it exceeds an individual capacity level. Over workload is the common scenery among the employees in the banking sector of Bangladesh. In response to the statement, “Banking work is too much heavy and employees cannot complete it on an ordinary work day,” 60% of the respondents were in “strongly agree” category and 30% were in “agree” group (shown in figure 1). The managers and other employees passed the same opinion. Therefore, they have to stay in the banks more than regular banking hours. Many interviewees claimed that banks keep shortage of employee always so that they have to pay less. This long time of a day passed under the same roof of a bank impacts on the physical and mental condition which reduces the job performance.

2) **Higher target:** Higher target is one of factors that cause stress and impact on job performance. Due to keen competition, high target which is unachievable is given for branch manager as well as other employees. In response to the statement, “Employees feel themselves as worried and victim of stress when they are not able to meet the targets.” 30% of the respondents strongly agreed and 22% of them simply agreed (shown in figure 2). During the period of interview, many employees told that higher target regarding deposit collection, loan disbursement, credit card distribution makes them worried if they cannot meet the target.

3) **Technological/system problem:** It becomes difficult for the employees to behave with the valued customers when technology or system fails. Customers always bore due to complexity of any system. In response to the question “Employees feel difficulty in handling customers when bank’s server/link gets down”, 21% of the respondents were “strongly agree” and 41% were “agree” to this (shown in figure 3). They also viewed that different types of customers want their services quickly and without maintaining any formalities. They don’t want to wait for the function of technology.

**Lower salaries:** Poor salary compared to work load is an important factor that causes stress and

impact on job performance. Specifically, state owned banks in Bangladesh such as Sonali bank, Agrani Bank provide lower salary and other private banks also provide lower salaries as compared to worked performed. In response to the statement, “Bank job salary is much lower as compare to work which bank placed on them”, 40% of the respondents were “agree” and 25% were “strongly agree” to this (shown in figure 4). Many interviewees (top level managers) expressed satisfaction of their salaries. Many interviewees (middle and lower level managers) told lower salaries make frustrated them.

4) **Longer time:** In Bangladesh the working hours of banks are 10 am-6 pm, but employees have to stay in bank more than time frame which affects the social and family life of employees. 53% of the respondents were “strongly agree” and 40% were “agree” (shown in figure 5) that they have to pass long hours of a day in bank. So they cannot give enough time to their friends, family and other relatives. As a result conflict or distance arises in their families which ultimately stressed the bankers and performance goes down.

5) **Customer dealing:** It is a difficult task for every business to manage the customers. General people, irrespective of profession, education, religion, gender, are customers of the banks. In response to the statement “Bank employees do not know how their customers will behave with them.” 42 % of respondents were “agree” and 45% were “strongly agree” (shown in Figure 6). Bank employees opined that customers do not seem banking activities as a part of their work. They like to get services promptly and without maintaining formalities which create problem to the bank employees.

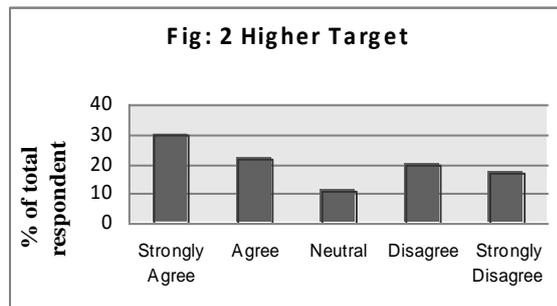
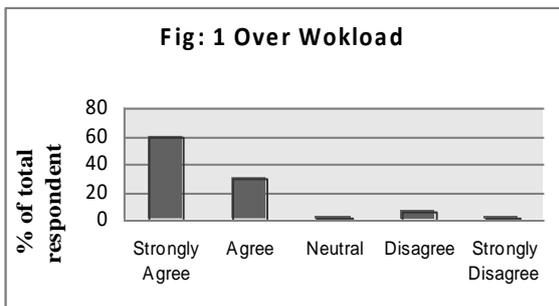
6) **Tedious or meaningless tasks:** Bank employees have to perform daily huge tedious or meaningless tasks which make them irritated. Some banks mainly govt. banks maintain books manually and in computerized way. In response to the statement, “Bank employees have to perform daily huge tedious or meaningless tasks”, 29% of the respondents were “agree” and 24% were “strongly agree” (shown in figure 7). Although computerized

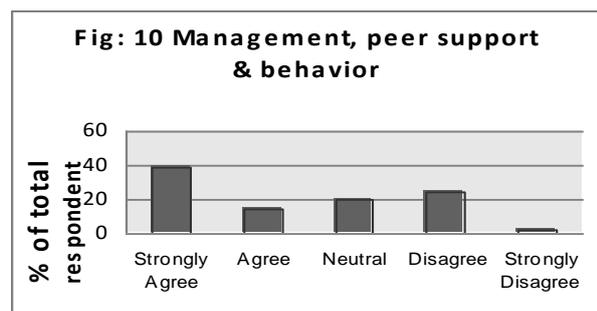
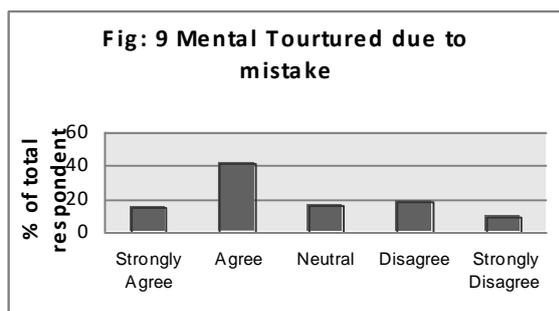
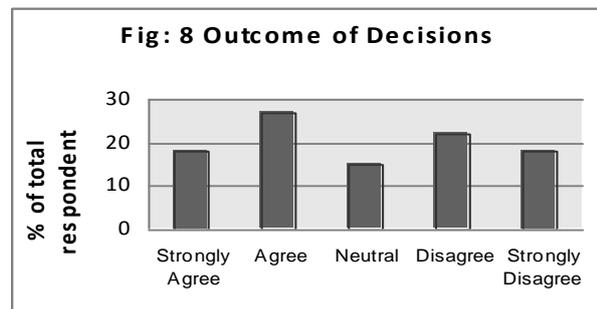
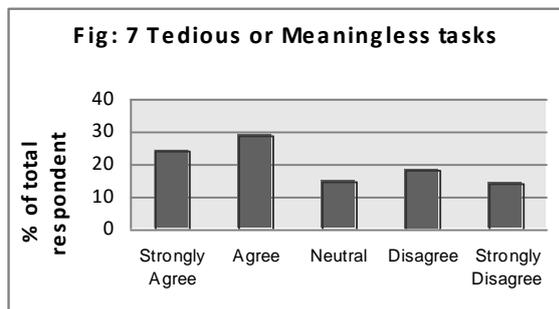
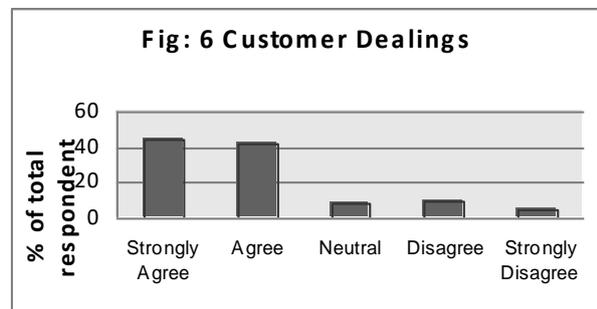
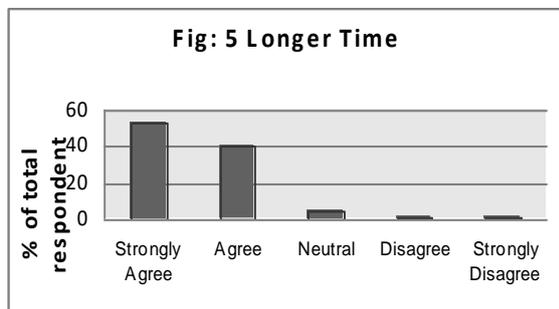
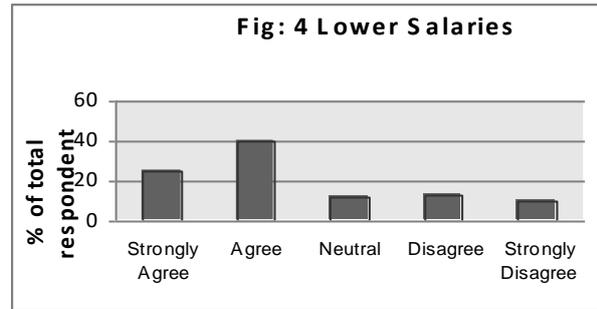
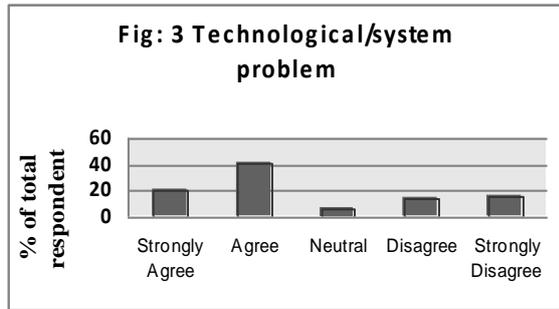
system has reduced these tedious or meaningless tasks.

7) **Outcome of decisions:** When a manager was asked about the authority of decision he said that outcome of decisions is very important to them. He told that most of the times outcome of decisions put them in a state of depression, anxiety and stress because they don’t know that whether the outcome or results of decision will be favorable to them or not and whether those outcomes will be welcomed by the peers, employees, subordinates or not. Questionnaire results showed that 27% of respondents were “agree” and 18% were “strongly agree” (shown in figure 7). If the actual outcomes/results are favorable then it encourages and motivates the decision makers which affect the workers’ performance positively and if the outcomes are not favorable then prolonged state of anxiety and depression leads to stress which effect the performance of workers negatively.

8) **Mental torture due to mistake:** Many employees said that if they do any mistake unintentionally, they are victim of rebuke. An employee urged that sometimes bosses use slang language which increase mental pressure that leads to stress. 42% of the respondents agree to respond the statement “Bank employees are tortured by their boss if they mistake” and 15% strongly agree (shown in figure 8). An employee in the rank of officer expressed in his opinion that they become very much painful when they are tortured by words.

9) **Management and peer support and behavior:** Management and peer support and behavior are inevitable because if it is unfavourable then it can create stress for the employees in the bank. Bank employees have to do work with their peer, colleague and management. If relations are not good with their colleague and management then it creates state of tension and depression which ultimately result in job stress and impact on job performance negatively. 39% of respondents were “strongly agree” and 15% were “agree” in favor of statement “Management and peer support and behavior should be favorable for doing job freely”.





**SUGGESTIONS AND RECOMMANDATIONS**

On the basis of results the following suggestions and recommendations must be taken by bank management and employee.

- 1) Management must reduce over workload by job rotation procedure or recruiting new employees and designing job on employees properly and they should emphasize on team work rather than individual job assignment.
- 2) Inspiring the employees, management should achieve their goal. So that, employees do not feel worried.
- 3) Management should revise salary and compensation package of bank employees specially govt. banks. Fringe benefits or increment may also be provided.

- 4) Culture of the bank should be supportive for every one and management should not be biased in providing opportunities to any workers.
- 5) All employees should have serving mind to their sub-ordinates and new employees and should behave friendly.
- 6) Technological system should be sound and up to date so that customers are served continuously and promptly.
- 7) Management can arrange various training for employees to deal with customers and various seminar, symposium or workshop for their valued customers to understand the banking services.
- 8) Management should introduce computerized systems in all the areas of tasks for making the tasks easier specially the manual tasks which are

time consuming as well as tedious but less prior to other tasks.

9) The higher management should make policy that will ensure the congenial environment of workforce which leads to less or mistake free working environment.

10) The banks should inform all the necessary information relating to developing or launching any new product, service, and technological know-how timely for making the tasks more interesting and toward all relevant departments or divisions. They also consider the valuable suggestions of workforce those who are engaged in the new work.

**CONCLUSION**

The basic objective of this study was to identify some factors that cause job stress and impact on job performance. It is found that over workload, high ambitious target, lower salary, technological/system problem, longer time frame, outcome of the decision, customer dealings cause stress and impact on job performance negatively. In addition to these factors there are some potential factors such as infrequent rest breaks, noise and overcrowding, polluted air, ergonomic problems, health and safety risks, unclear responsibilities or expectations, conflicting job demands, multiple supervisors, inefficient communication patterns lack of family-friendly policies, lack of preparation for technological changes, poor chances for advancement or promotion office politics, competition, and other conflicts among staff. Findings show that both management and employees are responsible for creating job stress. Hence, management and employees can reduce these job stresses and increase job performance.

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**APPENDIX**

**Table 1.** Agreeable level of opinion

Sl. No.	Study factors	Level of opinion (Percentage)				
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	Over workload	60	30	02	06	02
2.	Higher Target	30	20	10	28	12
3.	Technological/system problem	21	41	07	15	16
4.	Lower Salaries	25	40	12	13	10
5.	Longer Time	53	40	05	01	01
6.	Customer Dealings	45	42	08	10	05
7.	Tedious or Meaningless tasks	24	29	15	22	10
8.	Outcome of Decisions	28	27	15	25	15
9.	Mental torture due to mistake	15	42	16	18	09
10.	Management, peer support & behavior	29	15	20	24	02