



Assessing Work Stress and Its Impact On Job Satisfaction and Performance of Employees in Banks

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Abstract

The Banking industry is known for its fast-paced, high-pressure environment, which can lead to significant work-related stress for employees. Factors such as long work hours, tight deadlines, heavy workloads, and complex customer interactions can all contribute to elevated stress levels. Additionally, the constant need to adapt to changes in regulations, technology, and market conditions adds to the challenges faced by banking professionals. Studies have shown that work stress can have a profound impact on the physical and mental well-being of employees, leading to issues such as burnout, anxiety, and depression. This, in turn negatively affects job satisfaction, employee engagement, and overall performance within the organization. The paper aims to provide a comprehensive analysis of work stress and its effects on job satisfaction and employee performance within the banking industry. It examines the key factors contributing to work-related stress, the impact on job satisfaction, and strategies for mitigating the negative consequences. The information presented in the paper can help HR professionals and managers in the banking sector to develop effective stress management programs and improve overall employee well-being and productivity.

Keywords: Work stress, Job satisfaction, employee well-being and performance.

1. Introduction

In today's fast-paced and competitive banking industry, employees face numerous challenges that can significantly impact their well-being, job satisfaction, and performance. Among these challenges, work stress emerges as a prevalent issue with far-reaching implications for both individuals and organizations. As the banking sector undergoes rapid technological advancements, regulatory changes, and evolving customer expectations, employees are increasingly susceptible to high levels of stress (Hassard, Teoh, & Cox, 2017). Understanding the relationship between work stress, job satisfaction, and performance is crucial for banks to effectively manage human resources and maintain a competitive edge in the market. Work stress, defined as the psychological, physiological, and behavioral reactions to perceived discrepancies

between job demands and individual capabilities (Lazarus & Folkman, 1984), is a multifaceted phenomenon that warrants comprehensive investigation. [1] The purpose of this study is to assess the level of work stress experienced by employees in banks and examine its impact on job satisfaction and performance. By delving into these aspects, we aim to provide valuable insights into the dynamics of work stress in the banking sector and identify strategies for mitigating its adverse effects. Previous research has highlighted the detrimental effects of work stress on employee well-being and organizational outcomes (Moneva & Chaib, 2020). High levels of stress have been associated with decreased job satisfaction, reduced motivation, and impaired performance among bank employees (Ongori & Agolla, 2008). However, it is essential to



recognize that not all stress is inherently negative. Eustress, or "good stress," can generate positive reactions, motivating individuals to achieve and excel in their roles (Yerkes & Dodson, 1908). By examining both the negative and positive aspects of work stress, this study seeks to provide a holistic understanding of its impact on job satisfaction and performance in the banking sector. Through empirical investigation and analysis, we aim to identify effective interventions and strategies for promoting employee well-being and organizational success in banks. [2]

1.1. Review of Literature

Work stress is a complex phenomenon that encompasses various psychological, physiological, and behavioral reactions to perceived discrepancies between job demands and individual capabilities (Lazarus & Folkman, 1984). It involves an imbalance between the demands of the job and the resources available to cope with those demands (Bakker & Demerouti, 2007). Research suggests that employees in the banking sector are particularly susceptible to high levels of work stress due to factors such as high job demands, time pressure, customer expectations, and performance targets (Hassard, Teoh, & Cox, 2017). The dynamic nature of the banking industry, characterized by rapid technological advancements and regulatory changes, further exacerbates stress levels among employees (Moneva & Chaib, 2020). Numerous studies have demonstrated a negative relationship between work stress and job satisfaction among bank employees (Moneva & Chaib, 2020; Ongori & Agolla, 2008). High levels of work stress are associated with decreased job satisfaction, leading to reduced motivation, engagement, and organizational commitment (Albrecht, 2010). The relationship between work stress and performance in the banking sector is complex and multifaceted. While some research suggests that moderate levels of stress can enhance performance by increasing arousal and motivation (Yerkes & Dodson, 1908), excessive or prolonged stress has been linked to impaired cognitive functioning, decreased productivity, and increased errors among bank employees (Sonnetag & Frese, 2012). Bank employees utilize various coping mechanisms to manage work stress and

mitigate its adverse effects. [3] These may include problem-focused strategies such as time management, task prioritization, and seeking social support from colleagues and supervisors (Ganster & Rosen, 2013). The literature indicates that work stress is a prevalent issue in the banking sector, with significant implications for employee well-being, job satisfaction, and performance. Addressing work stress requires comprehensive interventions at both the individual and organizational levels, including stress management programs, supportive leadership, and a culture of open communication and collaboration (Hassard et al., 2017). [4]

1.2. Objectives of the Study

- To assess the level of work stress experienced by employees in banks.
- To examine the relationship between work stress and job satisfaction among bank employees.
- To investigate the impact of work stress on the performance of bank employees.

2. Methodology

The present study is based on primary as well as secondary sources of data and a descriptive nature which describes. The primary data was collected through structure questionnaire from various reputed banks employees in Hyderabad district. A sample of 150 bank employees was considered. Random convenience sampling method was used. Secondary data has collected from research journals, published data, books, magazines, research studies and other relevant documents, various reports and websites etc. Quantitative approach utilizing surveys distributed to bank employees. Researcher has used random sampling technique to select participants from different levels and departments within banks. Also used standardized measures to assessed work stress, job satisfaction, and performance, statistical analysis, including correlation and regression, to examine relationships and identify significant predictors. Ethical considerations ensured through informed consent and confidentiality measures. [5]

3. Results and Discussions

Researchers have significantly contributed to understanding stress, especially considering dynamic social factors and lifestyle changes. While stress often carries negative health effects, not all stress is



harmful. Eustress, or "good stress," can produce positive reactions, motivating individuals to overcome challenges and perform at their best. This distinction highlights the nuanced nature of stress responses and underscores the potential for stress to serve as a catalyst for personal growth and achievement, rather than solely a detriment to well-being.

3.1. Designation and Experience of Employees

The data provided in table-1 disclosed that out of 150 employees, and its designation working experience is an important factor in analyzing the stress he feels at his work place and the scope of rights and duties increases with experience. Classification according to experience is as follows. [6]

Table 1 Designation and Working Experience of Employees

Designation	Number of Employees	Percentage	Experience	Number of Employees	Percentage
Manager	17	11.33	Below 5 years	8	5.33
Assistant manager	26	17.33	5 - 10 years	26	17.33
Officer	42	28.00	10 – 15 years	53	35.33
clerk	59	39.33	15- 20 years	42	28.00
Sales executive	6	4.00	Above 20 years	21	14.00
Total	150	100.00	Total	150	100.00

(Source: Field Survey)

It was noted that the majority of the employees, i.e., (59) 39.33 per cent, were clerk; (42) 28.00 per cent of employees were officers; (26) 17.33 per cent of employees were Assistant managers; (17) 11.33 per cent of employees were managers; (6) 4.00 per cent of employees were sales executives. It was noticed that the majority of the employees had working as clerk. It was also shows the working experience of bank employees. Most of the employees 35.33 per

cent have 10–15 years of working experience in bank. 28.00 per cent of the employees have 15-20 years of working experience, 17.33 per cent employees have 5-10 years of working experience, 14.00 per cent of employees have more than 20 years working experience in bank, and a few 5.33 per cent of employees have less than 5 years working experience in banking sector. [7]

3.2. Work Stress Assessment

Table 2 Status of Job Stress Among Bank Employees at Workplace

Do you face job stress at workplace?	Number of Employees	Percentage
Yes /always	103	68.66
To some extent	39	26.00
No/ Never	8	5.33
Total	150	100.00

(Source: Field Survey)

It was observed from table -2 that is bank employees face stress at workplace? 68.66% of bank employees faced stress at workplace, 26.00% of bank employees faced job stress at workplace to some extent and only

5.33% of bank employees were not faced job stress at workplace. It was conclude that majority of bank employees faced job stress at workplace. [8]



Table 3 Level of Job Stress Faced by Bank Employees at Workplace

Do you face job stress at workplace?	Number of Employees	Percentage
1: Very low	9	6.00
2: Low	7	4.67
3: Moderate	20	13.33
4: High	32	21.33
5: Very high	82	54.67
Total	150	100.00

(Source: Field Survey)

The table- 3 presenting the level of job stress faced by bank employees at the workplace: The majority of bank employees (54.67%) reported experiencing very high levels of job stress at the workplace. A significant portion of employees (21.33%) indicated high levels of job stress. A smaller percentage

reported moderate (13.33%), low (4.67%), and very low (6.00%) levels of job stress. The data indicates a prevalent issue of job stress among bank employees, with a substantial proportion facing high to very high levels of stress. [9]

Table 4 Primary Sources of Job Stress at Workplace

Sources	Yes	No	Total
High Workload	127 (89.44)	15 (10.56)	142 (100.00)
Tight Deadlines	82 (57.75)	60 (42.25)	142 (100.00)
Customer Demands	69 (48.59)	73 (51.41)	142 (100.00)
Performance Targets	125 (88.03)	17 (11.97)	142 (100.00)
Organizational Changes	68 (47.89)	74 (52.11)	142 (100.00)
Interpersonal Conflicts	89 (62.68)	53 (37.32)	142 (100.00)
Other	96 (67.61)	46 (32.39)	142 (100.00)

(Source: Field Survey)

Note: 1. Figures in parentheses indicates percentage of row total. It was analyzed from table-4 that the primary sources of job stress at the workplace, as reported by employees, include high workload, tight deadlines, customer demands, performance targets, organizational changes, interpersonal conflicts, and other factors. Among these sources, high workload (89.44%) and performance targets (88.03%) are the most frequently cited factors contributing to job stress. Tight deadlines (57.75%) and customer demands (48.59%) are also significant sources of stress for employees. Interpersonal conflicts, although slightly lower in percentage (62.68%), still represent a substantial source of job stress. These findings underscore the diverse array of stressors faced by bank employees, highlighting the need for targeted interventions to address these challenges and

promote employee well-being.

1.1. Job Satisfaction Assessment

Table 5 Job Satisfaction Assessment of Bank Employees at Workplace

Job Satisfaction level	Number of Employees	Percentage
1: Very dissatisfied	93	62.00
2: Dissatisfied	29	19.33
3: Neutral	8	5.33
4: Satisfied	11	7.33
5: Very satisfied	9	6.00
Total	150	100.00

(Source: Field Survey)



It is observed from table-5 that a significant portion of bank employees (62.00%) reported being very dissatisfied with their job. Dissatisfaction levels remain notable, with 19.33% of employees expressing dissatisfaction. A smaller percentage of employees (5.33%) indicated a neutral stance towards their job satisfaction. Satisfied employees accounted for 7.33% of the total, while those very satisfied comprised 6.00%. Overall, the data indicates a prevalent issue of dissatisfaction among bank employees, emphasizing the importance of addressing factors contributing to low job satisfaction and promoting a positive work environment.

1.2. Performance Assessment

Table 6 Work Stress and Job Performance Assessment of Bank Employees at Workplace

How would you rate your overall job performance?	Number of Employees	Percentage
Excellent	7	4.67
Good	69	46.00
Average	49	32.67
Below Average	17	11.33
Poor	8	5.33
Total	150	100.00

(Source: Field Survey)

It is assessed from table-6 that a majority of bank employees rated their overall job performance as good, accounting for 46.00% of respondents. The next largest category was average performance, with 32.67% of employees falling into this group. Below-average performance was reported by 11.33% of employees, while 5.33% rated their performance as poor. Only a small proportion of employees rated their performance as excellent, comprising 4.67% of the total. Overall, the data indicates a distribution of job performance across various levels, with a significant portion of employees falling within the good to average range. However, there is also room for improvement, particularly in addressing below-average and poor performance ratings.

1.3. Impact of Stress on Employee's Performance

The success key of any organization depends upon the productivity of its employees. High productivity depends on the motivation level of employees, work conditions, job satisfaction and favorable environment of the organization. Therefore, if the employee is constantly under stress, then the effect on the work has been analyzed. In the table -4 shows employees opinion regarding impact of stress on their performance.

Table 7 Impact of Stress on Employee's Performance

Impact	Yes	To some extent	No	Total
Burnout	107 (75.35)	29 (20.42)	6 (4.23)	142 (100.00)
Conflict in the workplace	112 (78.87)	23 (16.20)	7 (4.93)	142 (100.00)
Poor job performance	113 (79.58)	21 (14.79)	8 (5.63)	142 (100.00)
Stress causes physical and mental health problems.	101 (71.13)	32 (22.54)	9 (6.34)	142 (100.00)
Stress creates barriers to meeting company culture and the organization's business goals.	102 (71.83)	27 (19.01)	13 (9.15)	142 (100.00)
Stress makes employees more likely to make mistakes	94 (66.20)	39 (27.46)	9 (6.34)	142 (100.00)
Stress negatively affects work productivity	124 (87.32)	11 (7.75)	7 (4.93)	142 (100.00)

(Source: Field Survey)



Note: 1. Figures in parentheses indicates percentage of row total. Table- 7 analyzed that employee's opinion regarding impact of stress on their performance. It was noticed that 75.35% of the bank employees agree that burnout occurs due to stress, while 20 percent of the employees agree to some extent. 78.87% of the employees strongly agree that stress causes workplace conflict, while 20 percent of the employees somewhat agree. 79.58% of employees strongly agree that stress causes poor work performance, and 14.79% somewhat agree. Stress causes physical and mental health problems, 71.13% of employees agree, while 22.54% somewhat agree. Also, 71.83% of the employees agree with the opinion that stress creates barriers to the company's culture and achieving the business objectives of the organization, while 19.01% of the employees agree to some extent. 66.20% of the employees strongly agree, while 27.46% of the employees somewhat agree, that the president is likely to make mistakes while working among the employees due to stress. 87.32% of employees strongly agree that stress negatively affects work productivity, while 7.75% somewhat agree. From the above analysis, it is found that stress negatively affects work productivity as well as burnout, company objectives are not met, and stress also causes physical and mental health problems and conflict in the workplace more impact of stress on performance of employee in bank.

1.4. The Evaluation of Negative Performance Consequences Due to Workload.

The evaluation of negative performance consequences due to workload, such as errors and missed deadlines, is critical for understanding the impact of work stress on employee effectiveness. High workload often leads to increased pressure and reduced cognitive capacity, resulting in errors and delays. These consequences not only affect individual performance but can also have ripple effects on team productivity and customer satisfaction. By assessing the frequency and severity of these negative outcomes, organizations can identify areas for improvement in workload management and implement strategies to mitigate the adverse effects of excessive work demands.

Table 8 Evaluation of Negative Performance Consequences Due to Workload

Have you experienced any negative performance outcomes due to work stress?	Number of Employees	Percentage
Yes	119	79.33
No	31	20.67
Total	150	100.00

(Source: Field Survey)

The majority of employees (79.33%) reported experiencing negative performance outcomes due to work stress, such as errors or missed deadlines. Only 20.67% of employees indicated that they had not experienced such negative consequences. This suggests that work stress has a significant impact on employee performance within the organization, refer Table 8.

Conclusion

The findings underscore the complex interplay between work stress, job satisfaction, and performance in the banking sector. High levels of work stress contribute to reduced job satisfaction and, consequently, can impact job performance. Addressing these challenges requires targeted interventions aimed at mitigating work stressors, promoting job satisfaction, and enhancing performance. Strategies such as workload management, conflict resolution, and employee support programs are essential for creating a positive work environment conducive to employee well-being and organizational success. By prioritizing the holistic welfare of bank employees, organizations can cultivate a culture of engagement, productivity, and resilience in the face of industry demands.

Suggestions

Based on the conclusions drawn from the discussions on work stress, job satisfaction, and performance among bank employees, some suggestions to address the identified challenges: It is suggested that to conduct workload assessments to identify areas of excessive demand and implement measures to redistribute tasks, streamline processes, and optimize resource allocation. Consider job redesign initiatives



aimed at reevaluating job roles, responsibilities, and task distribution to minimize stressors and enhance job satisfaction. It is suggested that to develop and implement comprehensive stress management programs tailored to the specific needs of bank employees. These programs could include workshops, training sessions, and resources aimed at enhancing stress coping mechanisms, resilience, and work-life balance. Provide access to counseling services and support networks to help employees effectively manage work-related stressors and maintain mental well-being. It is suggested that to establish support systems within the organization, such as mentorship programs, employee assistance programs, and peer support groups, to offer guidance and encouragement to employees facing work-related challenges. Encourage a culture of empathy, mutual respect, and teamwork to promote a sense of belonging and solidarity among employees.

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