Introduction
CHAPTER I

INTRODUCTION

Indian Economy, Post Liberalization, is well connected with the world economic cycle is now very evident, as the effects of economic turbulence of the West has begun to show its effects on Indian Organizations. It is a matter of intense debate among Scholars in Economics, Academicians and Policy Makers as whether India has withstood the economic contagion of the West. According to Bhatt (2011), India’s economic performance showed that the recovery from the slowdown during the global financial crisis is well underway. India’s GDP growth in 2010-11 is 8.6 percent on the basis of a resurgent Industrial Sector. In 2009-2010 as per the Index of Industrial Production (IIP) data the industrial growth became 10.5 percent which was only 3.2 percent in 2008-2009. The manufacturing and mining sectors were the main engines of growth. While the above mentioned figures are curious to the Scholars of Economics, Organizational Psychologists have a daunting challenge ahead. The Human Resource of the Organizations needs to be preserved and predicted for the most unpredictable future. In the present scenario it is important to realize that people continue to be a critical resource and it is a huge challenge to keep people engaged and loyal.

An organisation basically is “a discrete, relatively stable group of individuals linked by relatively stable patterns of interaction and pursuing common objectives” (Morgan, 1986). Organizations in the present day endure dynamic volatile environment in terms of socio-political-economic environment and a changing value system. In order to survive, corporations and business houses need to redefine and reaffirm their values and goals based on changing value milieu. It needs to evaluate the process, structure and
measures of output in order to sustain growth and development. Thus in order to understand an organization it is vital to include the context or external environment within which the organization function, its structure, processes, i.e. the activities conducted, and its outcomes.

Sheaff, Schofield, Mannion, Dowling, Marshall and McNally (2003) states that the changing environment for an organization involves eight vital parameters: (a) The organization’s relationship with external organisations - collaborator, competitor, (b) The economic factor such as manufacturing, service, marketing etc., in which an organization operates (c) Socio-political context which includes culture, legal system, moral climate, etc. (d) External resource such as labour market and outsourcing organizations (e) Distribution networks (f) Environmental sources of risk, uncertainty and opportunity (g) the instability of consumer tastes (h) External professional bodies such as trades unions, pressure groups, policy networks and (i) Population profile of the employees which include personality, skill and psychological profiles.

The above mentioned factors play a key role in an organization’s structure, process and outcomes. Among the three facets, organization’s structure plays a vital role in all the above eight parameters because, organization itself as previously defined is a collection of individuals with a common goals. Thus organization’s process and its outcomes depend on how the collective individuals share compromise and collaborate in the constrained and dynamic environment in order to achieve their goals.
Among several structures proposed and models arrived through empirical conclusions in organizational theory rests preliminarily on three characteristics namely

- **Hierarchical or 'Vertical' Organizational Structure** in which there are several layers, spans of control, the allocation of tasks and responsibilities across the hierarchy, and the extent of decentralisation so as to manage and change organizational processes and thereby meet the organization's objectives. Perrow (1986) argues that tall narrow hierarchies imply slow and less reliable communications of information and decisions (which have more layers to traverse), and a higher proportion of transaction (managerial) costs. Williamson (1975) and Williamson and Verdin (1992) argue that organizations that are made up of several largely autonomous operating divisions pursue profit most effectively because separation of strategy and operations allows top managers to focus on main objectives; unit managers are responsible for operations but can’t influence strategy; profits are not returned to units; firms have an allocatively efficient internal market for capital; and top management is committed to profitability.

- **Horizontal Organizational Structure** in which the division of labour is based on Skills and Knowledge and ad hoc goal activity. The technical character of the core working activity necessitates a determinate technical division of labour and minimum levels of skills and knowledge in the workforce ('skill mix'). Within these constraints, there may remain latitude to decide between different skills mixes or to establish temporary, ad hoc project teams for particular projects.
Often there is also latitude to create a division of managerial labour too, by allocating, for example, procurement, data-analysis, planning, staff recruitment, etc., to separate groups of specialists.

- **Property Relations** (i.e. who controls the organization and its resources). These internal property relations reflect those outside the organization (i.e. the resources that individual members bring to the organization and its activity). To assume that organizations form their strategy in response to their environment takes as given the organization's ownership (and so, control), which determines who decides its response and what elements in its environment it responds to (Parker, 1995).

Thus, ownership is the fundamental structural characteristic that determines how organizations fine-tune their other structural characteristics (e.g. their hierarchies, division of labour) in response to their environmental circumstances.

Therefore the research study was done with the main objective to understand how organizational structure which differ in ownership control in three types of organizations viz., Public Sector, Private Sector and Entrepreneurial Management.

**ORGANIZATIONAL STRUCTURE IN INDIA**

Organizational structure particularly in India can be classified in terms of Ownership Control - Government Owned Public Sector Undertaking and Private Owned Firms and Entrepreneurial Ventures. Though the employees and labourer in both the firms are under the ambit of the same labour laws, in Indian context it has been observed that there have always been differences in the organizational practices in both types of firms.
The government-owned corporation which is termed as a Public Sector Undertaking (PSU), refers to companies in which the Government, either the Federal Union Government or the many States or Territorial Governments, or both, own a majority (51% or more) of the company equity. Thus the ownership control vests with the Government. The performance of Public Sector has been most debated. The organizational Structure is more divided than organized thus having many sub divisions. For example - human resource has a ministry and has many governmental organizations working under it to collect the data from. This may seem to be organized but ultimately it becomes divided and creates a problem in the long run. The objectives of the public sector are more confusing and indefinite in comparison to the Private Sector.

However, among general public there is a wide spread belief that in government owned public sector organization, there is a perceived higher level of perceived job security and there is a well defined system to hire and retrench employees from the organization. ‘Government Organizations provide higher level of Security’, this psychological make-up of employees in India is still valid.

A Private Sector is also divided into departments which work closely. They need to have a coherent working structure or else business will falter. The organization and separation of departmental power is very strict. This does not create any kind of rift between the different departments as they work together. They operate on different functions and so cannot override each other’s functions. Again, Private Sector employees have to be visible and accountable for each and every action they take. In other words they have to be visible in order to promote their business but can work in their own comfort. The Private Sector supposedly provides more clarity to their apparent
subjectivity. This makes the sector more evident. However it is widely perceived that private sector organizations are not able to provide a kind of psychological security to employees. As a result, employees always feel insecure about their job status and are in a mode of changing the job when there will be an appropriate time (Sharma & Bajpai, 2010).

Management policies play a conscious and effective role in employees of Public Sector Undertaking (PSU). Reservations are given more priorities in case of public sector. Whereas, in the policies of the private and MNC, the main concern in the organization is the improvement of employees. Accordingly, management policy in all the sectors places a prominent role on the employees in the organization.

The organizational climate in PSU is influenced by major factors like organizational culture, work environment, safety and negotiation. The employees expect a conducive climate to offer refined culture, with pleasant work atmosphere. They demand safety and negotiable settlements to their problems work place recognition, and encouragement, sharing of opinions, organizational objectives, interpersonal relationship opportunities and team spirit in the organization. Hence it is assumed that organizational climate as a result of ownership control differs from that of private firms in terms of encouraging developments, facilities and relationships (Murty, Khan & Abhinov, 2011).

The organizational culture in PSUs and private firms varies in terms of organizational climate variables recruitment and selection, training and development, career advancement, wages and allowances, promotion, welfare and social security, working condition, level of workers participation, collective bargaining, standard of safety, performance appraisal, style of leadership, work load, communication facilities, recognition of merit, authority and responsibilities, human relations, and grievances handling.
The third type of organizations that exist in terms of Organizational Structure is the Entrepreneurial Firms. The firm is an entity primarily shaped by an entrepreneur’s visions and goals. It is an institution wherein an entrepreneurial concept finds its expression. The entrepreneur’s business idea takes a definite form in the organizational setting of a firm. As the business idea develops with time, so the organizational structure does. Hence, the entrepreneur and the organization are mutually connected. Understanding the genuine role that an entrepreneur plays in shaping the organizational form and influencing the internal dynamics as a firm develops seems to be a crucial prerequisite to identify the influence of entrepreneurship on innovations, industrial dynamics and economic development.

Entrepreneurs can motivate their employees either extrinsically, by relying on instructions, incentives, and monitoring mechanisms, or intrinsically by achieving a commonly shared understanding of the company’s goals and procedures among the firm’s employees. These different modes of coordination have important effects on both the structure of the firms and the processes of organizational change. Hence, the division of labour within a company is not solely an issue of incentives but also involves establishing and enhancing about the basic goals of the business. Incentives on the one hand, and comprehension, agreement and attachment on the other hand present decidedly different coordination problems. These different modes of coordination, for instance, are readily apparent during the founding of a company (Nagin, Rebitzer, Sanders, Taylor & Lowell, 2002).

The present research work tries to analyze whether there exists a difference in terms of ownership control (between Government Owned and Private Owned Firms and Entrepreneurial Firms) on Organizational Commitment, Leadership Effectiveness, Organizational Stress and Personality Dispositions.
Several research works on management have focussed on how organization’s structure can be manipulated to make organizational outcomes more effective. And most of the research works have concentrated especially on organizational techniques that improve core working practices, profits, and numerical outputs which are labelled as “organizational outcomes”. However, few researches have tried to deliberate on the role of what is termed as “second order organizational processes” namely organizational processes such as leadership styles, stress, organizational commitment and group personality dispositions which contribute to the core working processes indirectly. The social and psychological impact of these variables differs when the organizational ownership and structural characteristics differ. The present study aims at understanding the psychological variables of leadership perceptions, stress, commitment and personality dispositions differ in varied ownership and structural characteristics of an organization.

ORGANIZATIONAL COMMITMENT

Organizational Commitment primarily refers to the affective attitudes which that an employee attaches to the organization he/she is working. Especially, it refers to the strong desire to be a member of a particular organization, and acceptance of the values and goals of the organization. Therefore a committed organizational employee is beneficial to an organization and in terms of desirable outcomes such increased productivity, reducing absenteeism and turnover (Steers, 1977; Porter, Steers, Mowday & Boulian, 1974)

According to Meyer and Allen's (1991) model of commitment, commitment to the organization is defined in three dimensions.
Affective Commitment

Affective commitment is defined as the employee's positive emotional attachment to the organization. An employee who is affectively committed strongly identifies with the goals of the organization and desires to remain a part of the organization. This employee commits to the organization because he/she "wants to".

Continuance Commitment

The individual commits to the organization because he/she perceives high costs of losing organizational membership which includes the economic costs and social contacts that would be incurred. The employee remains a member of the organization because he/she "has to".

Normative Commitment

Normative commitment involves the employee’s feelings of obligation to stay with the organization. The individual commits to and remains with an organization because of feelings of obligations - moral, internalized norm. The employee stays with the organization because he/she "ought to".

Organizations try to foster commitment in order to achieve stability and reduce turnover of its trained employees. Moreover, committed employees enable organizations to achieve organizational goals.

Research consistently shows that employees who want to stay (High ACS) tend to perform at a higher level than those who do not (Low ACS). Employees who remain out of obligation (High NCS) also tend to out-perform those who feel no such obligation (Low NCS), but the effect on performance is not as strong as that observed for desire.
Finally, employees who have to stay primarily to avoid losing something of value (e.g., benefits, seniority) often have little incentive to do anything more than is required to retain their positions.

According to literature on workplace commitment, commitment is defined as an individual’s perception that they are bound to a given target. This definition depicts commitment as attachment rather than a force. Commitment is perceived as a bond rather than a force more clearly (a) distinguishes commitment from its antecedents (b) places commitment within the individual and (c) recognizes the considerable variance in how individuals make sense of their environment (James & Mazerolle, 2002; Weick, 1995).

Three aspects of commitment have been analyzed: the elements of commitment, the outcomes of commitment, and competing commitments.

Elements of Commitment

James and Mazerolle (2002) pose three distinct elements of commitment that need to be distinguished. First, the commitment target refers to the foci or object to which one is committed. An individual is essentially the same regardless of the target. In addition, they assert that different workplace targets are not facets or dimensions that underlie a global commitment construct in a hierarchical structure (Bagozzi & Edwards, 1998). Research has demonstrated that employees can be highly committed to some workplace targets and not others (Becker & Billings, 1993). Commitments to different workplace targets need not be highly related (e.g., one could be committed to their job, but not the organization), although spill over between different targets is possible (e.g., commitment to a supervisor can impact commitment to the organization).
Outcomes of Commitment

Second, commitment strength reflects the intensity or degree to which someone is committed to a target. According to Klein, Morrow and Brinsfield (2011) conceptualization, commitment is (a) dynamic but can be relatively stable, (b) not necessarily consciously perceived or intentional and (c) socially constructed within the individual. Unlike a multidimensional view, commitment strength is singular: one can be committed to multiple targets but commitment strength has the same singular meaning regardless of the target.

Third, commitment rationales are the multiple possible self-explanations a person can hold for their commitment to a given target, i.e., how one makes sense of or rationalizes their commitment. According to Klein, Morrow and Brinsfield (2011), an individual can have multiple rationales for a particular commitment; those rationales can change over time, and may be conscious or unconscious. Commitment rationales are in some ways analogous to attributions. Attributions are not the performance itself but are the individual’s self-explanation for why they performed the way they did (Weiner, 1985). Similar to attributions, commitment rationales may not reflect the “objective” antecedents of commitment, yet those rationales still determine the individual’s reactions and responses.
The present research work has tried to examine whether Organizational Commitment differs as a result of difference in ownership control (Government Owned Organization and Private Owned Organization).

**LEADERSHIP EFFECTIVENESS**

Several research works have clearly indicated that there is a relationship between leadership and organizational performance. The primary reason being that when the external environment of the organization is becoming more and more dynamic, innovation based competition, price/performance rivalry, effective leadership behaviours can facilitate the improvement of performance when organizations face these new challenges (Santora, Seaton & Sarros, 1999; Venkataraman, 1997; McGrath and
MacMillan, 2000; Teece, Pisano & Shuen, 1997). It has also been considered as an important factor in achieving organizational goals, and in evoking performance among subordinates (Barling, Weber & Kelloway, 1996; Berson, Shamair, Avolio & Popper, 2001).

Leadership primarily involves a persuasion process so that subordinates carry out the tasks needed to accomplish organizational objectives. It has been validated that Effective Leadership qualities, especially in an organization, are difficult to define since it is built upon many variables and characteristics influencing the way it is measured in order to be considered effective. Management texts in general have listed some of the qualities of an effective leader such as values, creativity, intellectual drive and knowledge, self-confidence, ethics, courage, charisma, balanced personality and skills to put that purpose into action. Besides, a leader should have the vision, dedication, integrity, creative and openness towards new approaches and towards people ensures that credit for success is given to all employees and at the same time he will take responsibility for failures.

LEADERSHIP PARADIGMS

Several research works have proposed various leadership styles. Of all, the four paradigms (Classical, Transactional, Visionary, and Organic) proposed by Avery (2004) are based on nine indices. The nine indices included are (a) decision making (b)range of staff’s power (c) power distance between leader and the staff (d) key player of the organization (e) source of staff’s commitment (f) staff’s responsibility (g) situation of management and leadership in the organization (h) situation of diversity in the organization and (i) situation of control in the organization. These nine criteria are considered more relevant for differentiating the four leadership paradigms than the other four criteria. Each paradigm is discussed in turn, including the distinguishing characteristics using the above nine criteria.
Classical Leadership, the oldest paradigm, refers to dominance by a pre-eminent person or an ‘elite’ group of people. This leadership can either be coercive or benevolent or a mixture of both. This happens because the elite individual or group commands or manoeuvres other members to act towards a goal, which may or may not be explicitly stated. The other members of the society or organization typically adhere to the directives of the elite leader, do not openly question their directives, and execute orders largely out of fear of the consequences of not doing so, or out of respect for the leader, or both (Avery, 2004).

According to the nine distinguishing indicators, under the classical leadership paradigm leaders normally use an Autocratic style for making decisions, involving followers in the decision making process never or very little; they do not empower followers.

The second paradigm also knows as Transactional Leadership paradigm involves a transaction or exchange process which is the basis of the commonly employed. The transactional leader recognises subordinates’ needs and desires, and then clarifies how those needs and desires will be met in exchange for subordinates’ work. By clarifying what is required of subordinates and the consequences of their behaviours, transactional leaders are able to build confidence in subordinates to exert the necessary effort to achieve expected levels of performance (Evans & Dermer, 1974; House & Mitchell, 1974). According to Avery (2004), under the transactional leadership paradigm, leaders adopt a Consultative Style for making decisions. They engage in different degrees of consultation with individual followers, but the leaders remain the final decision-makers. According to Zhu et al. (2005), transactional leadership helps organizations achieve their current objectives more efficiently by linking job performance to valued rewards and by ensuring employees have the resources needed to get the job done.
The third paradigm, **Visionary (Transformational, Charismatic) Leadership** which received more attention in the recent past added a new dimension. According to theory developed by Bass (1985) visionary aspect of leadership has an emotional involvement of employees within an organization. The basic notion is that a visionary leader can create an impression that he or she has high competence and a vision to achieve success. Subordinates are expected to respond with enthusiasm and commitment to the leadership objectives, and may be recruited because they share the vision.

According to Avery (2004), leaders employ a **Collaborative Style** for making decisions. They share problems with their followers and seek consensus before the leaders make the final decision. The source of followers’ commitment comes from the influence of the leaders’ charisma and/or the shared vision, the technical system becomes still more complex, operations become more uncertain and unpredictable, and the organization is jointly controlled by the leaders and their followers. Regarding the followers’ knowledge base, visionary leadership requires skilled and knowledgeable workers who are attracted to, and share the leader’s vision, and can contribute to realizing the vision. Zhu et al. (2005) suggest that visionary leadership will result in high levels of cohesion, commitment, trust, motivation, and hence performance in the new organizational environments.

The fourth paradigm, **Organic Leadership**, introduced by Drath (2001) and expanded by Avery (2004), is likely to blur the formal distinction between leaders and followers. This paradigm relies on reciprocal actions, where team members work together in whatever roles of authority and power they may have, not based on position power (Hirschhorn, 1997; Raelin, 2003; Rothschild & Whitt, 1986). Employees become
interacting partners in determining what makes sense, how to adapt to change and what is a useful direction. The leadership is characterised by multiple leaders who work with heterogeneous and dynamic environments, or there may be no formal leaders and the interaction of all organizational members can act as a form of leadership, held together by a shared vision, values, and a supporting culture, the leader with an integrator role.

According to Avery’s (2004) distinguishing characteristics, under organic leadership an organization adopts a **Mutual Agreement Style** for making decisions. Decisions need not be unanimous but can be based on consensus. The members have a high degree of power as a result of this shared leadership. Accountability and responsibility are shared as well. The source of followers’ commitment is based on the values and visions shared by all the members in the organization; a strong, shared culture; a technical system that is highly complex; operations in the organic organization become more self-organizing and unpredictable; formal control is provided by peer pressure and group dynamics, and a shared culture, vision, and values. Members are self-managing. Organic leadership seems particularly appropriate for professional and knowledge workers in dynamic, chaotic situations. This leadership paradigm relies on attracting and retaining highly trained and knowledgeable staff with self-controlling capabilities.

From the above mentioned leadership paradigms, it may be inferred that the emerging paradigm of leadership is the organic leadership style. The research work based on the organic leadership paradigm has tried to examine how leadership style is perceived by the employees in an organization. The work though have not assumed working of any particularly leadership style, it has tried to understand the various perspectives of effectiveness of perceived leadership and on what factors does the leadership
effectiveness differs in Government Owned Organizations and Private Owned Firms. The need for studying link between Leadership Effectiveness and Organizational Performance is well documented; the following present some of the noteworthy studies on the various Leadership Styles and Organizational Performance.

**LEADERSHIP AND ORGANIZATIONAL PERFORMANCE**

According to Zhu et al. (2005), understanding effects of leadership on performance is important because it is considered as a driving force for a firm’s performance. According to Rowe (2001) effective leadership is seen as a potent source of management development and sustained competitive advantage for organizational performance improvement. The reason for this is because intangible assets such as Leadership Styles, Culture, Skill and Competence, and Motivation are seen increasingly as key sources of strength in those firms that can combine people and processes and organizational performance (Purcell et al., 2004). However, most of the studies have excluded several organizational, environmental variables and on total organizational variables (House and Aditya, 1997). Most of the studies on leadership focus excessively on superior-subordinate relationships to the exclusion of several other functions that leaders perform, and to the exclusion of organizational and environmental variables that are crucial to mediate the leadership-performance relationship. And the level of analysis also varies with the existing leadership research. House and Aditya (1997) distinguished micro-level research that focuses on the leader in relation to his or her subordinates and immediate superiors, and macro-level research that focuses on the total organization and its environment. The present research work has tried to examine one such organizational variable, “ownership control” and how it differs in leadership effectiveness.
OCCUPATIONAL STRESS

The word “Stress” is defined as a dynamic condition in which the individual is confronted with an opportunity, constraint, or demand related to what he or she desires and for which the outcome is perceived to be both uncertain and important (Robbins, 2001). Stress can be caused by environmental, organizational and individual variables (Matteson & Ivancevich, 1999; Cook & Hunsaker, 2001).

Stress is the condition that results when person-environment transactions lead the individual to perceive a discrepancy, whether real or not, between the demands of a situation and the resources of the persons of the person’s biological, psychological or social systems. Physiologic reactions include an uncomfortable or unfamiliar physical or psychological stimulus. Biological changes result from stimulation of the sympathetic nervous system, including a heightened state of alertness, anxiety, increased heart rate and sweating.

“Stress is the body’s automatic response to any physical or mental demand placed upon it. When pressures are threatening, the body rushes to supply protection by turning on ‘the hormones’ and preparing to defend itself. It’s the ‘flight or fight’ response in action”.

TYPES OF STRESS

The major types of stress can be broken down into four different categories: Eustress, Hyperstress, Hypostress and Distress.

Eustress

Eustress is one of the helpful types of stress. Eustress prepares the muscles, heart and mind for the strength needed for whatever is about to occur. It can also apply to
creative endeavours. When a person needs to have some extra energy or creativity, Eustress kicks into bring them the inspiration they need. When the body enters the fight or fight response, it results in Eustress. It prepares the body to fight with or flee from an imposing danger.

**Distress**

Distress is one of the negative types of stress. The mind and body undergoes when the normal routine is constantly adjusted and altered. The mind is not comfortable with this routine, and craves the familiarity of a common routine. There are actually two types of distress, acute stress and chronic stress.

**Acute Stress**

Acute stress is the type of stress that comes immediately with a change of routine. It is an intense type of stress, but it passes quickly. Acute stress is the body’s way of getting a person to stand up and take inventory of what is going on, to make sure that everything is ok.

**Chronic Stress**

Chronic stress will occur if there is a constant change of routine for week after week. Chronic stress affects the body for a long period of time. This is the type of stress experienced by someone who constantly faces moves or job changes.
Hypostress

The final of the four types of stress is hypostress. Hypostress stands in direct opposite to hyperstress. It is basically insufficient amount of stress. Also, it is experienced by a person who is constantly bored. Someone in an unchallenging job, such as a factory worker performing the same task over and over, will often experience hypostress. The effect of hypo stress is feelings of restlessness and a lack of inspirations.

EFFECT OF STRESS

When an individual is under too much stress or he cannot manage the stress effectively, a wide variety of symptoms are experienced:

Physical Effects

The physical effects include increased heart rate and blood pressure; shallow difficult breathing; numbness, tingling, and coldness in the extremities; queasy stomach, tight muscles; back and head pain; dry mouth and sweating. Over time these physical responses cause breakdown of vital organs and serious and cause chronic disease.

Emotional Effects

The emotional effects include anxiety, anger, boredom, depression, fatigue, frustration, irritability, moodiness, tension, nervousness, self-hate, worry.

Mental Effects

Stress also leads to several mental disturbances such as difficulty concentrating, poor task performance, defensiveness, focus on details, sleepiness and mental blocks.
**Behavioural Effects**

Some of the behavioural effects of stress were found to be impulsive or aggressive outbursts; accident proneness; restlessness; blaming others; withdrawal and isolation; problems with drug and alcohol use; smoking; overeating; loss of appetite.

**Organization Effects**

Organizations also get affected by Stress. Some of the consequences of Stress on Organization include Job Burnout, Low Morale, Absenteeism, Poor Performance, High Turnover, Job Dissatisfaction, Lawsuits and Grievances, High Use of Health Facilities, Accidents and Poor Working Relationships. Excessive stress has negative effects on all dimensions of one’s lives, creating physical, emotional, interpersonal, and organizational distress and damage.

**SIGNS AND SYMPTOMS OF STRESS**

Stress affects the mind, body and behaviour in many ways. The specific signs and symptoms of stress vary widely from person to person. Some people primarily experience physical symptoms, such as low back pain, stomach problems and skin outbreaks. In others, the stress pattern centers on emotional symptoms, such as crying jags or hypersensitivity. For still others a change in the way they think or behave predominates.

**CONCEPT OF OCCUPATIONAL STRESS**

Stress has become a major concern both to individuals and to the organizations in which they work in the late twentieth century. Since the mid 1980s occupational stress has regularly found its way into the media, and has been the subject of much discussion, concern and ill-conceived rumour. Only in recent years that management has begun to recognize its existence and have had the courage to try to do something about it.
Beehr and Newman (1978) defined Occupational Stress as “a condition arising from the interaction of people and their jobs and is characterized by changes within people that force them to deviate from their normal functioning.”

Another well known definition says, “Occupational Stress is a negatively perceived quality which as a result of inadequate coping with sources of stress, has negative mental and physical ill health consequences”.

In the context of organizational behaviour there are at least three uses of the word “stress”. It is used as a cause (my job is inherently stressful); as a consequence (I feel stress when I am at work); and as a process (this is happening when I am under stress) (Payne, 1998).

In keeping with this broad usage, the word is probably most usefully applied to stress as a process because the major organizational and personal consequences of stress over time. The process approach fits most closely with the definition of stress provided by Selye (1956). According to him the General Adaptation Syndrome (GAS) or the nonspecific response varies in intensity over time.

**Occupational Stress**

According to Cox and Ferguson (1991) different approaches to stress have formed on different parts of the process corresponding to the main uses. The main approaches are:

- Causal Approach or Engineering Approach
- Medico-Physiological or Response Approach
- Transactional or Processual Approach
CAUSAL APPROACH OR ENGINEERING APPROACH

As per this approach stress is conceptualized as the cause (or source), which produces the reaction strain. The engineering or stimulus-oriented approach has led to search for the causes of occupational stress. Different versions of this approach is integrated in the six-causal factor model developed by Cooper et al. (1998).

The six causal factors of occupational stress are presented below:

• Factors intrinsic to the job
• Role factors
• Relationships at work
• Career development
• Organizational design and climate
• The Home-work interface

Each of these factors is briefly outlined below followed by relevant empirical studies.

Factors Intrinsic to the Job

Research indicates that there is a set of unique factors for every job that employees identify as being sources of pressure for them. Overall, there are a number of major recurring themes, concerned with physical working conditions, shift working, overload/underload, occupational, occupational level, repetition and boredom, and the ‘person-environment’ fit (Sloan and Cooper, 1987).
Physical Working Conditions

Crowding, lack of privacy, noise, excessive heat or cold, inadequate lighting, glaring or flickering lights, and the presence of toxic chemical and other air pollutants distinguish some working conditions identified as occupational stressors.

Work Overload and Work Underload

Many studies, in a variety of research settings and in various occupations, have consistently concluded that the particular characteristics of the job, particularly work overload and underload, are related to the experience of worker stress (Shaw and Riskind, 1983).

Working Long Hours

Research has suggested that the force to work long hours is a source of stress. Working long hours can lead to health problems.

Person-Environment Fit

Person-Environment Fit Theory (French & Caplan, 1972; French, Caplan & Harrison, 1982, Speilberger & Reheiser, 1995) is among the most utilized and widely accepted approaches to conceptualizing the nature of occupational stress. In the context of this theoretical orientation, occupational stress is defined in terms of job characteristics that pose a threat to the individual because of a poor match between the abilities of the employee and the demand of the job.

Role Factors

Role theory depicts and organization as patterned system of dynamically interacting matrix of roles. These roles are linked to one another according to technology, work flow and authority. Pareek (1983) and Petonjee (1999) had defined
role as any position a person holds in a system (organization) as defined by the expectations of various significant persons, including himself/herself have from that position. Role conflict and ambiguity are the most widely examined sources of stress in stress research (Beehr, 1985). Being ‘responsible’ for the work of others, role shock, and the stress associated with managerial roles are also included within this category of potential stressors.

The category of role factors is divided into five sub-categories: role conflict, role ambiguity, responsibility for others, role shock and other role stressors. Each of these is described in the following subsections.

**Role Conflict**

Role conflict may be seen to exist when an individual is torn between conflicting demands placed upon them by others in the organization, or when conflict exists between their jobs and their personal beliefs. The results of this conflict have been found to result in lower job satisfaction and higher job tension.

**Role Ambiguity**

Role ambiguity exists when the incumbent has inadequate information about the role; i.e., a lack of clarity about the role and its objectives, or a lack of feedback from others, the outcomes of this can be job dissatisfaction, lack of self-confidence, feelings of futility, lack of self-esteem, depression, low motivation and the behavioural outcomes of increased intention to learn the job. Other manifestations may be physiological (e.g., increased blood pressure and pulse rate).
Responsibility for Others

Another important potential stressor associated with one’s organizational role is ‘responsibility for people’. One can differentiate here between ‘responsibility for people’ and responsibility for things’. Wardwell et al. (1964) found that responsibility for people was significantly more likely to lead to Coronary Heart Disease than responsibility for things. Individuals who are responsible for other at work, and so must motivate, reward and admonish them etc., generally experience higher levels of stress than those who have no such responsibilities (McLean, 1980).

Role Shock

Role shock is explained by Minkler and Biller (1979) as “the stresses and tensions manifested as discontinuity are encountered when moving from familiar to unfamiliar roles”. These unfamiliar roles may constitute totally new roles or familiar old roles. These unfamiliar roles may constitute totally new roles or familiar old roles which are played differently in a new situation.

Other Role Stressors

Stress was originally viewed as a hazard relevant to executive level organizational staff (Levinson, 1964), and seen only to apply to those in senior management positions. While it is often assumed that as one climb the managerial ladder stress increases, it appears that middle level managers are particularly prone to stress, and Ivancevich et al., (1982) found that middle managers report higher quantitative work overload, lack of career progression and other environmental stressors compared with other levels of managers.
Relationships at Work

Relationships at work characterized by a lack recognition, acceptance, and trust, as well as by competition and conflict, are seen as stress inducing.

Relationship with Immediate Boss, Colleagues and Subordinates

A frequent source of stress in the work setting relates to poor interpersonal relationships. Stress may result from feelings of being unaccepted or a failure to recognize particular expertise which the individual feels he possesses.

Career Development

A major source of stress reactions from occupational frustration may exist when there is a lack of career guidance. The individual needs not only an opportunity to use pre-existing occupational skills but also an opportunity to develop new appropriate skills, the acquisition of which may contribute to increased reinforcement in the work environment. This category of stressor refers to the impact of under promotion, over promotion, status incongruence, lack of job security, thwarted ambition, etc. (Cooper and Marshall, 1976).

Over Promotion and Under Promotion

Over promotion (when an individual has responsibilities beyond his or her capabilities, and which situation may be exacerbated by lack of further promotion prospects) and under promotion (when an individual has not been given responsibilities commensurate with his or her actual or self-perceived abilities) may result in minor psychological or major psychosomatic symptoms.
Lack of Job Security

Some of the common features of working life are the fear of job loss and the threat of redundancy, and these have been found to have links with several serious health problems; including Ulcers, Colitis and Alopecia (Cobb and Kasl, 1977) with job insecurity follows subsequent deterioration of the morale and motivation of a work force, which may lead to negative impact of their job performance, efficiency and commitment.

Occupational ‘Locking-in’

Occupational locking-in occurs when an individual has minimal opportunity to move from his or her present job. This may be due to a lack of suitable employment alternatives in the market place, or to the inability to obtain a different job within the current organization.

Organizational Design and Climate

This source of occupations stress includes such factors as office politics, lack of effective consultation, no-participation in the decision making process and restrictions on behaviour (Cooper and Marshall, 1978). These stressors originate from the structural design and process features of the organization, though organizational climate will embrace individual perceptions of both these features (Cooper et al., 1988). Structural stressors also include the effects of highly interdependent, and a high degree of departmental specialization and formalization, with little opportunity for individual advancement.

Participation in Decision Making

Participation in this context is referring to the involvement of subordinates with their superiors in the managerial decision making process where decisions have to be
made with regard to organizing, directing and controlling responsible subordinates in the process of co-coordinating the purpose of the company or business.

**Organizational Culture**

Organizational culture has emerged as a major force used for organizational change in recent years. It is generally concerned with shared values and norms. Personal relationships with the work group may deteriorate if the expected norm of behaviour is not adopted by an individual. Stress may occur when the organizational culture is not accepted by the individual (Kahn and Cooper, 1993).

**The Home/Work Interface**

This category of potential stressor consists of those events which occur outside the specific work environment but which affect the individual’s behaviour at work, and so must be considered when assessing sources of occupational stress. These include life events, issues relating to the family including the conflict between company and family demands, financial difficulties, women’s roles, and conflicts between personal and company beliefs.

**Relationship between Work and Family**

Pearlin and Turner (1987) identified four potential sources of family based stress role pressure or overload, interpersonal conflicts, role captivity and restructuring of family roles through time. Glowinkowski and Cooper (1985) proposed the idea of ‘spill over’ - where a relationship exists between home and work that leads to similar experiences and reactions in the two domains. A family situation - either a brief crisis or long term strained relations with the spouse or children can act as significant stressor for employees.
CAUSES OF WORKPLACE STRESS

Stress may be related to personal attributes and individual circumstances outside the workplace, such as family and relationship problems. Some of the causes of stress include

- Training and career development. A failure to provide employees with opportunities for career development, and adequate training to enhance their employability, may promote stress.

- Failure to provide workers with significant autonomy and control over their day-to-day work task can promote stress. Trusting workers and “empowering” them to make decisions is more likely to promote a positive response than if management attempts to control everything.

- Work intensification when they feel they have no control over work pace, they work excessive hours, or they are under significant pressure to meet deadlines.

- Poorly defined and designed work roles and tasks may cause stress. Clearly defined work roles, and variation in work tasks within work roles are likely to alleviate stress.

- Irregular work schedules. Unpredictable work schedules, particularly frequent changes in shift working, may cause stress.

- Workers in insecure, “casualized” forms of employment are more likely to suffer stress.

- Poor work environment. Physical features of the work environment, such as poorly designed workspace and poor ventilation, may promote stress.
• An inadequate work life balance. The failure to accommodate workers interests and responsibilities outside the work place is a significant cause of stress.

• Insufficient staffing levels

• Exposure to workplace restructuring and “rationalization”

• Unhealthy interpersonal relationships. Workers who are bullied, harassed or isolated, and who do not feel supported by managers or colleagues, may experience stress.

CONSEQUENCES OF WORK PLACE STRESS

Workplace Stress may have a number of negative consequences for both workers and employers, as follows.

• Workers may abuse alcohol and drugs, and be more prone to accidents and physical and mental illness.

• Workplace stress is increasingly an issue for litigation, which can entail significant costs.

• Workplace stress causes millions of working days to be lost through “absenteeism” each year, which represents a significant cost to employers. Far more days are lost through workplace stress than through industrial action, a fact that is frequently overlooked.

• Stress may promote higher labour turnover, and employers may have difficulty retaining staff.

• Stress may cause workers to lose morale and become less motivated and committed, which may result in lower productivity.
• Stress may promote increased industrial relations problems.

The following diagram explains the terms and concepts of job stress and organizational impact of employees. If a worker perceives they have a high level of responsibility for output or deadlines but little control over resources to meet demands then a number of stress symptoms can become evident. These can include sleeplessness, anxiety, depression and the onset of a number of physical ailments.

**FIGURE 2: JOB STRESS AND ORGANIZATIONAL IMPACT**

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Job Stressors

This refers to aspects of work that may invoke feelings of anxiety in a person. These are broken down into two groups:

- Work Related Job Stressors
- Management Related Job Stressors

Work-Related Job Stressor

A person may be on a contract and unable to perhaps apply for a housing loan or make long term plans. Others may be aware that their job could be at risk as a result of an area review.

Control

An employment may have total responsibility for the outcome of their job but little or no control the processes used or the resources allocated. This is a classic scenario for work stress.

Job Content

The nature of the work itself can be stressful. For example if a person is in contact with the public and likely to be the recipient of abuse from angry or disgruntled consumers.

Workload

Some areas may be under resourced or have inefficient work systems in place. As a result staff may have a high workload. Most workers can cope with the pressure of high work load for reasonably short periods of time. However when high work load is perceived as unrelenting, morale is eroded and job dissatisfaction develops.
Scheduling

In some positions the worker is not able to spread their work load evenly across the working day. The nature of the work may be stop - start and go against a worker’s natural work rhythm.

Social Environment

Obvious factors of this nature include overcrowded work environments or being required to work in isolation. The amount of stress derived from both these depends upon the individual. Another negative factor could arise when a person does not get on with or enjoy working with another staff member and rotation is not possible.

Physical Environment

Aspects of the physical environment that could contribute toward stress include poor ergonomics, bad lighting, high noise levels, dust, poor air circulation and extreme heat or cold.

MANAGEMENT RELATED JOB STRESSORS

1. Change Management

Successful change management is an important management skill. Staff should be consulted in the early stages of the process. At every phase they should be given a realistic picture of what is to be achieved, the processes involved and time frames. When managed poorly, change can cause anxiety and low morale.

Supportive Supervision

Supportive supervisors will praise staff for good work, rather than only speaking to them when they have performed poorly. Discussion of performance errors should always include strategies for improvement and a review of progress.
**Role Definition**

Lack of clarity of a person’s role, boundaries or who should given them orders, can lead to anxiety when conflicts occur. Staff should be encouraged to seek clearer definition of their role, particularly if the role is new or they are new to the area or organization.

**Feedback**

This should be given whenever appropriate. This is most effective when it is provided as soon as possible after the event. Feedback should be provided for good as well as bad performance. Negative feedback should also include suggestions to remedy shortcomings.

**Participation**

Staff morale is higher when staffs are encouraged to work as a team. High morale is often linked to high job satisfaction. Team Building is an important skill for managers to utilize.

**Development**

For some staff members the absence of opportunities to develop their skills and knowledge at work can cause frustration. This can also reduce morale.

**Promotion**

Opportunity for promotion is another aspect of work which maintains good morale with many workers.
2. Non Work Factors

This refers to aspects of a person’s life outside of work that may lead to feelings of anxiety. These are divided loosely into two groups:

- Individual Non Work Factors
- Social Non Work Factors

**Individual Non Work Factors**

Some factors inherent in the individual can affect their performance at the workplace. They include:

**Personality**

Managers and coworkers are likely to come across people at work whose personality may appear to be outside the usual norms. A problem that managers sometimes encounter is when the personality of a staff member may not be suited to their job.

**Psychological and Psychiatric Factors**

Managers may find it very difficult to effectively manage staffs that have psychological or psychiatric problems. These factors can be minor or major range from transitory to permanent. Expert assistance may be required when these factors affect the manager/staff member relationship.

**Morale**

Factors that exist outside of the workplace are sometimes unavoidably carried over to the work environment. A loss or stressful event in their personal life will lower their morale. It usually affects their performance at work also.
**Stage of Life**

At certain stages of life people are more prone to experience crises. New born children, rebellious teenagers and dependent, elderly parents can increase non work stressors.

**Career**

A shortfall between high career expectations and the reality of a job with poor prospects can lead to disappointment and frustration.

**Social Non Work Factors**

- Aspects of person’s non work environment: can also affect their performance at work.

- Financial: over commitment to a mortgage or personal loan can lead to money worries which affect both home and work life.

- Status: Social or work status plays an important part in building a person’s self-esteem. When these fail to meet a person’s expectations they may become demoralized. This can be carried over to their work.

- Family Situation: Many abrupt changes to family routine can trigger stress at home. Examples include relationship difficulties, bereavement and moving house.

**3. Buffers**

Buffers can explain why similar circumstances can evoke vastly different responses in individuals. They can mitigate the impact of stressors. Examples of buffers are:
Coping Skills

People learn how to cope through their life experience. Those who have a history of overcoming setbacks tend to be more resilient than people who expect their attempts to meet adversity to fail.

Social Supports

The support of family and friends can make an enormous positive difference. A part from affirmation and reassurance, a person in crisis can draw upon the experience and advice of their social circle.

4. Acute Reactions

As a result of stress a person can suffer an acute reaction that may be psychological, physiological or behavioural in nature.

I. Acute Psychological Reactions

II. Acute Physiological Reactions

III. Acute Behavioural Reactions

I. Acute Psychological Reactions

Depression or anxiety following a significant traumatic event can be expected. When there is no valid reason or the reaction develops into a chronic condition, expert assistance is required.

Depression

This can range from short term ‘sadness’ to long-term and profound depression. Many types of negative experiences can trigger depression and its severity depends on
the individual, the cause and other factors. Expert attention may be required to counteract long-term symptoms.

**Anxiety**

This factor can use symptoms that range from mild apprehension to panic attacks. Like depression, many causes can trigger anxiety and a number of factors can contribute to its impact.

**Job Dissatisfaction**

Stress outside of work can be generalized to the workplace. This can result in levels of job satisfaction being reduced. Perhaps the person will ‘scapegoat’ their personal problems to work-related causes.

**II. Acute Physiological Reactions**

Stress or trauma (psychological processes) is accompanied by physical symptoms.

**Heart Rate**

Tachycardia or increased heart rate (palpitations) is a common physical manifestation of anxiety. Medical attention should be sought if this becomes ongoing symptom.

**Blood Pressure**

Lifestyle factors are usually associated with high or low blood pressure however blood pressure levels can be affected by stress or trauma.

**III. Acute Behavioural Reactions**

A person’s sleep patterns can be affected in different ways when they are under stress. Some people experience problems staying awake, some may sleep much longer
than normal. Others have difficulty falling or staying asleep or sleep at different times of
the day. These are serious symptoms and medical attention should be sought if they
persist.

**Substance Abuse**

This may be tied in with the way in which a person may choose to entertain
themselves during their times of recreation. Treatment of an underlying condition may
eliminate the presenting problem of substance abuse.

**5. Organizational Impact**

The health of an organization is strongly linked to the health of its employees.
Stress impacts on an organization in a variety of ways, including these below:

**Absenteeism**

A strategy commonly employed by a stressed worker is avoidance. Taking time
off work as sick leave is a non-stigmatizing way of avoiding factors at work that elicit
stress response. All managers are aware of the negative effects of absenteeism on their
department and ultimately, the organization.

**Injuries**

When staffs are stressed they may be mentally preoccupied with problems rather
than attentive to hazards present in their work environment. Loss of time through injury
– even a minor accident can require first aid, a trip to the health centre or casualty
department-reduces productivity.
Workers Compensation

Stress claims that become workers compensation claims are less common since changes were made to the work Cover legislation. They do occur they are more than four times the cost of the average work injury. The workers compensation insurer will investigate each claim. This prolongs the process and frequently exacerbates stress levels in the worker. Workers compensation stress injuries sometimes end with the person separating from their organization.

Staff Turnover

High levels of staff turnover are common in work areas where the environment or work conditions cause stress in staff members. Productivity is lost when skilled staffs leave and replacements need to be inducted and trained.

Morale

High stress jobs do not necessarily lead to low morale among staff. If other positive factors, such as adequate resources, fair reimbursement and supportive supervision are present, staffs feels productive and valued. Low morale is often concomitant with low productivity, absenteeism and other negative behaviours.

EAP Counselling

Employee Assistance Programmes are provided to staff so that work or personal problems may be resolved before they appear insurmountable. Usually a staff member will visit the office of the EAP counsellor for up to three counselling sessions. EAP counselling is usually undertaken during work hours and for this reason is a drain on productivity.
Productivity

Reduced productivity is almost always associated with stressed workers. A supportive, low stress work environment and good work conditions contribute to the optimization of productivity levels.

Quality

As in the case of work injuries, quality of work suffers when staff members are stressed.

Personal Toll

In addition to the impact of stress on an organization there is also a personal health cost to staff members, including:

Hypertension

It is also known as high blood pressure or ‘the silent killer’. Hypertension often has no symptoms and is only detected by blood pressure testing. In the long term high blood pressure can contribute to hardening of the arteries, cardiac disease and strokes. These conditions shorten the life of the sufferer if untreated.

Chronic Heart Disease

Although less hard to establish there is evidence to suggest that people who are stressed are more likely to develop chronic heart disease.

Alcohol and Drug Abuse

People under stress often seek symptomatic relief through alcohol and drug abuse. There is a severe impact on the person and their family if alcohol or drug abuse is not addressed.
Mental illness

The principle mental health conditions associated with stress are depression, anxiety and sleeplessness. In themselves they have unpleasant conditions and in extreme cases can lead to self-harm or suicide. Organizational based factors have been known to induce job stress for employees at the workplace (Greenhaus & Beutell, 1985). These factors are commonly termed as organizational stressors since they serve as agents that trigger the various stress reactions (Von Onciul, 1996).

THEORIES OF ORGANIZATIONAL STRESS

There are several theories that have proposed the various factors behind Organizational Stress. Few of the theories are

Person Environment Fit (P-E Fit)

The P-E Fit Theory proposed by Lewin (1951) observed that an individual’s personal characteristics interacted with their work environment to determine strain, and consequent behaviour and health. The theory suggests that the match between a person and their work such as employees’ attitudes, skills, abilities and resources match the demands of their job, and that work environments should meet workers’ needs, knowledge, and skills potential. Lack of fit in either of these domains can cause problems, and the greater the gap or misfit (either subjective or objective) between the person and their environment, the greater the strain as demands exceed abilities, and need exceeds supply (Sonnentag & Frese, 2003). These strains can relate to health related issues, lower productivity, and other work problems (French, Caplan & Harrison, 1982). Defence mechanisms, such as denial, reappraisal of needs, and coping, also operate in the model, to try and reduce subjective misfit (Buunk, deJonge, Ybema & deWolff, 1998).
The Job Characteristics Model

Hackman and Oldham’s (1980) job characteristics model focuses on important aspects of job characteristics, such as skill variety, task identity, task significance, autonomy, and feedback.

The Michigan Model

The Michigan Model places much emphasis on the individual’s own subjective perceptions of stressors. Environmental stressors, such as role ambiguity, conflict, lack of participation, job security, workload, lack of challenge etc, are subjectively perceived, and personality variables, demographics, and social support moderate these perceptions to lead to health outcomes (Caplan, Cobb, French, Harrison & Pinneau, 1975).

Demand Control Support Model

Of all the theories of Organizational Stress, the Demands Control theory seem to be highly relevant in the present research problem because this theory speaks at length about the role of organizational control in Organizational Stress. As the present research work has tried to understand how an organizational factor such as ownership control (Government Owned/Private Owned Engineering and Textile Mills) influence organizational stress, this theory was found to be highly relevant.

The Demands Control Model (Karasek, 1979) focuses on the two psychosocial job characteristics of job demands and job control. The latter factor is sometimes called decision latitude (Karasek, 1979) and is made up of the sub-factors of decision authority (control over work situation) and skill discretion (possibility of using learnt skills and competencies).
According to Cox and Griffiths (1995), the demand control model is an “interactional” model, as it focuses on the structural features of an individual’s interactions with their environment. Karasek’s (1979) explains that those exposed to high levels of demand, as well as having low levels of job control (high-strain situation) were disproportionately more likely to show increased levels of depression, fatigue, and cardiovascular disease and mortality. However, the lowest levels of illness were in individuals with moderate or even high demands, if they also had high levels of job control (challenge situation). Karasek (1979) thus proposed an interaction where high demands and low control would predict high strain, but that high control would buffer the negative effect of demands on outcomes.

Organizational Stress can be reduced by several strategies which include

- Early prevention and elimination of work-related problems that can produce stress
- Change work demands
- Ensure that employees have the necessary knowledge and abilities to perform effectively their jobs
- Improve constantly the technique used at work
- Apply a proper management style
- Ensure a proper work environment
- Offer employees a stress management training in order to teach them ways of overcoming stress
- Increase the support needed by employees
- Ensure a good level of cooperation within employees

- Clearly define disciplinary procedures

- Establish a supportive working culture in order that employees feel integral to the organization and are motivated to achieve its goals

- Offer employees the necessary support and information for developing their career

- Encourage flexible work schedules

- Try to manage the change process in a way that employees cannot become stressed due to it

**PERSONALITY**

Personality is defined as “relatively stable characteristics of individuals (other than ability) that influence their cognition and behaviour” (Colquitt, LePine & Noe, 2000). Ones, Viswesvaran, and Dilchert (2005) described personality traits as enduring dispositions and tendencies of individuals to behave in certain ways. Therefore, an individual’s personality forms part of his/her identity, consistently distinguishing him/her from others, and is reflected in his/her propensity to think, feel, and act in certain ways.

Empirical research on work team effectiveness, which encompasses both performance and viability (Sundstrom, 1999), has identified key predictors, including group personality composition (Sundstrom, McIntyre, Halfhill & Richards, 2000). Group personality composition refers to the mix of group members’ individual traits, as reflected in group level indexes such as average, minimum, maximum, or variance on
such traits as individual agreeableness or conscientiousness (Barrick, Stewart, Neubert & Mount, 1998). The widely accepted Five Factor Model of Personality (FFM) began with a lexical hypothesis (Mayer, 2003; Ones, Viswesvaran & Dilchert, 2005) and refers to personality elements that have been discerned through empirical research.

Also labelled “The Big Five,” the model consists of five dimensions: Openness to experience, Conscientiousness, Extraversion/introversion, Agreeableness, and Neuroticism/emotional stability (OCEAN). These personality domains involve a cluster of other associated characteristics, facets, and/or preferences (Chih-Chien & Yann-Jy, 2007; Graziano, Bruce, Sheese & Tobin, 2007; Mayer, 2003).

The Big Five traits, one of the common personality taxonomy structures, have found varied practical applications in organizations. Though several Meta Analysis studies have been done on Big Five Traits, it has not been studied whether organizational ownership affects personality dispositions. Particularly, in conjunction with leadership styles and personality dispositions would alter with the type of organizational control nature has not been studied so far. Hence the research work has tried to understand the personality disposition using the Big Five Trait. This would also enable to understand the linkages between personality dispositions and leadership styles in various organizations.

The dimensions comprising the Five Factor Model are Neuroticism, Extraversion, and Openness to Experience, Agreeableness, and Conscientiousness.

**Neuroticism**

The neuroticism domain reflects one’s degree of emotional stability and adjustment. It also represents the tendency to exhibit poor emotional adjustment and experience negative affects, such as anxiety, insecurity and hostility. A tendency to easily
experience unpleasant emotions such as anger, anxiety, depression or vulnerability (low scores). On the other opposite side of the spectrum, individuals tend to be more effective in stressful situations.

**Extraversion**

Extraversion represents the tendency to be sociable, assertive, active, and to experience positive affects, such as energy and zeal. It is marked by pronounced engagement in the external world. Extraverts enjoy being with people who are full of energy and often experience positive emotions. They tend to be enthusiastic, action-oriented individuals. Introverts on the other hand lack exuberance, energy and activity levels of extraverts.

**Openness to Experience**

Openness to Experience is the disposition to be imaginative, nonconforming, unconventional, and autonomous. Openness measures the extent to which persons are open to new experiences, are creative and imaginative, and prefer variety. It describes a dimension of personality that distinguishes imaginative, creative people from down to earth, conventional people. Open to experience individuals are intellectually curious, appreciative of art and sensitive to beauty. Individuals high on openness tend to have job training proficiency and make better decisions in a training problem solving simulation.

**Agreeableness**

Agreeableness is the tendency to be trusting, compliant, caring, and gentle. Agreeableness reflects the extent to which one is altruistic and cooperative. It reflects individual differences in concern with cooperation and social harmony. Agreeable individual values getting along with others. They are therefore considerate, friendly,
generous, helpful and willing to compromise their interest with others. Agreeable people also have an optimistic view of human nature. They believe people are basically honest, decent and trustworthy.

**Conscientiousness**

Conscientiousness comprise of two related facets: achievement and dependability. Conscientiousness measures one’s self control and purposefulness and is associated with academic and occupational achievement. It is concerned with the moral and ethical component in the individuals. It is the way in which one controls, regulate and direct the impulses. They tend to achieve high levels of success through purposeful planning and persistence. They are positively regarded by others as intelligent and reliable.

The present research work has tried to examine whether personality dispositions differ as a result of the organizational ownership control and how it reflects in their work setting.

**RESEARCH SETTING**

The research problem was studied in the city of Coimbatore District – the “Manchester of South India” because of its business and entrepreneurial historical tradition and presently a vibrant business hub with a strong manufacturing base. The growth of the manufacturing industry either engineering or textile industry is primarily influenced by the effective utilization of availability of skilled and trained Human Resources. The District of Coimbatore holds the distinction of an evolution of textile industry such as weaving and spinning mills but also engineering/ textile machinery manufacturing sector such as Wet Grinders, Lathes, Machines for Drilling, Welding, Gear Technology and Manufacture of Gear - based Machineries, Auto Components.
A major share of growth of the above mentioned engineering and textile machinery has been due to high entrepreneurial skills of its citizens. According to Sam (2011) the city supplies around 60% of pumps and 40% of motors used in India. Tata Motors sources over 25% of its components from Coimbatore.

The city also provides the apt research setting wherein Government Owned Organization such as National Textiles Corporation (NTC) coexists along with several Private Owned Mills. The five NTC mills owned by the Indian Government has been as profitable as private owned mills, and have about 2000 employees in its permanent roll.

**NEED FOR THE STUDY**

Though several studies are being done on several factors relating to organizational factors that influence organizational performance the present study has embarked on the four above mentioned factors namely organizational commitment, perceptions of leadership effectiveness, organizational stress, and personality structures in order to understand the performance of the three types of organizations namely Government Owned Mills, Private Mills and Engineering Industries differ in their organizational form and function. Besides, the relationship between organisational form and function are hypothesized to differ in terms of organizational ownership, control and environment. Hence it is vital to understand whether the above mentioned variables of the study seem to differ in the varying environment and their goals and pull to influence organizational performance. The study would also be able to highlight whether the organizational, political, sociocultural environment within which an organization operates have any influence on the way it functions and performs. The present study would also be able to
identify whether the practicing organizational structures and cultures are associated with organizational outcomes and employee perceptions. The study would also be able to enable the organization to formulate organizational change strategies as a benchmark for future human resource development policies.