CHAPTER 1
Managerial occupational stress has become more common today, because of the ever increasing job demands of business organizations from the employees in general, and managers in particular. The increased demand for economic efficiency, technical innovation, and structural changes that has been introduced by the globalization of the economies in the recent years has resulted in many workers having to work under stressful conditions. As the global markets become more competitive and intertwined, the workers are facing drastic stressful working conditions, which affects their mental health adversely as well as the performance of their business too. The drastic changes in the nature of work result in professional stress that poses a threat not only to physical and mental health of the employees but to the health of the organizations as well.

The term stress has typically been used to refer both to the adjustable demands placed on an organism and to the organism’s internal biological and psychological response to such demands. The adjustable demands are referred to as stressors and the effects they create within an organism as stress. Stress is considered as a by product of poor or inadequate coping.

Causes and effects of occupational stress have received research attention for several decades although increasing focus has been paid to it during the 1990s as organizations and individual workers attempt to adapt to accelerating rates of change. The impact of stress on the economic health of the organization and the mental and physical health of
the individual has been well documented (Cooper and Marshall, 1976; Quick and Quick, 1984; Cooper, 1994).

The major component of occupational stress, which is important both for employees and employers, is the relationship between work and home life. This relationship is bi-directional, although previous research has indicated that stress in the workplace has a greater impact on home life than vice versa (Hall and Richter, 1988; Frone et al., 1992; Swanson et al., 1998). The demands of managing multiple or conflicting roles at work and at home are also a potential source of stress (Barnett and Baruch, 1985).

All occupations have the capacity to be stressful, but some occupations and organizations are potentially more stressful than others. Cranwell-Ward (1987) identified organizations within the service industry, those with high technology and those undergoing structural job changes as potentially more stressful than others.

Stress is omnipresent in our society. Stress is an inescapable result of modern living. Selye (1956) defined stress as the force, pressure, or strain exerted upon a material object or person which oppose these forces and try to keep up its original state. Steers (1981) point out that Occupational stress has become an important topic for study of organizational behavior for the following reasons.

a) Stress has harmful psychological and physiological effects on employees;

b) Stress is a main cause of employee turn over and absenteeism;

c) Stress experienced by one employee can affect the safety of other employees; and
d) By controlling dysfunctional stress, individual and organization can be managed more effectively.

The advent of technological revolution in all walks of life coupled with globalization, privatization polices has drastically changed conventional patterns in all sectors. The 1990s saw radical policy changes with regarding to fiscal deficit and structural changes in India so as to prepare her to cope with the new economic world order. Globalization and privatization led policies compelled the banking sector to reform and adjust to have a competitive edge to cope with multinationals led environment. The advent of technological changes, especially extensive use of computers in the sector has changed the work patterns of the bank employees and has made it inevitable to downsize the work force in the sector. The implications of the above said transformations have affected the social, economical and psychological domains of the bank employees and their relations. Evidence from existing literature states that more than 60 % of the bank employees have one or other problem directly or indirectly related to these drastic changes. Along with other sectors the banking sector is also leaning towards the policy of appointing contract labor, with various compulsive as well as rewarding options such as VRS etc. All the factors discussed above are prospective attributes to cause occupational stress and related disorders among the employees. Although a lot of studies have been conducted on the psychosocial side of the new policy regime in many sectors, there are only few studies, as far as the financial sector is concerned, while the same sector has been drastically influenced by the new policies.
1.1 Need of the study

The nature of the work, the size of the organizations, the complexity, the nature of the operations etc. all demand a thorough study of the managerial occupational stress being experienced by the managers working at different hierarchical levels of the banks and the insurance companies of both the Public as well as the Private sector. Since this industry experiences great deal of pressures in terms of cut-throat competition, the managers working in these organizations are bound to experience stress. Thus, the study of managerial occupational stress has emerged as an important area of research in the present times.

From a review of literature, which is presented in chapter 2, it is concluded that there are research gaps in the area of managerial occupational stress, particularly in the financial sector in Indian organizations and thus the study of managerial occupational stress in the financial sector is an important area of research, which can identify the causes of stress and may suggest coping strategies so as to strike a balance among the managers’ professional life and family life. For the future of work and well-being of individuals it is crucial that this relationship is examined. It is with this background that this study has been conducted with the following objectives in mind.

1.2 Objectives of the study

- To design a model to assess the level of stress among the managers in the Indian financial sector;
- To study the major stressors faced by the managers of the selected financial organizations;
• To investigate the various effects of the stressors on the individuals and the organizations;
• To identify effective coping strategies for managing stress; and
• To identify the hindrance factors for the application of the identified coping strategies.

On the basis of review of literature, the following null hypotheses were formulated:

1.3 Hypotheses of the study

$H_01$: There is no difference in the opinion regarding various stressors among the male and female respondents in the financial sector in India;

$H_02$: There is no difference in the opinion regarding various stressors across management levels in the whole financial sector in India;

$H_03$: There is no difference in the opinion regarding various stressors across management levels in the public sector organizations in the financial sector in India;

$H_04$: There is no difference in the opinion regarding various stressors across management levels in the private sector organizations in the financial sector in India;

$H_05$: There is no difference in the opinion regarding various stressors across management levels in the banking sector in India;

$H_06$: There is no difference in the opinion regarding various stressors across management levels in the insurance sector in India;

$H_07$: There is no difference in the opinion regarding various stressors across managers in the public and private sector organizations in the financial sector in India;
$H_{06}$: There is no difference in the opinion regarding various stressors across managers in the banking and insurance sector in India;

$H_{09}$: There is no difference in the level of total stress across male and female respondents in the whole financial sector in India;

$H_{010}$: There is no difference in the level of total stress across management levels in the whole financial sector in India;

$H_{011}$: There is no difference in the level of total stress across managers of banking and insurance sector in India;

$H_{012}$: There is no difference in the level of total stress across managers of public and private sector organizations in the financial sector in India;

$H_{013}$: There is no difference in the level of total stress across the respondents of different age groups in the financial sector in India;

$H_{014}$: There is no difference in the level of total stress across the respondents of different organizations in the financial sector in India.

1.4 Scope of the Study

Keeping various constraints like time, money and other resources in mind, the study has been limited to the organizations in the financial sector in the State of Punjab. Further, under the financial sector, only the banking and insurance sectors have been included in the study. Under the banking sector, only the banks operating in the public and private sector have been chosen whereas, under the insurance sector, only the life insurance companies have been included for the purpose of this study.
1.5 Contribution of the study

The model proposed in this research would facilitate an easy assessment of the level of the stress experienced by the managers, which could further help the management to solve various other problems such as low employee morale; low productivity; poor organizational climate; and many such problems.

A detailed analysis of various stressors on which an employee has high scores can be carried out and some strategies can be formulated and implemented to manage and reduce the same. Instead of taking all the stressors into consideration, the organizations can concentrate on specific stressors that cause stress for the individuals. After the identification of the specific stressors, the organizations can further take effective measures to alleviate job stress.