Abstract

The aim of this present piece of research is to study the "influence of occupational stress and human resource practices on organizational commitment and psychological well-being among bank employees". In the present study, occupational stress and human resource practices have been taken as independent variables whereas organizational commitment and psychological well-being as dependent variables.

Liberalization of the Indian organizational environment through modification in the industrial, trade and financial policies by the government has brought in change and competition of a magnitude that was previously unknown to Indian business. In the present scenario, where multinationals and other global players are competing in the domestic market with the monopoly players, the management of organizations is expected to be more productive and efficient for survival in India. More than a decade ago, the western countries faced similar conditions. A flow of changing organizational structures and changing expectations has forced various departments of the organization to alter their perspectives on their role and function overnight. Companies are strained to make changes in their organization to give emphasis primarily on productivity in order to "survive" in India.

In this context, it would be important to identify the factors in the organizational environment that have the most positive as well as negative impact on the performance of employees in the organization in order to facilitate the positive and impede negative factors at job setting. Hence, the present research was undertaken to find out, how occupational stress and human resource practices can contribute to
predict the organizational commitment and psychological well-being among bank employees.

The entire work is presented in five chapters. Chapter-I deals with the historical background, meanings and concepts pertaining to occupational stress and human resource practices (IVs); organizational commitment and psychological well-being (DV$s$) in relation to banking organization. During the past decade, banking sectors have undergone rapid and striking changes like policy changes, downsizing, privatization, computerization, introduction of new technologies etc. These changes have taken place very quietly because of increased competition and entrance of more private sector banks. The advent of new technologies in all walks of life, coupled with globalization and privatization policies have drastically changed conventional patterns of work and interaction in all sectors. Extensive use of computers in this sector has changed the work patterns of bank employees and has made it inevitable to downsize the work force. The 1990s saw fundamental policy and structural changes in Indian banks in order to prepare India to cope with a new economic world order. Globalisation and privatisation led policies forced the banking sector to reform and to adopt a competitive frame, to cope with multinationals led environment. Structure and climate of public and private sector organizations markedly differ, and so are likely to cause different amounts of stress to its members. Evidence from existing literature states that more than 60% of bank employees have one or other problem directly or indirectly related to these drastic changes (Kumar 2006).

Problems at work place push employees to develop a “calculative” attitude in such a way that they feel, leaving the organization will imply losing benefits, good
working conditions and possibilities to remain employed in an economically healthy organization. Conversely, if employees perceive that the organization is a bad "corporate citizen", is not committed to them, does not allow them to satisfy social needs and to perform meaningful work, their organizational identification, self-esteem and satisfaction decrease, their affective bond with the organization vanish, the sense of loyalty decrease, and the desire to leave the organization intensify (Ashford & Mael, 1989; Dutton et al., 1994, Van Schie, 2000). They do only what it is necessary for keeping the job (i.e., avoiding extra-role behaviours), and decrease their affective bonds to the organization and their sense of organizational loyalty. They also feel less prone to remain for calculative reasons that subsequently decline their commitment and productivity. So, to make employees more productive, the very first step is to increase their commitment towards organization.

Organizational commitment, one of dependent variables of this research is, in a general sense, the employee’s psychological attachment to the organization. Attraction, attachment, dedication, loyalty and support towards one’s organization are the simplest words to explain organizational commitment. Organizational commitment is thus, the psychological state that characterizes an employee’s relationship with the organization and reduces the likelihood that he or she will leave (Allen & Meyer, 2000), impacting on a broad range of attitudes and behaviours with organizational relevance, such as the intention to leave, turnover, punctuality, organizational citizenship behaviours, attitudes toward organizational change and performance (Allen & Meyer, 1996, 2000; Meyer et al., 2002). The main components of the construct are the affective (affective attachment to the organization), continuance (perceived costs associated with leaving) and normative
(feelings of obligation toward the organization) dimensions. Now organizations have initiated intervening strategies for providing prime quality work life to enhance wellbeing of employees at the workplace, to attain higher productivity, to improve performance, and to increase retention of potential employees.

Psychological well-being has been taken as another dependent variable of the present research work. Psychological well-being or subjective well-being deals with people’s feeling in their day to day life (Bradburn, 1969; Campbell, 1976; Warr, 1978). The psychology of well-being aims to help people live more rewarding lives including close relationships, responsibilities to one’s community and enjoyment of one’s life, i.e., to experience greater subjective well-being. There are many factors that affect the psychological well-being of an individual like family conflicts, career tension, work pressure, relationship with friends, supervisors, subordinates, political pressure etc. Some of the important factors that affect a person’s psychological well-being at workplace are the feeling of accomplishment, feeling of using one’s abilities to the fullest, recognition of work by superiors and peers, promotion opportunities, pay etc. With many other job factors, rapid changes in technology and information processing produce pressure on the professionals. They frequently have to deal with these job pressures that may have adverse consequences on their physical and psychological well-being. Stressful experiences are thought to increase health risk through two general pathways, firstly by stimulating physiological responses that are implicated in host resistance and disease pathology, and secondly by altering patterns of health-related behaviors such as smoking, alcohol consumption, and exercise (Adler, Matthews 1994, Steptoe, Wardle 1994). It is difficult to know exactly the extent to
which job factors affect employees' health and well-being. Jex and Beehr (1991) identified lack of control, interpersonal conflicts, organizational constrains, role ambiguity, role conflict and work load as being potentially important determinants of health and well-being. Among these role variables role-overload has been reported to be dominant (DeFrank and Ivancevich, 1998; Sparks and Cooper, 1999, Taylor et al., 1997, Rogers, et al., 1987, Pflanz & Ogle, 2006).

All these factors in job settings are responsible in reducing the level of psychological well-being and increasing occupational stress among employees. Occupational stress initially arises from constituent factors of job and its psycho-physical environment; these factors are not inherently stressors. In fact, personal characteristics of the employee and his cognitive appraisal of job factors in the framework of his capacity and resources determine the extent of stress he would experience from a job factor or situation. So, occupational stress can be defined as negative environmental factors or stressors associated with a particular job and a person's coping capacity. Occupational stress is the first independent variable of the present research work. According to Beehr and Newman (1978) occupational stress is "a condition wherein job related factors interact with the worker to change (disrupt or enhance) his psychological conditions such that the person is forced to deviate them from their normal functioning." As stress levels have increased, people have faced rising medical bills, more accident insurance claims, increased absenteeism, and declining morale.

Condition of Indian banks is not up to the standard hence intervention of human resource management team in Indian banks has become essential because HR teams
handle the situation to change the work pattern in banks. Human resource management practices are viewed as investments in human capital management (Snell & Dean, 1992) that becomes a valuable resource for any institution. HRM practices can contribute to sustained competitive advantage through facilitating the development of competencies that are firm specific, produce complex social relationships and generate organizational knowledge (Lado and Wilson, 1994). Therefore, HRM practices should be central to the organizational strategy (Barney, 1991, 1995). Geringer et al. (2002) argued that the greatest competitive advantage is to be obtained from people rather than technology. They contend that investment in technology is not enough, because that technology is (or soon will be) available to competitors. The more complex the technology - the more it requires people skills anyway. It is therefore, human resource practices’ has been taken as another independent variable in this research. Human resource practices can develop the human resources by making them able to acquire or sharp their capabilities, by discovering their inner potentialities and by maintaining their relationships with co-workers etc.

Chapter-II deals with the available survey of literature. It contains both theoretical and empirical works of experts working in these specific aspects. In order to understand the relationship between occupational stress and HR practices with the various job related factors especially dependent variables of this research work, a number of studies have been conducted and reported. The experience of stress reactions in the workplace is not an isolated phenomenon (Fletcher, 1988). Variety of aspects in working life have been linked to stress like role overload (DeFrank and Ivancevich, 1998; Sparks and Cooper, 1999, Taylor et al, 1997, Rogers, et al.,
1987, Pflanz & Ogle, 2006), role ambiguity (McGrath 1976; Newton and Keenan, 1987), role conflict (Burke, 1988; Nelson and Burke, 2000), responsibility for person (Pawar & Rathod 2007), quality of the social environment (Sparks and Cooper, 1999), certain behaviours of the leader (Carlopio et al., 1997; Cooper and Marshall, 1976), conflict between home and work (Fairbrother & Warn, 2003), work impact on personal relationships (Sparks and Cooper, 1999), organizational change (Davey et al., 2001), lack of privacy (Burke, 1988), educational level of an employee (Michilidis 2005, Akinnusi 1994). All these conditions contribute in increasing the level of occupational stress among employees which is associated with important occupational outcomes of job satisfaction, organisational commitment and employee withdrawal behaviour (Naumann, 1993; Sullivan and Bhagat, 1992; Tett and Meyer, 1993; Williams and Hazer, 1986). Manshor, Fontaine and Choy (2003) in their study examined the sources of occupational stress among Malaysian managers working in multi-national companies (MNCs) and found that workloads, working conditions, and relationship at work were the main concern of the managers that lead to stress at the work place. A large number of studies have reported about occupational stress in relation to psychosomatic and health problems (Mishra & Singh, 2006; Singh, Srivastava & Mandal, 1999; Jamal, 1990). Job stressors lead physical problems that are likely to be related with psychological well-being. Jeckson et al. (1985) revealed that role ambiguity and role conflict are significantly correlated with physical problems. Many other reviews have been done to examine stressful work conditions and their relationship with physical and mental health and well being. Travers and Cooper (1993) provide evidence that job stressors are related to mental health
problems, physical symptoms, depression (Schaubroeck, Ganster and Fox, 1992), alcohol intake (Stffy & Laker 1991), coronary heart diseases and its risk factor (caplan & jones 1975). There is a growing body of evidence from studies in various organizational settings that occupational stress has been increasingly implicated in the aetiology of poor mental health and psychosomatic disease (House et. al. 1979). Human resource practices are being increasingly implemented to reduce employees' stress (Teo & Wates 2002), increase job satisfaction (Bradley et.al. 2004), retain them in organization (Shahnawaz et. al. 2006), and increase their organizational commitment (Donald, 2004; Paul & Anantharoman, 2004; Shahzad 2010) because greatest competitive advantage is to be obtained from people rather than technology (Geringer et al. 2002). Chang and Chen (2002) studied that HRM practices; including training and development, teamwork, benefits, human resource planning, and performance appraisal have significant effect on employee productivity. Concurring, positive and significant effects on employee productivity were found for organizations that utilize more sophisticated human resource planning, recruitment and selection strategies (Hagel 2009).

In the light of the reviews of literature, it has been found that domain specific occupational stress and HR practices simultaneously have not found to be studied among public and private sector bank employees frequently, in relation to organizational commitment and especially psychological well-being. So, investigator had decided to formulate null hypotheses which have been comprehensively described with a general notion that occupational stress and HR practices and their facets will not influence organizational commitment and its
facets as well as psychological well-being as a whole. In this way 26 null hypotheses were formulated in all.

Chapter-III describes the methodological and procedural aspects of the study. This study was conducted on a sample of bank employees (N=300). By using purposive-sampling, employees from various private (n=150) and public (n=150) sector organizations were taken. Prior to data collection, the investigator explained the purpose of the study to the subjects and assured them that their responses would be kept strictly confidential and would be utilized for the research purpose only. Data were collected individually according to their convenience. For the purpose of data collection, four measurement scales along with the personal data sheet were administered on public and private sector bank employees. Occupational stress index standardized by Srivastava and Singh (1981), Human Resource Practice Scale developed by Shawkat and Ansari (1998), Organizational Commitment Scale developed by Shah and Ansari (1998), Psychological well-being Scale developed by Bhogly and Jai prakash (1995)

Chapter-IV of the present research work describes result and discussion. Data were analyzed by using Statistical Package for Social Sciences (SPSS) version 17.0. In order to accept or reject the null hypotheses the investigator had adopted stepwise multiple regression to do proper analyses. On the basis of stepwise multiple regression analyses, the conclusion of overall findings advocate that ‘low status’ has emerged as a most significant predictor variable for organizational commitment and its facets as well as psychological well-being. ‘Flexibility’ becomes a strong component to increase and boost psychological well-being and
organizational commitment except normative commitment. ‘Role conflict’ also emerged as a significant predictor of continuance, normative (facets of OC) and total commitment. ‘Total occupational stress’ is found to be an important factor for continuance (a facet of OC) and total commitment. Normative commitment (a facet of OC), organizational commitment and psychological well-being additionally have found to be influenced by ‘responsibility for person’. In case of the other dimensions of the independent variable (viz. occupational stress & HR practices) powerlessness and strenuous working condition (dimensions of OS) have emerged as predictors for affective commitment, total organizational commitment and psychological well-being. Whereas organizational climate, training, co-operation, organizational change, fairly liberal management functioning, employee management relations and appraisal system (facets of HRP) have emerged as significant predictor variables influencing criterion variables (DVs). Such findings conclude that occupational stressors and human resource practices have their significant impact on psychological well-being and organizational commitment & its facets. One important thing explored from findings is that ‘low status’ a very significant predictor of organizational commitment along with its facets and psychological well-being as a whole, has not been predicted by private and public sector employees separately. It may be so because while analysing total sample regression, the data increased significantly. And this increased data, ‘low status’, that has not been found as a predictor in public and private sector banks, became an important predictor variable for total sample bank employees. The next most important factor is found flexibility. On the other hand, ‘role ambiguity’, ‘unreasonable group and political pressure’,
'under participation', and 'poor peer relation'—dimensions of occupational stress were rated quite low as stressors by the employees in both types of organizations. In isolating public sector bank employees, findings indicate that 'recognition' and 'total quality management' are found twice in affective (a facet of OC) and organizational commitment and in normative (a facet of OC) and organizational commitment respectively, as predictor variables. Overall human resource practices are also found to be a significant predictor for overall organizational commitment showing that organizational commitment is very much affected by human resource practices. In case of more dimensions of HRP, forecasting human resource need in organization, employee management relations, co-operation have also found to be a significant predictors of normative commitment, total commitment and psychological well-being. In addition 'role over-load', 'responsibility for person', and 'intrinsic impoverishment' (facets of OS) have emerged as significant predictor variables influencing the criterion variables. So far as private sector employees are concerned, organizational commitment and its facet affective commitment as well as psychological well-being are most significantly predicted by flexibility (a dimension of HRP) among private sector bank employees. Overall occupational stress significantly predicted the continuance commitment (facet of OC) whereas powerlessness also emerged as an important factor contributing to affective (a facet of OC) and organizational commitment. And affective and normative commitment (facets of OC), predicted by appraisal system. Responsibility for person (a dimension of OS) and organizational change (a facet of HRP) have emerged as predictor variables of psychological well-being for bank employees working in private sectors.
Chapter-V incorporates conclusion and various suggestions in the light of observation and experience held by the researcher during the course of carrying out this entire research investigation which should be carefully undertaken in such future endeavours.