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Impact of Stressors on Employees Performance in Private Sectors (BPO's)

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Abstract:

Employees in Private Organizations are under a great deal of stress and due to many antecedents of stress, such as Overload, Role ambiguity, Role conflict, Responsibility for people, Participation, Lack of feedback, Keeping up with rapid technological change. Being in an innovative role, Career development, Organizational structure and climate, and recent episodic events. One of the affected outcomes of stress is on job performance. This study examines the relationship between job stressors and job performance and its impact on employees. Stress at work is not a new phenomenon of modern lifestyles. The nature of work has gone through drastic changes over the last century and it is still changing at whirlwind speed. They have touched almost all professions, starting from an artist to a surgeon, or a commercial pilot to a sales executive. With change comes stress will appear automatically. Job stress poses a threat to physical health. The business process outsourcing (BPO) industry in India has always been characterized by ungodly hours, monotonous job, low perceived value, dispirited efficiency resulting in a high attrition level. Notwithstanding the ever rising attrition rate, it has become critical for the companies to satisfy their employees in order to retain them. Job stress is negatively related to performance. In other words, higher the stress, lower the performance. In India, the scenario of BPO sector is encouraging. Managing BPO employees in terms of creating fun at work, keeping them motivated towards organizational goals, increasing their job satisfaction, performance level and to retain them in order to sustain competitiveness in the markets are the major issues for any BPO organization. It is important to recognize workplace stress because workplace stressors badly affect people's mental as well as physiological health. Some of the reasons of stress at workplace could be the inability to meet out the demands of the job, relationship with colleagues and to control subordinate staff. After starting one's career the key stressors are related to work, the environment and people. Stress is the reaction of the body due to interaction with any stimulus in the environment. This study focuses on how workplace stressors affects the motivation of an employee and what it outcomes in term of employee performance.

Keywords: Stress, BPO (Business Process Outsourcing), stressors, employee's performance

1. Introduction

The Business Process Outsourcing (BPO) sector is one of the fastest growing sectors in the global scenario. India's BPO industry is known for its massive turnover and its huge employment base. The current environment is the business environment as it is giving birth to the corporate advancement in the country. The BPO sector is also becoming the part Indian economy as the tremendous growth of the BPO sector over the past few years has resulted in considerable changes in the lives of its young workforce. In India, almost 70 per cent of the total youngster population is doing job in the BPO. Employment in the BPO sector has meant that young adults are reaching their career milestones and financial goals much earlier than before, surveys and evidence show that workers in the BPO sector experience high levels of stress as a result of working in closely monitored environments with pressure to meet. BPO's are becoming increasingly popular in today's business, where many companies have centralized customer service and support functions. BPO's are generally large offices with representatives who either make or receive phone calls. Depending on the type of work, BPO's may have a single office employing a few people or large office with thousands of employees. The main activity in BPO's is answering inbound calls, such as a bank that gives out a toll-free number for customers needing help. At the same time there are some BPOs that focus on outbound calls too. With increase in outsourcing, BPO's are also becoming popular.

By way of outsourcing, companies contract out some functions to other companies located mostly in cost effective destinations like India. In this field India enjoys several advantages over a number of developed countries. In India we have a large pool of qualified people, English speaking graduates and IT professionals. In addition to this India have some other advantages like cheap labor, flexibility in working hours and time zone difference. This is the reason why a number of MNCs are outsourcing their business activities to India. BPO's are comparatively a recent introduction to the world of career options in India. The career avenues provided by BPOs are some of the best suited and growing option which even a fresher can opt for. With the opening up of the Indian economy and the advent of globalization more and more companies from abroad are basing or outsourcing their services to India.

STRESS is a vigorous state in which a person is confronted with an opportunity, demand, or resource related to what the individual wishes and for which the outcome is perceived to be both vague and vital. (Selye, 1936) first introduced the idea of stress into the life science. He defined stress as the force, pressure, or tension subjected upon an individual who resists these forces and attempt to uphold its true state. Basically what is stress? The HSE (Health Safety Executive UK) defines stress is an undesirable response people have to tremendous pressures or other types of demands placed upon them. It arises when they worry they cannot deal with. Some stress can be good, and some can be bad. HSE distinguishes between stress and pressure. Pressure is seen as positive and something that actually helps improve our performance. We all need a certain amount of pressure to perform well - ask any athlete, actor or actress. However, the problems arise when the sources of pressure become too frequent without time to recover, or when just one source of pressure is too great for us to cope with. Stress can be understood more comprehensively as, it is a condition which happens when one realizes the pressures on them, or the requirements of a situation, are wider than their recognition that they can handle. If these requirements are huge and continue for a longer period of time without any interval, mental, physical or behavioral problems may occur, (Health & Safety Executive UK). Stress has a positive effect on employees of any organization, but up to a certain extent up to which an employee can cope with it, mostly it exceeds the bearable limits and have a negative result on employees.

2. Literature Review

Werner and Desimone stress has been defined in many ways, but the most widely used definitions of stress are: • Some environmental force affecting the individual which is called stressor • Individual's psychology and response to stressor • In some cases an interaction between stressor and individual's response. Hans Selye (1956) states that stress is not all bad as it has two forms i.e. eustress and distress where eustress is positive and distress is negative. According to business week (2003) stress from the corner office to the factory floor, bloody Monday layoffs, mergers and acquisitions, etc., all are taking their toll in derailed careers, broken families and emotional disorders signs are everywhere. Employees drink to excess and slip disastrously in their performance, they erupt into fits of uncontrollable rage at work and abuse their families at home. A few commit suicide. So, eustress is good for the progressive level of performance, whereas the situation is inverse in case of distress. To cope with distress, organizations work a lot and go for interventions which are called stress management interventions (SMIs) in order to help people of the organization to cope with it in an effective way. There are different levels of these interventions i.e. primary, secondary and tertiary. Primary interventions attempt to alter the sources of stress at work (Murphy and Sauter, 2003). Examples of primary prevention programs include redesigning jobs to modify workplace stressors (Bond and Bunce, 2000), increasing the workers' decision-making authority (Jackson, 1983), or providing coworker support groups (Carson et al., 1999; Cecil & Forman, 1990; Kolbell, 1995). In contrast, secondary interventions attempt to reduce the severity of stress symptoms before they lead to serious health problems (Murphy and Sauter, 2003). Tertiary interventions, such as employee assistance programs (EAP), are designed to treat the employee's health condition via free and confidential access to qualified mental health professionals (Arthur, 2000). The most common SMIs are secondary prevention programs aimed at the individual and involve instruction in techniques to manage and cope with stress (Giga, Cooper, and Faragher et al., 2003). Examples are cognitive-behavioral skills training, meditation, relaxation, deep breathing, exercise, journaling, time management, and goal setting. Several studies have highlighted the deleterious consequences of high workloads or work overload. According to Wilkes et al. (1998) work overloads and time constraints were significant contributors to work stress among community nurses. Workload stress can be defined as reluctance to come to work and a feeling of constant pressure (i.e. no effort is enough) accompanied by the general physiological, psychological, and behavioral stress symptoms (Division of Human Resource, 2000) Al-Aameri AS. (2003) has mentioned in his studies that one of the six factors of occupational stress is pressure originating from the workload. Alexandros-Stamatios G.A. et al. (2003) also argued that "factors intrinsic to the job" means explore workload, variety of tasks and rates of pay. Due to rapidly changing global network, it creates the pressure on employees to produce with effectively and efficiently. Indeed, to perform better in their job, there is a requirement for workers to perform multiple tasks in the workplace to keep abreast of changing technologies (Cascio, 1995; Quick, 1997). The ultimate results of this pressure have been found in one of the important factors influencing job stress in their work (Cahn et al., 2000). A study in UK indicated that the majority of the workers were unhappy with the current culture where they were required to work extended hours and cope with large workloads while simultaneously meeting production targets and deadlines (Townley, 2000). Role ambiguity is another aspect that affects job stress in the workplace. According to Beehr et al. (1976), Cordes and Dougherty (1993), Cooper (1991), Dyer and Quine (1998) and Ursprung (1986) role ambiguity exists when an individual lacks information about the requirements of his or her role, how those role requirements are to be met, and the evaluative procedures available to ensure that the role is being performed successfully. Jackson and Schuler (1985) and Muchinsky (1997) studies found role ambiguity to lead to such negative outcomes as reducing confidence, a sense of hopelessness, anxiety, and depression. Chandan (1997) states a very negative relation of stress and job performance. When increased from the level it results into different physical and psychological diseases. Ivancevich et al. (1990) examined that high effectiveness of secondary and tertiary stress management programs, whereas the temporary positive affect of primary stress management interventions. Roskies and Lazarus (1980) have used an example of a bank account in order to describe the connection between coping resources and coping behavior: 'If coping strategies are conceptualized as the currency expended in a specific way stress transaction, coping resources constitute the bank account from which this currency is drawn'. Catherine et al (1995) finds that the effect of these stressors on employees depends upon the employees' cognitive and behavioral responses to them. Employee resources and cognitive behavior are determined in turn, by the amount and the quality of resources that the employee can draw upon when faced with problems or potential stressor at work. For a more stressor free environment, it is important to focus on stress management interventions (cooper; 1998). The study conducted by Lawson and Luks (2001) has investigated the relationship between empowerment, job satisfaction and reported stress levels. They

have favored the idea of empowering employees in order to reduce stress level. In their study, they have concluded that if the influence of employees in their areas of work is more, then there is a greater level of satisfaction and eventually decreased level of job stress. In this study, inverse relation of empowerment and stress has been focused through the positive relation of empowerment and job satisfaction. Kathryn and Cary (1995) have compared the stress level of the two emergency service providers. They have used occupational stress indicator (OSI) as the investigating tool. In it the independent variables selected are the sources of stress and they are factors intrinsic to the job, managerial role, relationship with others, careers and achievement, organizational structure, homework interface. In this study a few of the above mentioned variables have been selected and will serve as independent variables.

3. Stressors

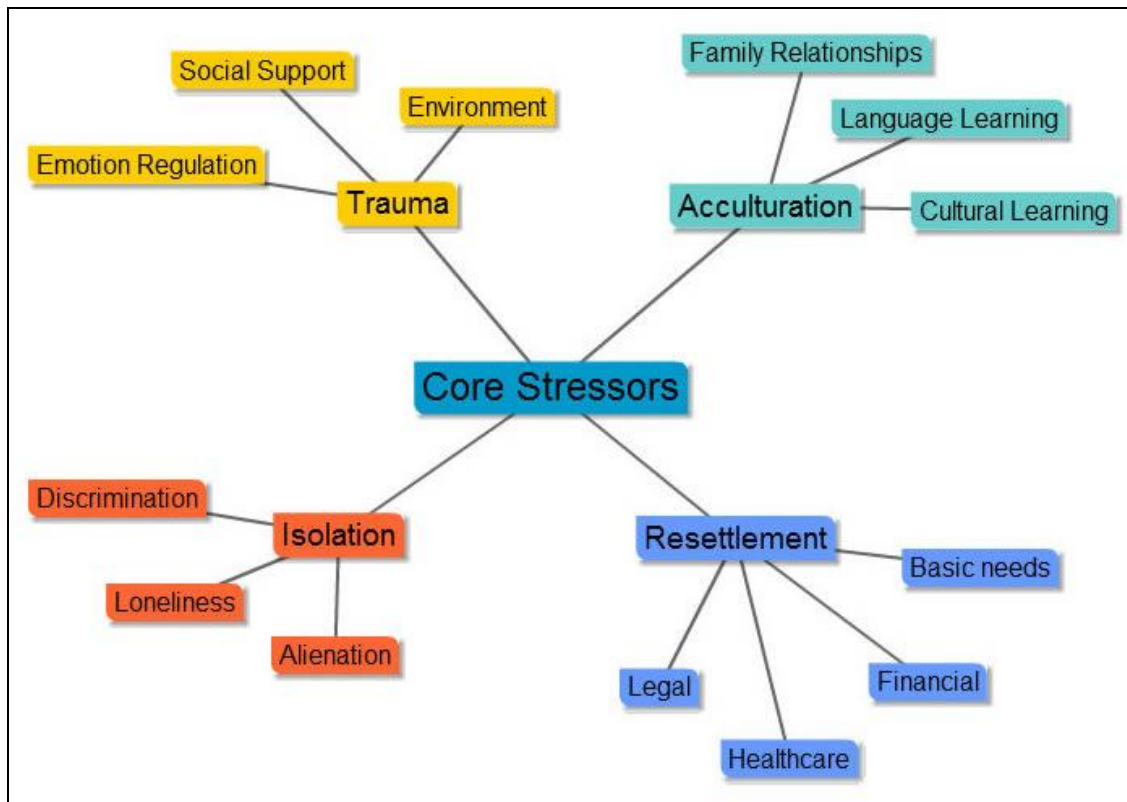


Figure 1

Stress is simply the body's response to changes that create taxing demands. The previously mentioned Dr. Lazarus (building on Dr. Selye's work) suggested that there is a difference between eustress, which is a term for positive stress, and distress, which refers to negative stress. In daily life, we often use the term "stress" to describe negative situations. This leads many people to believe that all stress is bad for you, which is not true.

1. Eustress, or positive stress, has the following characteristics:

- Motivates, focuses energy
- Is short-term
- Is perceived as within our coping abilities
- Feels exciting
- Improves performance

2. In contrast, Distress, or negative stress, has the following characteristics:

- Causes anxiety or concern
- Can be short- or long-term
- Is perceived as outside of our coping abilities
- Feels unpleasant
- Decreases performance
- Can lead to mental and physical problems

It is somewhat hard to categorize stressors into objective lists of those that cause eustress and those that cause distress, because different people will have different reactions to particular situations. However, by generalizing, we can compile a list of stressors that are typically experienced as negative or positive to most people, most of the time.

Examples of negative personal stressors include:

- The death of a spouse
 - Filing for divorce
 - Losing contact with loved ones
 - The death of a family member
 - Hospitalization (oneself or a family member)
 - Injury or illness (oneself or a family member)
 - Being abused or neglected
 - Separation from a spouse or committed relationship partner
 - Conflict in interpersonal relationships
 - Bankruptcy/Money Problems
 - Unemployment
 - Sleep problems
 - Children's problems at school
 - Legal problems
3. Examples of positive personal stressors include:
- Receiving a promotion or raise at work
 - Starting a new job
 - Marriage
 - Buying a home
 - Having a child
 - Moving
 - Taking a vacation
 - Holiday seasons
 - Retiring
 - Taking educational classes or learning a new hobby
4. Work and employment concerns such as those listed below are also frequent causes of distress:
- Excessive job demands
 - Job insecurity
 - Conflicts with teammates and supervisors
 - Inadequate authority necessary to carry out tasks
 - Lack of training necessary to do the job
 - Making presentations in front of colleagues or clients
 - Unproductive and time-consuming meetings
 - Commuting and travel schedules

Stressors are not always limited to situations where some external situation is creating a problem. Internal events such as feelings and thoughts and habitual behaviors can also cause negative stress.

5. Common internally caused sources of distress include:
- Fears: (e.g., fears of flying, heights, public speaking, chatting with strangers at a party)
 - Repetitive Thought Patterns:
 - Worrying about future events (e.g., waiting for medical test results or job restructuring)
 - Unrealistic, perfectionist expectations
6. Habitual behavior patterns that can lead to stress include:
- Over scheduling
 - Failing to be assertive
 - Procrastination and/or failing to plan ahead.

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