

JOB STRESS OF PUBLIC AND PRIVATE SECTOR COMMERCIAL BANK EMPLOYEES IN BANGLADESH : A COMPARATIVE SCENARIO

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Abstract

The purpose of this study is to measure and compare between job stress and other related issues regarding job stress of the public and private sector commercial bank employees in Bangladesh. The analysis is based on the survey among 385 employees of the selected banks. The results revealed that public and private sector bank managerial employees and non-managerial employees have the same average score of job stress. There is no joint effect of type of ownership of the banks and job-status of the employees on job stress. The study also advocates some recommendations to reduce job stress of the employees of both public and private sector commercial banks in Bangladesh.

Key Words: Job stress, Public sector bank, Private sector bank, Managerial employees, Non-managerial employees.

1. Introduction

Job stress is a much studied phenomenon. It is defined as an adaptive response to an external situation that results in physical, psychological, and/or behavioral deviations for organizational participants (Luthans, 2005). Hans Selye was one of the founding fathers of stress research. He viewed (1956) that “stress is not necessarily something bad – it all depends on how you take it. The stress of exhilarating, creative successful work is beneficial, while that of failure, humiliation or infection is detrimental.” Applied to the workplace, in a large study by researchers at Cornell University 1,800 managers identified examples of “bad” stress as office politics, red tape, and a stalled career and “good” stress as challenges that come with increased job responsibility, time pressure, and high-quality assignments (Reported in *HR Focus*, April 1999, p.4.). Beehr and Newman (1978) define *job stress* as “a condition arising from the interaction of people and their jobs and characterized by changes within people that force them to deviate from their normal functioning.” On the other hand, Ivancevich and Matteson (1993) defined stress simply as “the interaction of the individual with the environment”. Later on they provided a more detailed working definition given as follows: “an adaptive response, mediated by individual differences and/or psychological process, that is a consequence of any external (environmental) action, situation, or event that places excessive psychological and/or physical demands on a person.” In this study, the stress of an employee will be his/her total score obtained by the Job Stress Scale used in this study.

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2. Literature Review on Job Stress

A significant number of studies on job stress have been conducted at home and abroad. Some of the studies have been reviewed in the following:

Sarker and Uddin (2007) found that environmental stress was negatively associated with job satisfaction; job satisfaction was positively associated with career intention and willingness to work for longer hours. Sorcar and Rahman (1993) reported that employees with low occupational stress experienced better mental health than those with high stress. Desai (1993) conducted a research on stress and mental work load in India and revealed that higher and middle management had higher and similar levels of stress followed by lower level management. Mental work load was also found to be higher among the higher and middle management than the lower management. The study further revealed that mental work load was the main contributor to perceived stress. It was also found that there was higher stress among the lower satisfaction group than the higher satisfaction group. Wadud (1992) conducted a research on occupational stress, mental health and job satisfaction of white collar employees in public and private industries in Bangladesh and reported that the private sector employees have better job satisfaction than those of the public sector employees. It was also reported that private sector employees are suffering from more occupational stress than their counterparts in public sector. Rahman and Sorcar (1990) found that the occupational stress of the respondents differed significantly according to their marital status and job satisfaction. The study further found that the perceived occupational stress was higher for the unmarried and dissatisfied employees. Dhilion (1989) conducted a research on organisational stress and job satisfaction in relation to hierarchical position and found that there was a significant effect of hierarchies on perceived occupational stress and job satisfaction in male police employees. Khaleque (1985) conducted a research on occupational stress of industrial managers of Bangladesh and observed negative association between job satisfaction and job stress, and positive relationship between job satisfaction and mental health. The study also reported a high degree of stress as perceived by each level of management. The investigation found the major sources of stress were poor salary, limited career development opportunity, poor working condition, union pressure, and political pressure, centralisation in decision making power, heavy work load and poor labour-management relation. Cooper (1984) found a two-way interaction between occupational stress and job satisfaction. While feeling of stress at work may lead to job dissatisfaction, the degree of job satisfaction may also influence the perception of stress on the part of the employee. It has been claimed that the feeling of fatigue/stress is least among the employees who are satisfied/more attentive in their job. Sharit and Salvendy (1982) viewed that in the field of scientific personnel selection, methodologies should be developed that would allow employee or employer to identify prospective employees with lower resistance to stress in comparison to other employees.

3. Objectives of the Study

The objective of the study is to measure and compare the level of job stress of the public and private sector commercial bank employees in Bangladesh. The study

has also taken on attempt to measure the comparative scenario regarding some selected personal variables of the respondents.

4. Hypotheses of the Study

The null and the alternative hypotheses are-

- H_0 : (i) The average job stress score does not differ according to the type of ownership of the banks and job-status of the employees and (ii) also two-way interactions.
- H_1 : (i) The average job stress score differs according to the type of ownership of the banks and job-status of the people and (ii) also two-way interactions.

5. Justification of the Study

Now a days the banking sector of Bangladesh- both public and private- has been suffering from various problems. Job stress of the employees is one of them. Management of the banks should have a clear idea about job stress of the employees. Comparative study of job stress of public and private sector bank employees is a virgin one. After conversion of the nationalized commercial banks of Bangladesh into public limited companies, no study has been undertaken in this area. As a maiden study, it has got enormous significance. Top management and policy formulators will have ideas relating to various aspects of job stress of the employees of both public and private sectors. Findings of this study will help them to take appropriate measures to reduce the overall job stress levels of the employees of both public and private sectors. The study will provide valuable relevant information to the researchers and academics engaged in management studies in Bangladesh.

6. Scope of the Study

The scope of the present study is confined to measuring and comparing the levels of job stress between managerial and non-managerial employees of public and private sector commercial banks in Bangladesh. Among the private sector commercial banks- local as well as foreign banks- are included in the study. Both Conventional and Islamic banks are covered in the present study. The study covers three divisions of the country, namely Dhaka, Chittagong and Rajshahi. The data are obtained from both head offices and branches of the selected banks. The respondents cover from the clerical employees to Senior Assistant Vice President. Both male and female employees of the selected public and private sector commercial banks are also covered in the study.

7. Methodology of the Study

1. Sample Size Determination

The sample size has been determined considering the following assumptions:

- a) Total number of employees is selected from the public and private sector commercial banks.

- b) The sample percentage is normally distributed. Since the distribution is normal, so probability of success and failure are equal, i.e., $p = q = 0.5$.

Here, given study population size $N = 77,165$ (Total number of employees of the selected public (02) and private (20) sector commercial banks is 77,165) [Source: Bank O Arthik Protithaner Karjaboli, 2007-2008]

The desired sample size 'n' would be $n = \frac{pqz^2}{D^2}$

Where, n = size of the sample;

p = estimated proportion of successes, here it is 50% i.e., 0.5;

$q = 1 - p$, or estimated proportion of failures, i.e., $1 - 0.5 = 0.5$;

z = standard normal deviate, usually set at 1.96 corresponds to 95% confidence limit;

D = levels of precision, here it is 0.05.

Therefore, the sample size $n = \frac{pqz^2}{D^2}$

$$= \frac{0.5(0.5)(1.96)^2}{(0.05)^2} = 384.16$$

$$= 385 \text{ rounded to the next higher integer}$$

2. Allocation of Sample Size in Different Strata under Proportional Allocation Method

The distribution of the bank employees is shown below:

Total number of employees of the selected public (02) and private (20) sector commercial banks is 77,165, i.e., $N = 77,165$

The total number of employees of the selected public sector commercial banks (02) is 35,415, i.e., $N_1 = 35,415$, (having Managerial employees 18,343, i.e., 51.79% and Non-managerial employees 17,072, i.e., 48.21% of the total selected public sector commercial banks employees); and the total number of employees of the selected private sector commercial banks (20) is 41,750, i.e., $N_2 = 41,750$, (having Managerial employees 32,512, i.e., 77.87% and Non-managerial employees 9,238, i.e., 22.13% of the total selected private sector commercial banks employees).

$$\text{Hence, the overall sampling fraction is } f = \frac{n}{N} = \frac{385}{77,165} = 0.0050 = 0.50\%$$

Thus, employing the formula $nh \propto N_h$, or, $nh = \frac{n}{N} \times N_h$ ($h = 1, 2$)

For public sector bank employees, i.e.,

$$\begin{aligned} n_1 &= \frac{n}{N} \times N_1 \\ &= \frac{385}{77,165} \times 35,415 \end{aligned}$$

$$= 176.70$$

= 177 rounded to the next higher integer

(Managerial employees = $177 \times 51.79\% = 91.67 = 92$ rounded to the next higher integer, and Non-managerial employees $177 \times 48.21\% = 85.33 = 85$ rounded to the integer)

For private sector bank employees, i.e.,

$$\begin{aligned} n_2 &= \frac{n}{N} \times N_2 \\ &= \frac{385}{77,165} \times 41,750 \\ &= 208.30 = 208 \text{ rounded to the integer} \end{aligned}$$

(Managerial employees = $208 \times 77.87\% = 161.97 = 162$ rounded to the next higher integer, and Non-managerial employees $208 \times 22.13\% = 46.03 = 46$ rounded to the integer)

Thus, using SRS, we have selected 177 (Managerial employees 92 and Non-managerial employees 85) employees from stratum 1 (Public Sector Commercial Banks), and 208 (Managerial employees 162 and Non-managerial employees 46) from stratum 2 (Private Sector Commercial Banks) to make up a total of $n = 385$. Here, both strata have a uniform sampling fraction, 0.50%; that equals the overall sampling fraction $f\left(= \frac{385}{77,165}\right)$, i.e., sampling fraction is the same for all strata.

3. Data Collection Method

The research data have been collected from both primary and secondary sources. Primary data have been collected through a structured questionnaire. Reliability of the scales has been assessed by using test-retest reliability approach and validity has been assessed by examining content (face) validity. The secondary data have been collected through desk study which covered research articles, research monographs, textbooks and various published & unpublished materials on the subject.

4. Data Analyses

To analyze the data, this study has used descriptive (simple count, percentage, mean, standard deviation, etc.) and inferential statistics (ANOVA). The research data have been analyzed through computer using SPSS developed by Nie *et al.*, (1975) version 11.5.

8. Findings of the Study

8.1 Profile of the Respondents

385 respondents from both public and private sector banks are proportionately selected as the sample. Profile of the Respondents is as follows:

Table-1: Positional Statistics of Respondents

Sector	Status	Frequency	Relative Frequency
Public	Managerial	92	52.0%
	Non managerial	85	48.0%
Private	Managerial	162	77.9%
	Non managerial	46	22.1%

[Source: Primary data generated from survey]

Table-2: Gender and Marital Status of Respondents

Gender		Frequency	Relative Frequency	Marital Status		Frequency	Relative Frequency
	Male	276	71.7%		Married	306	79.5%
Female	109	28.3%	Bachelor	79	20.5%		

[Source: Primary data generated from survey]

8.2 Difference in Job Stress according to Bank Type

Table-3: Descriptive Statistics of Job Stress

Type of ownership	Job-status	Mean	Std. Deviation	N
Public sector	Managerial employees	2.74	1.128	92
	Non-managerial employees	2.75	1.174	85
	Total	2.75	1.147	177
Private sector	Managerial employees	2.72	1.093	162
	Non-managerial employees	2.83	1.141	46
	Total	2.75	1.102	208
Total	Managerial employees	2.73	1.104	254
	Non-managerial employees	2.78	1.159	131
	Total	2.75	1.122	385

[Source: Primary data generated from survey]

It is observed from the table-3 that the average job stress score of public sector bank employees, i.e., managerial and non-managerial employees is 2.75, with a standard deviation of 1.147 and that of private sector bank employees, i.e., managerial and non-managerial employees is 2.75, with a standard deviation of 1.102. That means the average job stress score is equal for the employee of both bank sectors. It is also observed from the Table-1 that the average job stress score of the managerial employees of public and private sector banks is 2.73, with a standard deviation of 1.104 and that of non-managerial employees of public and private sector banks is 2.78, with a standard deviation of 1.159. That means the average job stress score of non-managerial employees of public and private sector banks is slightly higher than that of managerial employees of public and private sector banks. But this difference is not statistically significant.

Table-4: Analysis of Variance (ANOVA) for Job Stress

Sources of variation	Sum of Squares	df	Mean Square	F	Sig.
Main effects					
Type of ownership of the banks	.063	1	.063	.049	.824
Job-status of the respondents	.274	1	.274	.216	.642
Two-way interactions	.160	1	.160	.127	.722
Residual (error)	482.660	381	1.267	---	---
Total	3385.000	384	---	---	---

Type of Ownership of the Banks: Since p-value corresponding to the main effects of type of ownership of the banks > 0.05 , null hypothesis can be accepted at 5% levels of significance and it can be concluded that there is no difference between average job stress score of public and private sector bank employees.

Job-status of the Employees: Since p-value corresponding to the main effects of job-status of the employees > 0.05 , null hypothesis can be accepted at 5% levels of significance and it can be concluded that there is no difference between average job stress score of the managerial and non-managerial employees of public and private sector banks.

Two-Way Interactions: Since p-value corresponding to the two-way interactions > 0.05 , null hypothesis can be accepted at 5% levels of significance and it can be concluded that there is no joint effect of type of ownership of the banks, i.e., public and private sector and job-status of the employees, i.e., managerial and non-managerial employees on job stress.

9. Recommendations of the Study

Though there is no significant difference of the level of job stress between managerial and non-managerial employees of both public and private sector banks, but the level of average job stress of both sectors' bank employees does not prevail satisfactory level. So to reduce the overall job stress of the employees, the present study recommends:

1. Both public and private sectors should recruit more smart, competent and energetic employees, provide proper training, quick modernization and automation of all branches, and provide allowance for overtime and if take this initiative than job stress will be reduced.
2. Public sector bank authority should strictly follow the existing rules and laws regarding the problems to control unethical activities of CBA leaders. If necessary, the government can initiate new rules and regulations in this regard;
3. The authority of private sector banks may take necessary steps to reduce the anxiety of managerial employees and non-managerial employees regarding job insecurity;

4. Public sector bank authority should formulate and implement proper guideline regarding transfer. In addition, extra allowance policy can be a better incentive for the transfer of employees to the remote areas;
5. To get maximum output from the employees of both public and private sector banks, responsibility should be distributed on the basis of training and education.

11. Directions for Further Research

Further study can be undertaken in the following areas:

1. A comprehensive study may be conducted on Flexible Working Hours (FWH). If the study recommends positively regarding Flexible Working Hours (FWH), both public and private sector may follow Flexible Working Hours (FWH) to fix a convenient working hour.
2. It would be a meaningful study to compare the job stress between the employees of local private sector commercial banks and foreign commercial banks in Bangladesh.
3. There can be a comparative study on job stress between the employees of Conventional banks and Islamic banks.
4. A study should be conducted on job stress between the bank employees working in the branches of rural and urban areas.

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