

# Job Stress and Performance Dynamics: A Comparative Examination of Public and Private Sector Banks

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The current paper discusses job-related stress and its effect on the performance of employees in both public and private banks working in Chennai. According to variation in stressors among workload, job security, and organizational culture, this research aspires to understand and find out how these stressors influence job satisfaction and performance between the two sectors. The study was done on the sample of employees of public sector bank Canara Bank and private sector bank South Indian Bank. It adopted a quantitative approach, independent t-tests, and Pearson correlation analysis in analyzing stress levels and effects. It is revealed that there is only a moderate negative correlation between job stress and job satisfaction in public sector banks and it exists as weak and statistically insignificant in private sector banks. It has focused on the fact that although significant disparity in terms of perceived stress perception between different sectors is not noted, specific sector targeted interventions to manage stress are required to make employees feel comfortable so as to add organizational effectiveness and efficiency. It means that job security stressors must be dealt with by public sector banks as well as bureaucratic stressors, whereas high performance pressures require to be managed in case of private sector banks and long hours worked out. Recommendations include development of all-embracing stress management programmes, in addition to research on specific stressors.

**Keywords:** Job Stress, Employee Performance, Public Sector Banks, Private Sector Banks, Job Satisfaction

## 1. Introduction

In fact, the bank is a vital sector in any country's economic development, and employees are at the head of this dynamic industry. Over time, changing situations in technological advancement, regulatory changes, and competitive pressures intensify demands on staff in financial institutions. Employees of private and public sector banks suffer from high expectations, strict deadlines, and a great standard required for providing fine customer services. Such stressors result in job-related stress. Stress can be to some extent motivating; however, chronic or excessive stress may hamper employee performance, lower productivity, increase job dissatisfaction, and result in burnouts in extreme cases.

These multiple factors that characterize job-related stress in the banking industry are related

to job nature, type of organizational culture, workload, job security, and performance targets. Private sector banks, for instance, suffer from extreme performances, long hours, and competition at work, while public sector banks suffer from bureaucratic structures, resource limitation, and slower career growth. This study explores the difference in levels of stress between private and public sector bank employees, followed by the subsequent impact on performance from their jobs.

This study explores the difference in levels of stress between private and public sector bank employees, followed by the subsequent impact on performance from their jobs. This research analysis of these two sectors of banking will explore areas of differences in stress sources and their impacts on employee performance, such as absenteeism, turnover intentions, and job satisfaction. Furthermore, the study will examine the influence of demographic factors like age, gender, experience, and marital status on stress experience and management in both of these contexts. By understanding the reasons behind and effects of stress in both industries, the study aims to advise banks on the adoption of strategies for stress management that better support improved employee performance, greater job satisfaction, and organizational productivity.

That is why the banking sector is an important pillar of the economy, and employee well-being and performance needs to be maintained. Understanding the impact of job-related stress can help find ways to develop a beneficial workplace culture, concentrating more on health, engagement, and productivity for employees in banks.

Here is a thorough literature review for your article on job-related stress and its impact on the performance of employees in private and public sector banks:

## **2. REVIEW OF LITERATURE**

Job-related stress, in high-pressure sectors like the banking industry, has been increasingly analyzed by scholars because of its immense impact on employee productivity, job satisfaction, and subsequently, success in an organization. A good number of research studies have been carried out regarding how job-related stress affects the performance of the employees in the various industries. In the paper, relevant findings on stress in private and public sector banks were elaborated upon by discussing the factors causing it, their consequences, and how the factors can affect the performance of the employees.

### **1. Job-Related Stress at Work in the Banking Sector**

Some researches focused on the stress level within banking, mainly attributed to heavy workloads, competition, and contacts with customers. Ahsan et al. (2009) conclude that workload, role conflict, and job insecurity are the most identified sources of stress for these professionals. The literature says that this threatens the well-being of employees as well as job performance. Shahu and Gole (2008) have observed long working hours, target pressures, and the overall demanding work environment lead to stress among bank employees, particularly private sector establishments. The findings of the study concluded that stress is a significant productivity determinant and also associated with higher absenteeism and turnover rates.

## 2. Comparative Stress Levels in Public vs. Private Sector Banks

Comparing levels of stress between employees of the public and private sectors of banks has been done through several comparative studies in the past. According to a research by Jain et al. (2013), levels of stress have been much higher because of greater job insecurity, competitive work environments, and strict performance targets in the private sector banks. The employees working in public sector banks were reported to have lesser degree of job insecurity but were subjected to stressors such as bureaucratic processes, slow career growth, and work monotony as well (Agarwal, 2016).

Public sector employees suffered from the stress factor due to the poor availability of resources and infrastructure besides difficulty in innovation, as indicated by Devi and Ravichandran (2017). These stressors, though different from those that characterize the private sector, still result in reduced job satisfaction and reduced performance. Also, though private sector employees have more vibrant workplaces, they are also exposed to more risks of burnout due to high pressure to perform and realization of aggressive financial goals as argued by Dewettinck & Buyens, (2006).

## 3. Causes of Bank Stress

There are ample reasons behind stress in the banking sector. According to a research paper of Mukherjee and Malhotra (2015), there are three prime causes of stress amongst the bank employees, namely excessive workload, expectations from the customer, and imbalance in work-life. As per this study, the job stress the employees face usually in the private sectors is inherently higher as most of them work for an extended period and generally harbor relatively higher expectations on their performance. Stress in public sector banks was often evident as lack of career progression, unchallenging work, and rigid organizational structures.

According to Selye (1974), stress is an inherent concomitant of any profession and needs attention. However, excessive stress at times proves injurious to the health, both physically and mentally. This theory is implemented in studies of banks, where it has been indicated that work-related stress improves low morale of workers, high error levels, and increased absenteeism levels (Blaug et al., 2007). In addition, inadequacy in the management of stress at work results in low customer service quality and deteriorating organizational performance (Goetzel et al., 2004).

## 4. Effects of Work-Related Stress on Employee Performance

Extensive research demonstrates that there is a negative connection between employee performance and job-related stress. Cooper et al. (2001) maintain that too much stress reduces an employee's capability to concentrate, which translates to lower production, increased mistakes, and burnout among other things. In general, requirements for precision, effectiveness, and quality in banking are high.

Research by Pestonjee and Azeem (2001) learnt that stress in the banking sector is related highly with a decrease in work performance, and the impact varies with the role, responsibility, and organizational environment of the employee. Employees at higher positions or have direct contact with customers are highly vulnerable to issues of work performance due to stress because these functions involve high levels of responsibility and interference from the clients.

In addition to the impact on individual performance, job-related stress in the banking industry also has more general organizational implications. As Ganster and Schaubroeck, 1991 point out, organizations are characterized with higher rates of stressed employees by higher turnover and absenteeism while generally having lower organizational performance. This is exacerbated further by the fact that stressed employees are less engaged, less innovative, and in some cases, less committed to their organizations, which indirectly impacts customer satisfaction and eventually bank performance (Quick et al., 1997).

### 5. Demographic Variables and Stress in Banking Sector

Researches have also gained momentum in recent times to understand how demographic factors such as age, gender, and experience impact job-related stress. This study by Varma and Garg (2018) reveals that youngsters in the private banking sectors face significant work stress. There is a specific pressure for early careerists, which calls for tangible goals thus bringing workload pressures. Furthermore, studies by Kitchen and Cahill (2011) point out that the younger employees in private banking sectors face much competition, which remains a source of stress. Although job insecurity is not much of a problem for aging employees in public sector banks, most are still prone to stress resulting from role stagnation and poor opportunities for career progressions (Agarwal, 2016).

On the contrary, there is an argument from some researchers that gender differences exist in stress studies of banking sectors. Women banking employees of private banks have been reportedly more stressed due to difficulties in maintaining a work-life balance, especially in conflicts arising from having family responsibilities against demanding work schedules (Malik et al., 2017). These stressors are then compounded in traditionally masculine cultures where females have to put in more effort to prove themselves.

### OBJECTIVE OF THE STUDY

- To explore the relationship between employees of private and public sector banks as regards job stress.
- Investigate the relationship of job stress and job satisfaction of the private and public bank employees.

### SCOPE OF THE STUDY

The scope of this study focuses on examining the impact of job-related stress on employee performance in both private and public sector banks. It aims to identify key stress factors such as workload, job security, organizational culture, and work-life balance that affect employees in these sectors. By conducting a comparative analysis, the study will highlight differences in stress levels between private and public sector bank employees and assess how stress influences their productivity, job satisfaction, and overall performance. The findings will provide insights to help banks develop better stress management strategies for improved employee well-being and organizational efficiency.

## 3. RESEARCH METHODOLOGY

The research assumes a systematic approach to gathering information, starting from the basic

assumptions and then the creation of research design and data collection. This was applied in investigating the relationship between the variables existing with the employees in selected public and private banks in Chennai through job stress, job satisfaction, and job performance. A research design adopted an analytic type focusing on Canara Bank from the public sector and South Indian Bank from the private sector. Employees from these banks in Chennai were selected using purposive sampling while administering 60 questionnaires in the total using the Census method; 30 to each bank. The perception of employees with regard to the different dimensions of job stress was tested on a 5-point Likert scale that ranges from Strongly Disagree (1) to Strongly Agree (5).

4. DATA ANALYSIS & INTERPRETATION:

Independent t-test

An independent two-sample t-test is a method of hypothesis used to test if there is any significant difference in the means of two independent groups. In fact, it's a very simple test applied in lots of varieties of research. The two-sample t-test or two groups comparison is mainly used to compare the means of two groups to establish if there is any statistical difference between them or not.

Factors	t-Value	Sig (Two-tailed )
Behavior factors	.147	.702
Organizational factors	-1.441	.055
Psychological factors	1.347	.074
Task-related factors	-1.254	.202

By using the independent two-sample t-test results, it was concluded whether or not there is any significant difference in mean of various job stress-related factors between the employees working in public and private sector banks. The t-value for behavioral factors was calculated as 0.147, and it has a p-value of 0.702; hence, not a significant difference between them with the meaning that both sets of employees perceive behavioral factors similarly. Organizational factors produced a t-value of -1.441 with a p-value of 0.055, which is just a little over the 0.05 significance level, suggesting no statistical difference. However, it is close enough to suggest a possibility that a difference might exist with closer observation. The t-value for psychological factors was reported to be 1.347 and the p-value 0.074 though the outcome is near significance, showing a chance that there may be slight variation in between the groups. Lastly, for the task-related factors, the t-value was -1.254 with a p-value of 0.202, meaning no significant difference- thus both groups handle task-related stress almost in the same fashion. Overall, no factor was individually significant, though organizational factors and psychological factors individually approached significance, and could be avenues for further research.

Correlation between job stress and job satisfaction with public sector banks

		Job stress	Job satisfaction
Job stress	Pearson Correlation	1	-.407

	Sig.(2-tailed)		.004
	N	30	30
Job satisfaction	Pearson Correlation	-.507	1
	Sig.(2-tailed)	.004	
	N	30	30

A Pearson correlation analysis was applied in the evaluation of the relationship between job stress and job satisfaction among the bank employees working in public sector banks. The Pearson correlation coefficient was found to be -0.407, which is negative, implying a low negative relationship between job stress and job satisfaction such that higher levels of job stress correspond with lower levels of job satisfaction.

The value of p-value or Sig. 2-tailed is 0.004, which is less than 0.05. Therefore, the negative correlation between job stress and job satisfaction can be said to be statistically significant. Therefore, it can be depicted from the data that public sector bank employees with increased levels of job stress are significantly associated with reduced job satisfaction. In this regard, findings show that in public sector banks, with a rise in higher job stress, levels of job satisfaction decrease, and both its magnitude and statistical significance are moderate.

#### Correlation between job stress and job satisfaction with private sector banks

		Job stress	Job satisfaction
Job stress	Pearson Correlation	1	-.253
	Sig.(2-tailed)		.056
	N	30	30
Job satisfaction	Pearson Correlation	-.353	1
	Sig.(2-tailed)	.056	
	N	30	30

This analysis is done with the help of Pearson correlation, explaining the link between job stress and job satisfaction in the bank's employees in the private sector. The value is negative, standing at -0.253, and this indicates that the relationship between the two variables is a weak one, meaning that as the job stress will rise up, the satisfaction from the job decreases a bit but it is very feeble.

The p-value (Sig. 2-tailed) is 0.056, a little above the conventional 0.05 significance threshold. That means that the correlation between job stress and job satisfaction is not quite statistically significant at a 95% confidence level. Though it appears to have some relations where private sector banks in higher job stress are associated with reduced job satisfaction, based on the data the correlation is really weak and not statistically significant at any given confidence level.

## 5. FINDINGS AND RECOMMENDATIONS:

From this research, there are tremendous new insights into stress in the workplace and its linkage with employee performance between public and private sector banks. At public sector banks, the correlation analysis showed a moderate negative relationship between job stress as

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related to job satisfaction (Pearson correlation coefficient of -0.407,  $p = 0.004$ ). The more the job stress level, the more employee job satisfaction declined significantly. Contrarily, in the private sector banks the link between higher job stress and reduced satisfaction with jobs is weaker and not statistically significant (Pearson correlation coefficient = -0.253,  $p = 0.056$ ). This would imply that while there may be a slight inverse relationship such that higher job stress reduces satisfaction to a small extent, it was nonetheless not statistically significant.

The independent t-test results reveal no significance between the two sets of employees in both sectors regarding several stressors although the organisational and psychological ones almost reached significance. These findings further indicate that even though there are no significant differences in how people perceive stress from the two sectors, there are differences that may indeed be worth further investigation, especially concerning organizational and psychological stressors.

Accordingly, public and private sector banks are encouraged to formulate specific stress management programs that improve their employees' well-being and performance standards. Specifically, public sector banks are to focus on the reduction of job security and bureaucratic process-related stressors. On the other hand, private sector banks may concentrate on reducing high performance demands and protracted working hours stressors. More fundamentally, regular stress assessments, an organization culture that cares for employees, and opportunities for professional growth may decrease stress considerably as well as improve job satisfaction at both ends. Future studies can further research these factors in greater detail and measure the influence of interventions on stress and performance.

## 6. CONCLUSION:

In conclusion, the study sheds light on job-related stress and how it can have an impact on employees' performances in public and private sector banks. From the above findings, there is an indication that, although job stress exerts a substantial impact on job satisfaction in public sector banks, the relationship happens to be comparatively weaker and statistically insignificant for private sector banks. There are actually few differences between the two sectors, and they often are close to significance, suggesting that stress experiences are somewhat comparable in both environments. Results Conclusion The focus of the study focuses on the importance of stress management in an industry-specific manner. Public sector banks need lower levels of stressors related to job security and structure, while private sector banks need to relieve high-performing pressures and long working hours. Those banks that implement stress management policies and a conducive work environment can potentially improve the well-being of their employees, increase job satisfaction, and subsequently optimize performance.

Ongoing research and targeted interventions to overcome the job-related stress are very much important. More investigation with specific stressors and impacts could help further, and thus strategies in regard to a healthier and more productive work environment for employees across all banking sectors could be refined.



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