



## STRESS AND ITS IMPACT ON TURNOVER INTENSION- A STUDY OF JOB SATISFACTION AMONG EMPLOYEES IN ITES COMPANIES IN BENGALURU

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### **Abstract**

*It is well established fact that employees are the assets of a company. Satisfied employees day by day try to perform better and better. Employees are more conscious about their performance. In order to perform in long run, employees' job satisfaction is very vital. Employees' satisfaction not only improves individual performance but, also the overall productivity of the company. This article tries to find out the reasons for stress and its impact on turnover intensions among ITes employees. For this purpose the data was collected from 10 different companies consisting of 1000 employees. The respondents were selected using simple random technique. The result of the study shows that there is a positive impact between stress and turnover intensions among the employees in ITes companies.*

**Key Words:** Job Satisfaction, ITes, Stress, Turnover, Employees.

### **Introduction**

#### **Job Satisfaction and Turnover**

The relationship between job satisfaction and turnover is stronger than between satisfaction and absenteeism. W.Hom and R.W.Griffeth, 2000. Satisfaction and turnover relationship may result in alternative job prospects. When employees are offered with job which is less demanding, job dissatisfaction is less predictive of turnover because the employees are more likely to stay in the current position. Employees job dissatisfaction is more likely convert into turnover when employment opportunities for the employees are more. Truth, when employees have high "human Capital" (high Education, high ability), job dissatisfaction is more likely to translate into turnover because they have, or perceive, many available alternatives.

### **Review of Literature**

#### **Stress**

Review of literature was carried out to report the studies related to work stress and job satisfaction. Following studies examined the underlying phenomena and relationship between work stress and job satisfaction which provide a basis to find out the research gap for the present study. Parsa et.al, (2013) examined the relationship between job stress and job satisfaction and responsiveness among 259 teachers in high schools of Urmia city. Parametric and non-parametric test was used for the analysis. The result revealed that there was a significant and positive relationship between responsiveness and job satisfaction and significant and positive relationship between job satisfaction and job stress.

#### **Turnover**

Denvir and McMahon (1992) define labour turnover as "the movement of people into and out of employment within an organization" while Mobley (1982) defines turnover as "voluntary cessation of membership in an organization by an individual who receives monetary compensation for participating in that organization". Forbes (1971) states that labour turnover means separation from an organization and included promotion, transfer or any other internal movement within the institution. Meaghan et al (2002) draws attention on controlling attrition, he states that the value of employees to an organization is a very crucial element in the success of the organization.

**Dr. Sneha Mankikar (2013)** negates the existence of infant attrition in IT industry and with so many influencing factors like job description discrepancy, stress, organisation culture, employee discrimination etc.

**Savneet Kaur (2013)** says that there is no universal attrition management solution. For every organisation there exists a particular kind of motivation technique that has to be followed keeping in mind the type of employees and the set goals of the organisation. Attrition should be kept a check on a regular basis along with the calculation of cost attached to it.

#### **Need for Study**

Over the years the ITes companies have grown tremendously, the researcher assumes that the efforts of the employees are directly related to the company's performance. Often, we felt that profitable companies have highly motivated and well paid employees. This paper tries to find out whether the employees in the selected companies are free from stress or not. The researcher is interested in finding out whether the stress factor leads to turnover or not and also to find out the impact of stress on job satisfaction among the employees of the selected companies.



### Problem Statement

Employees are the backbone of any industry, for that matter. Human resources are the only living resources which can be used effectively and also efficiently. Job satisfactions among employees not only assure productivity but also stability in the organisation’s overall development. So, based on the above discussion, the researcher aims to find out the stress faced by the employees of modern hi-tech based companies and its outcome in the form of turnover which may affect the level of job satisfaction among the employees of various ITeS company employee’s in Bengaluru.

### Objectives of the Study

1. To know the level of job satisfaction among employees of various ITeS companies.
2. To know the relationship between job satisfaction and the turnover intensions among the employees of various ITeS companies
3. To know the impact of stress factor on job satisfaction among the employees of various ITeS companies.

### Scope of the Study

Several studies have been carried out to find the relationship with stress and its impact on turnover intensions among ITeS employees. However, less work has been undertaken when it comes to relationship with job satisfaction and its impact on stress and consequential outcome in the form turnover. Therefore the researcher has undertaken to study the relationship between job stress and turnover and its impact on job satisfaction among the employees of various ITeS company employee’s. The study is confined to 10 ITeS companies in Bengaluru. For the study purpose, variables such as Age, Sex, Qualification and Income level of the Employees were taken.

### Research Methodology

The research is descriptive in nature. The study population comprised of both male and female with educational background of graduation and also post-graduation. By using simple random sampling method 1000 employees were taken for the final sample study. The data was collected from the respondents through a survey method by distributing the questionnaire developed for the study purpose. The questionnaire consists of three sections, first section was related to variables such as demographic and socio-economic factors, the second part was related to job satisfaction, twelve items were framed to measure it. The third part was related to turnover, which consisted of 8 items and the fourth part was related to measure the stress factor consisting of 11 items. Cronbach alpha was calculated to test the reliability. The cronbach alpha came as .833 for second and .893 for the third and .877 for the fourth part respectively. Likert’s five point scale was used to measure job satisfaction, turnover & stress factors. The data was collected during March 2016 to May 2016.

### Hypotheses

**H<sub>1</sub>:** Employees of various ITeS companies differ significantly towards job Satisfaction

**H<sub>2</sub>:** There exists significant relationship between job satisfaction and Turnover intension among ITeS employees.

**H<sub>3</sub>:** The Stress factor has an influence on job satisfaction among employees of various ITeS employees.

### Analysis and Results

**Table 1: Overall Job Satisfaction**

| Type of Companies | N           | Mean        | Std. Deviation | Median      | Kruskal- Wallis Test x 2 value | d.f | p value |
|-------------------|-------------|-------------|----------------|-------------|--------------------------------|-----|---------|
| Type 1            | 289         | 2.56        | .84            | 2.00        | .095                           | 1   | .758    |
| Type 2            | 411         | 2.62        | .76            | 2.42        |                                |     |         |
| Type 3            | 300         | 2.34        | .57            | 2.25        |                                |     |         |
| <b>Total</b>      | <b>1000</b> | <b>2.52</b> | <b>.74</b>     | <b>2.25</b> |                                |     |         |

From the above table it is clear that overall employees agree that they were not satisfied with their jobs performed as the Mean and Standard Deviation 2.52±.74 (Mean Value <3) **p=.758>.01 NS.**

**Table 2: Percentages of Satisfied Employees**

| Type of Companies | Satisfaction  |           | Total  |
|-------------------|---------------|-----------|--------|
|                   | Not Satisfied | Satisfied |        |
| Type 1            | 193           | 96        | 289    |
|                   | 66.8%         | 33.2%     | 100.0% |
| Type 2            | 255           | 156       | 411    |



|              |              |              |              |
|--------------|--------------|--------------|--------------|
|              | 62.0%        | 38.0%        | 100.0%       |
| Type 3       | 263          | 37           | 300          |
|              | 87.7%        | 12.3%        | 100.0%       |
| <b>Total</b> | <b>711</b>   | <b>289</b>   | <b>1000</b>  |
|              | <b>71.1%</b> | <b>28.9%</b> | <b>100.0</b> |

Majority of employees to the extent of **71.1%** were not satisfied. To the extent of **28.9%** employees were satisfied. So, we can conclude that in case of type 3 companies there are more dissatisfied employees (87.7%) when compared to type 1 and type 2 companies.

**Table 3: Chi-Square Test to Measure Job Satisfaction**

|           |    |      |    |
|-----------|----|------|----|
| $\chi^2=$ | df | p    | HS |
| 59.097    | 2  | .000 | HS |

The above test shows that the level of job satisfaction vary significantly across the companies as  $p=.000<.01$ .

To analyse the job satisfaction among employees in ITES companies 12 questions were asked to the employees. The present study related to job satisfaction considered 12 items as specified above and which were measured on 5 point rating scale. Respondents were asked to tick on 5 point with **1. Strongly disagree (1). 2. Strongly agree (5)**.

**Table 4: KMO and Bartlett's Test for Job Satisfaction**

|  |  |           |
|--|--|-----------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. |  | .817      |
| Approx. Chi-Square                               |  | 10575.246 |
| Bartlett's Test of Sphericity                    |  | 0         |
| df   |  | 66        |
| Sig.   |  | .000      |

The above table shows  $KMO=.817 (>.5)$  shows that there is sampling adequacy and also Bartlett's Test of Sphericity is significant as ( $p=.000<.01$ ).

Factor analysis was performed to evaluate the various reasons for Job Satisfaction. **Factor Analysis with Principal Component Extraction method and Variance Rotated Method** was performed and result is as follows.

**Table 5: Total Variance for Job Satisfaction**

| Component | Initial Eigen values |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|-----------|----------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|           | Total                | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| 1         | 6.535                | 54.462        | 54.462       | 6.535                               | 54.462        | 54.462       | 3.338                             |               |              |
| 2         | 1.484                | 12.364        | 66.826       | 1.484                               | 12.364        | 66.826       | 2.951                             |               |              |
| 3         | 1.211                | 10.093        | 76.919       | 1.211                               | 10.093        | 76.919       | 2.941                             |               |              |
| 4         | .708                 | 5.896         | 82.815       |                                     |               |              |                                   |               |              |
| 5         | .559                 | 4.656         | 87.471       |                                     |               |              |                                   |               |              |
| 6         | .534                 | 4.452         | 91.923       |                                     |               |              |                                   |               |              |
| 7         | .262                 | 2.185         | 94.108       |                                     |               |              |                                   |               |              |
| 8         | .234                 | 1.954         | 96.061       |                                     |               |              |                                   |               |              |
| 9         | .180                 | 1.499         | 97.560       |                                     |               |              |                                   |               |              |
| 10        | .122                 | 1.019         | 98.579       |                                     |               |              |                                   |               |              |
| 11        | .096                 | .797          | 99.376       |                                     |               |              |                                   |               |              |
| 12        | .075                 | .624          | 100.000      |                                     |               |              |                                   |               |              |

Extraction Method: Principal Component Analysis



Factor analysis has extracted 3 important components related to job satisfaction, stating a total variation of 76.919%. Component 1 is nothing but the primary reasons for job dissatisfaction (6 reasons) showing a variance of 27.819%. Component 2 i.e. secondary reasons with (3 factors) showing 24.589% of variance. Third component (3 reasons) showing 24.511% of variance.

The 12 items related to job satisfaction were rearranged using factor analysis test. The 12 items were grouped into three components.-

1. Monetary reasons for dissatisfaction
2. Training facilities
3. Career development

Thus, it clear from the above tables, employees of various companies vary significantly toward job satisfaction. The chi-square test shows that employees across the companies vary significantly as  $p=.000 < 0.01$ . **Hence null hypothesis is rejected.**

**Table 6: Regression Analysis for Turnover v/s JS**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .793 <sup>a</sup> | .629     | .626              | .45518                     |

**Table 7: Anova for Turnover v/s JS**

|   |            | Sum of Squares | df  | Mean Square | F       | Sig.              |
|---|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 348.714        | 8   | 43.589      | 210.380 | .000 <sup>a</sup> |
|   | Residual   | 205.328        | 991 | .207        |         |                   |
|   | Total      | 554.041        | 999 |             |         |                   |

Multiple regression and Anova was performed and the results shows that among 8 factors expect inadequate monetary benefits leads to turnover and work pressure leads to job change, other factors have significant impact on turnover intensions. All these factors have 62.6% (Adjusted R<sup>2</sup>) impact on turnover.

**Table 8: Coefficients for Job Satisfaction v/s Turnover**

| Model |   | Unstandardized Coefficients |            | Standardized Coefficients | t       | Sig. |
|-------|---|-----------------------------|------------|---------------------------|---------|------|
|       |   | B                           | Std. Error | Beta                      |         |      |
| 1     | (Constant )                                       | 6.470                       | .118       |                           | 54.890  | .000 |
|       | Monotonous work leads to turnover                 | -.336                       | .019       | -.392                     | -17.612 | .000 |
|       | Boredom leads to turnover                         | -.207                       | .019       | -.253                     | -11.071 | .000 |
|       | Inadequate monetary benefits leads to turnover    | -.003                       | .020       | -.004                     | -.148   | .882 |
|       | Lack of recognition of employee leads to turnover | -.318                       | .026       | -.399                     | -12.029 | .000 |
|       | limited career advancement leads to turnover      | -.008                       | .027       | -.009                     | -.292   | .770 |
|       | Lack of satisfaction with mgmt. leads to turnover | .065                        | .025       | .070                      | 2.643   | .008 |
|       | Lack of Infrastructure                            | -.174                       | .017       | -.239                     | -9.964  | .000 |
|       | Work pressure leads to job change                 | -.027                       | .017       | -.033                     | -1.585  | .113 |

a. Dependent Variable: Satisfaction

The coefficient value clear shows that the 3 factors have less impact with the less beta values and also  $p=>.01$ , they are:-

1. Inadequate monetary benefits  $p=.882$



2. Limited career advancement p=.770
3. Work pressure p=.113

To conclude, that there an impact of job satisfaction on turnover intensions among employees of various ITeS employees as the adjusted  $R^2=62.6\%$ . That is to the extent of 62.6% of employees agree that there is an impact of job satisfaction on turnover intension among the employees of various companies. Thus, Null hypothesis is rejected.

**Table 10: Correlation for Stress v/s JS**

| Basis  | Variables    | Pearson Correlation | P    |
|--------|--------------|---------------------|------|
| Stress | Satisfaction | -.665**             | .000 |

\*\* . Correlation is s significant at the 0.01 level

To evaluate the correlation between stress factor and job satisfaction, karlpearson’s correlation test was conducted. The coefficient was obtained as  $r=-.665$  correlation is significant,  $p=.000<0.01$ . So, we can conclude that there is a positive correlation between stress and job satisfaction.

**Table 11: Regression for Stress v/s JS**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .759 <sup>a</sup> | .575     | .571              | .48792                     |

**Table 12: Anova for Stress v/s JS**

| Model |            | Sum of Squares | df  | Mean Square | F       | Sig.              |
|-------|------------|----------------|-----|-------------|---------|-------------------|
| 1     | Regression | 318.835        | 11  | 28.985      | 121.753 | .000 <sup>a</sup> |
|       | Residual   | 235.207        | 988 | .238        |         |                   |
|       | Total      | 554.041        | 999 |             |         |                   |

Multiple regression and Anova test was performed and the result shows that among 11 Stress factors, 4 factors have less impact, on Job satisfaction. All these factors have 57.1% (Adjusted  $R^2$ ) impact on Job satisfaction. Thus, null hypothesis is rejected.

### Findings

1. To the extent of 71.1% employees agree that they are not satisfied. Type 3 company have more number of dissatisfied employees.
2. Respondents have revealed that pay was not based on qualification or experience.
3. Results have revealed that salaries in ITeS companies are not paid in par with the industries.
4. Respondents have revealed that monetary factor was the main reason for dissatisfaction.
5. The results have shown that there is a positive relationship between job satisfaction and turnover intension among employees. Adjusted  $R^2$  value shows that to the extent of 62.6% respondents agree that there is an impact of job satisfaction on turnover intensions among employees.
6. The results have shown that out of 8 items 3 items have less impact on turnover which is clearly explained in coefficient table with beta values.
7. The correlation values related to stress factor with job satisfaction shows that they related with values  $< 1$ .
8. The adjusted  $R^2$  values shows that when multiple regression was conducted the respondents have stated that to the extent of 57% agree that stress has an impact on job satisfaction.
9. The results related to beta values shows that out of 11 items, 3 items have less impact on job satisfaction discussed above.

### Suggestions

Based on the findings the researcher would like to give following suggestions.

1. As far as possible companies must pay the salaries based on experience and qualification.
2. There should be a basic salary structure for each company, which must be scientific.
3. Monetary is the main reason for dissatisfaction. Therefore management should deal logically with it.



4. As far as possible the companies must try to implement scientific methods of training and also motivate the employees in order to satisfy their needs.
5. ITeS job is a technical one people to this industry come from different background. Therefore proper induction and training is a must.
6. Employees in ITeS companies are more vulnerable to poaching and also hopping. It is the responsibility of the employer to see that these two menace are minimised in their company.
7. Stress is an integral part of ITeS companies which known truth. As the results shows that 57% employees have agreed that stress has an impact on job satisfaction.
8. Modern facilities and innovative programmes must be arranged within the campus and also family get-togethers and out shore training must be arranged in order to win the confidence of the employees.

### Conclusion

The modern business depends on ITeS facilities irrespective of any field for that matter. Therefore, many business men are entering into this field with less experience. The truth is that employees expect the minimum standard from the employers which is not met by them. Obviously, when minimum standards are not met, it will result in form of stress and results will be turnover. As everyone knows that training employee's in ITeS companies involves huge cost and also it is time consuming process. If employees are not taken care of, this may result in job hopping or turnover. Therefore it is wise to see that the employer frame a policy which satisfies the basic needs of the employees. Each employer must set a particular standard so that it becomes industrial standard. When industrial standard is set it becomes easy to the government to form norms related to employees welfare based on the set standards by the leaders in ITeS companies.

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