
Impact of Organizational Culture on Occupational Stress among the Bank of Ceylon Executive Employees

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ABSTRACT

The occupational stress has become a serious issue in modern banking industry. Banking industry has to find the most influential factors which affects the occupational stress and needs to change industry's structures according to findings. This article pays more attention to discuss about occupational stress and organizational culture among the Bank of Ceylon executive employees. This paper gives a literature review regarding the organizational culture and occupational stress. 150 executive employees were conveniently selected from Bank of Ceylon. Response rate of 69% has been achieved in survey of 104 executive employees of Bank of Ceylon. In analysis, it has been found that organizational culture has an impact on occupational stress in Bank of Ceylon. The Bank needs to develop a strong organizational culture that will reduce the occupational stress of executive employees and lead organization to the successes.

Key words: Organizational culture, occupational stress

1.INTRODUCTION

Occupational stress is undesirable physiological condition, psychological responses which affects the employees in working environment (Newton et al., 2006). In the modern banking industry, it becomes as a significant topic to research about occupational stress for minimizing consequences that affect the employees. Therefore, still it is a popular topic and it also gives the attention to academicians and researchers to study about occupational stress. Understanding the stress is important because failure to address leads to minimal efficiency of employees. Hence, it is vital to

identify the factors that contribute to the occupational stress.

Every company has its own personality like people have. This personality of a company is known as organizational culture. Organizational culture is based on shared assumptions, values, and beliefs. A good organizational culture leads to productivity and achievement of goals (Quinn, 1988). Hence, this study has highlighted the question regarding the occupational stress and organizational culture. The aim of the present study is to identify the levels of occupational stress and organizational culture among executive employees of Bank of Ceylon and identifying the differences in organizational

culture by demographic factors. Moreover, the relationship between occupational stress and organizational culture and impact of organizational culture on occupational stress are being studied.

2. LITERATURE REVIEW

Stress is one of the leading causes for the loss of employee productivity in the U.S. Stress has been projected to cost businesses between \$100 and \$150 billion annually (Tang & Hammontree, 1992). Stress rarely has a single source point, rather stress has been found to have many different sources. In addition, in this complex society, stress influences many different areas of life. Stress can be caused by acute or chronic physical stressors or by psychological and social stressors. The majority of stressors tend to be those associated with psychological and social issues that are related to both personal and work lives. McGrath (1970) defined that stress is a substantially balance between environmental demand and the response capability of the focal organism. Kahn and Quinn (1970) defined role stress as “anything about organizational role that produces adverse consequences for the individual”. Baum (1999) defines that “stress as a negative experience which is mostly accompanied by behavioral, cognitive, emotional and physiological changes”.

Occupational stress is a risk to efficiency of employees (Danna and Griffin, 1999).

Numerous types of models were identified to define the organizational culture. According to Rousseau (1990), some of the models can be defined based on organization’s assessment of norms or behavioral values and according to Quinn & Rohrbaugh (1981), this model is based on competing values framework of organizational culture. In general, organizational culture is defined as shared assumptions, values, and beliefs that distinguish one organization from another (Hofstede, 1980). Swartz & Jordon (1980) defined that “patterns of beliefs and expectations shared by members that produce norms shaping behavior”. Denison (1990) defined the organizational culture as “underlying values, beliefs and principles that serve as a foundation for an organization’s management system as well as the set of management practices and behaviors that both exemplify and reinforce those basic principles”. In this aspect, research on the impact of organizational culture on occupational stress is much more important because nowadays organizations have been changing to improve the factors which contribute to occupational stress. As a result of that, the study aimed to study about organizational culture and occupational stress in Bank of Ceylon.

3. CONCEPTUAL FRAMEWORK OF STUDY

Following conceptual framework has been developed for this study on the basis of literature review.

Figure 1: Conceptual framework of study

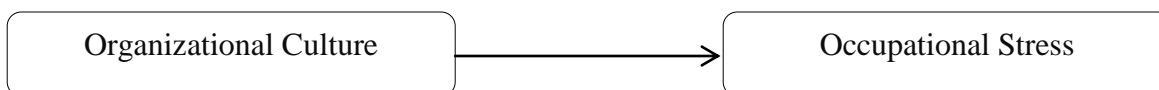


Figure 1 indicates that relationship between organizational culture and occupational stress. This conceptual framework establishes the links between organizational culture as an independent variable and occupational stress as a dependent variable.

4. METHODOLOGY

4.1 Sampling

The population of the study was the executive employees of the Bank of Ceylon. Convenience sampling technique was carried out in targeting the sample size for this study. 150 structured questionnaires were issued and only 104 questionnaires have been responded and returned at the response rate of 69% which were used as the basis of the study.

4.2 Data

This study considers only the primary data from executive employees of Bank of Ceylon. The organizational culture and occupational stress are measured by 5 point Likert’s scale. The independent variable as organizational culture was measured by 40 statements and the dependent variable as occupational stress was measured by 55 statements.

5. Analysis and Evaluation

5.1 Reliability test of data

To confirm the trustworthiness of data, reliability test has been carried out in the context of study problem. Cronbach’s alpha reliability method was carried out. The value of Cronbach’s alpha reliability is 0.854 for occupational stress variable and the value of Cronbach’s alpha reliability is 0.871 for organizational culture variable. These results are more than 0.6 (Malhotra, 2005) therefore it reveals that variables used in this study were highly reliable.

5.2 Descriptive analysis

This study was to ascertain the occupational stress and organizational culture from Bank of Ceylon executive employees. Mean and standard deviation were used in descriptive analysis.

Table 1: Occupational stress and organizational culture between the designation groups of executives

Designation	Occupational Stress		Organizational Culture	
	Mean	Standard deviation	Mean	Standard deviation
Junior Executive	3.18	0.45	3.46	0.45
Senior Executive	3.01	0.43	3.60	0.43

The study found that the mean value of occupational stress reveals that junior executives have higher level of stress than senior executives (3.18 > 3.01). The mean value of organizational culture reveals that senior executives have higher level of organizational culture than junior executives (3.60 > 3.46).

Table 2: Occupational stress and organizational culture between the gender groups of executives

Gender	Occupational Stress		Organizational Culture	
	Mean	Standard deviation	Mean	Standard deviation
Male	3.03	0.38	3.62	0.44
Female	3.19	0.35	3.37	0.41

The mean value of occupational stress reveals that female have higher level of stress than male executives (3.19 > 3.03). The mean value of organizational culture reveals that male has higher level of emotional intelligence than female executives (3.62 > 3.37).

Table 3: Occupational stress and organizational culture among the different experience group of executives

Experience	Occupational Stress		Organizational Culture	
	Mean	Standard deviation	Mean	Standard deviation
3-5 years	3.26	0.34	3.44	0.45
5-7 years	3.13	0.28	3.44	0.43
7-10 years	3.04	0.23	3.52	0.48
Above 10 years	2.98	0.42	3.63	0.42

The mean value of occupational stress is at highest level in 3-5 years of experience group of executives. The mean value of occupational stress is at lowest level in above 10 years of experience group of executives. The mean value of organizational culture is at highest level in above 10 years of experience group of executives. The mean value of organizational culture is at lowest level in 3-5 and 5-7 years of experience groups of executives.

Table 4: Occupational stress and organizational culture among the different weekly working hours group of executives

Weekly working hours	Occupational Stress		Organizational Culture	
	Mean	Standard deviation	Mean	Standard deviation
Below 35 hours	2.39	0.19	3.56	0.25
35-40 hours	2.92	0.61	3.68	0.54
40-45 hours	3.08	0.29	3.45	0.41
45-50 hours	3.09	0.36	3.33	0.55
Above 50 hours	3.36	0.37	3.47	0.32

The mean value of occupational stress is at highest level in the above 50 working hours. The mean value of occupational stress is at lowest level in the below 35 working hours. The mean value of organizational culture is at highest level in the 35-40 working hours. The mean value of organizational culture is at lowest level in the 45-50 working hours.

5.3 Hypotheses

H1. H_0 - There is no significant difference between junior executives and senior executives employees in respect of organizational culture.

H_1 - There is significant difference between junior executives and senior executives employees in respect of organizational culture.

Table 5: Independent sample t-test for organizational culture in respect of designation of employees

Variance Assumption	Levene's test for equality of variance		t-test for equality of means		
	F	Sig.	T	df	Sig. (2-tailed)
Equal variance assumed	0.224	0.637	-1.661	102	0.100
Equal variance not assumed			-1.659	100.989	0.100

Levene's test for equality of variances indicates that variances for respondents do not differ significantly (Sig. 0.637>0.05) from each other. Then "Equal variance assumed" assumption was taken and t-test reveals that p-value is greater than significance level 0.05 (0.100> 0.05), null hypothesis (H_0) was accepted and it could be concluded that there is sufficient evidence to say, at the 5% level of significance, that "there is no significant difference between junior executives and senior employees in respect of organizational culture.

H2. H_0 - There is no significant difference between male and female employees in respect of organizational culture.

H_1 - There is significant difference between male and female employees in respect of organizational culture.

Table 6: Independent sample t-test for organizational culture in respect of gender group of employees

Variance Assumption	Levene's test for equality of variance		t-test for equality of means		
	F	Sig.	T	df	Sig. (2-tailed)

Equal variance assumed	0.068	0.795	2.921	102	0.004
Equal variance not assumed			2.960	86.521	0.004

Levene’s test for equality of variances indicates that variances for respondents do not differ significantly (Sig. 0.795>0.05) from each other. Then “Equal variance assumed” assumption was taken and t-test reveals that p-value is less than significance level 0.05 (0.004< 0.05), null hypothesis (H₀) was rejected and it could be concluded that there is sufficient evidence to say, at the 5% level of significance, that “there is significant difference between male and female employees in respect of organizational culture.

H3. H₀ - There is no significant difference among different experience group of employees in respect of organizational culture.

H₁ - There is significant difference among different experience group in respect of organizational culture.

Table 7: One way ANOVA for organizational culture in respect of different experience groups of employees

Test of homogeneity of variance		ANOVA	
Levene statistic	Sig.	F	Sig.
0.087	0.967	1.430	0.239

Levene’s test for homogeneity of variance with a significance value of 0.967 indicates that variance for organizational culture for each of experience groups of employees do not significantly differ. Then variance of all the groups are equal assumption was taken and the p-value is greater than significance level 0.05 (0.239> 0.05), null hypothesis (H₀) was accepted and it could be concluded that there is sufficient evidence to say, at the 5% level of significance, that “there is no significant difference among different experience group of employees in respect of organizational culture.

H4. H₀ - There is no significant difference among different weekly working hours group of employees in respect of organizational culture.

H₁ - There is significant difference among different weekly working hours group in respect of organizational culture.

Table 8: One way ANOVA for organizational culture in respect of different weekly working hours group of employees

Test of homogeneity of variance		ANOVA	
Levene statistic	Sig.	F	Sig.
0.871	0.484	2.306	0.063

Levene’s test for homogeneity of variance with a significance value of 0.484 indicates that variance for organizational culture for each of experience groups of employees do not significantly differ. Then variance of all the groups are not equal assumption was taken and the p-value is greater than significance level 0.05 ($0.063 > 0.05$), null hypothesis (H_0) was accepted and it could be concluded that there is sufficient evidence to say, at the 5% level of significance, that “there is no significant difference among different weekly working hours of employees in respect of organizational culture.

5.4 Correlation analysis

To identify the relationship between occupational stress and organizational culture, Pearson’s coefficient of correlation is carried out. The result reveals that there is significant moderate negative relationship between occupational stress and organizational culture in Bank of Ceylon ($r = -0.389$; P-value $0.000 < 0.01$). The result states that it is also highly significant. The result proves that lower organizational culture, higher occupational stress of Bank of Ceylon executive employees and higher organizational culture, lower occupational stress of Bank of Ceylon executive employees.

5.5 Regression analysis

Regression analysis was performed to determine the extent and significance to which the organizational culture impacts on occupational stress.

Table 9: Summary of regression analysis

Independent variable	R	R ²	Adjusted R ²	F	Sig.
Emotional Intelligence	0.389	0.151	0.143	18.162	0.000

The model reveals that adjusted R² value is 0.143 which is in the model indicates that 14.3% of variation in occupational stress is explained by the organizational culture. The test of significance for the F-statistics is 18.162. Significance on table (p-value = 0.000) which is less than 0.005 and it indicates that the regression model statistically significant.

5.6 Conclusion

This study examined the whether the organizational culture has an impact on occupational stress in Bank of Ceylon. On the basis of findings, it is reported that organizational culture has a significant impact

on occupational stress and organizational culture has moderate negative relationship with occupational stress in Bank of Ceylon. Moreover, researchers can conclude that, occupational stress can be reduced if organizational culture is improved.

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