

## A study on the effect of Stress on performance of employees in Commercial Bank of Ceylon in the Eastern Province

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### Abstract

Many executives feel they could make better decisions and perform more effectively if they worked under less stress. Stress has also been linked to absenteeism, turnover, and industrial accidents. As such, this study was carried out with the primary objective of understanding the level and relationship between stress and performance of Commercial bank PLC employees in the Eastern Province of Sri Lanka. It also tried to identify the impact of Job related stress, Organizational related stress, and Individual related stress on performance. These objectives are reached through the application of descriptive analysis, correlation technique and regression technique. Descriptive analysis is applied to find out the level of stress and correlation coefficient is useful for finding out the relationship between variables. Regression analysis is applied to test the impact of stress on performance. The results revealed when mean value is compared, mean value of the organizational related stress is higher than the other two. It is also found that there is a negative relationship between stress and performance. It is concluded that stress is having an impact on Commercial bank PLC employees performance, at the same time The influence of organizational related stress is higher than job related and individual related stress.

**Key words:** Job related stress, Organizational related stress, Individual related stress and performance

### 1. Background to Study

Stress is a complex and dynamic concept. Undesirable level of stress affects overall performance of the organization. Therefore, in order to get the work done effectively, organization or manager should properly manage the level of stress. To achieve this organizational objective all the factors which influence stress should be properly identified and measured

There is no single level of stress that is optimal for all people. Positive stress adds anticipation and excitement to life, and we all thrive under a certain amount of stress. Our goal is not to eliminate stress, but to learn how to manage it and how to use it to help us. Therefore it is very important for both individual and organization to manage the stress to its optimal level.

In this research, stress is taken as the independent variable and to attempt is made to know how it affect the employees' performance. In order to conduct this study effectively, stress is further divided into its dimensions, such as job related, individual related and organizational related stress and techniques were applied to find out the level, relationship and impact of stress on employees performance. All the employees of Commercial bank PLC branches in Eastern province of Sri Lanka are selected as the study sample.

The province was affected by thirty years of ethnic unrest. At the end of the civil war, most of the Banks & financial institutions penetrated into the Eastern province which increased the competition among them. Due to the new comers offering competitive products, all the existing institutions focused on improving the service standards to maintain the customer base which has resulted in boosting up the targets given to the employees and also made the stress level of the employees to increase. Being the No 1 bank in Sri Lanka for the past 13 consecutive years the Commercial Bank management expects more contribution from the employees with the limited resources by way of cost cutting. As such, it creates a pressure on its employees to maintain the standard in the same level. This in turn could develop stress among the employees. Therefore, this study analysis relationship between the stressors ( job related factors, organizational related factors, Individual factors) and the

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