



## Literature review on impact of stress on the health and performance of human resources of banks

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Article	Abstract
<p>Article history: Received: 10<sup>th</sup> November 2022 Received in revised form: 05<sup>th</sup> December 2022 Accepted: 28<sup>th</sup> December 2022</p> <p>Keywords: Stress Management Strategy, Performance, Health, Human Resources, Banking Industry</p>	<p>The current research was conducted with the aim of explaining the impact of stress on the health and performance of human resources of banks and identifying stress management strategies in the banking industry. To achieve the mentioned purpose, this study reviewed some important factors that can affect stress in the bank industry. The findings of the research showed that stress has an effect on the health of human resources with indicators such as headache, fatigue, mood swings, despair, digestive and weight problems, sleep problems, heart rate, etc. The aforementioned stress has an impact on human resource performance due to causes such as high workload, inappropriate work environment factors, work technical factors, interaction and communication, work responsibilities, lack of decisiveness of the manager, etc. Another finding of the research was that strategies such as employee assistance programs, employee counseling sessions, development and training programs, meditation and yoga, time management, stress management program, advertising activities, reward system, and motivational meetings, were used to manage stress. Individual and group activities should be subject to the opinion of top managers of the banking industry. The results of the research indicate that stress has an effect on the health of human resources for various reasons, which affect their performance. Therefore, to manage this effect, strategies should be designed and applied in the banking industry.</p>

### 1. Introduction

In today's age, stress has become a vital issue of daily life. Stress affects the physical, mental, emotional and behavioral state of employees and managers [1]. Stress is a normal human reaction; it is a receptive reaction to the external situation. The World Health Organization defines stress as "the reaction of people when their knowledge and abilities do not match the demands and pressures and challenges are created in the field of people's abilities." [2]

Today, stress permeates all aspects of human life and must be managed. Stress management leads to stress reduction in any field such as banking and financial sectors, information technology sectors, education sectors, telecommunication sectors, etc. [3]. Stress management strategies like stress management programs, reward system, counseling sessions, promotional activities, training and development programs and employee assistance programs etc. are always useful to control stress related problems. Banks are an important part of the financial and economic system of societies and countries and play an important role in improving the growth rate of countries [4].

In the past ten years, banking sectors have experienced rapid changes in technologies, programs, policies, competition and currency. Now the employees of the banking sector are facing a lot of problems, but the pressure is very fast in private banks. Private sector employees are more exposed to potential stress problems that affect employee performance and health [5].

Most of the employees of private banks are facing severe pressures. High level and low level of stress are harmful and have an adverse effect on bank employees in life and work [6]. There are many factors of stress that affect the performance, health as well as daily life of employees [7]. Physical health and mental health are also greatly affected by stress. Therefore, there is a need for stress management strategies to reduce it. Stress management strategies help reduce employee stress and aim to provide a stress-free life [8].

## **Theoretical foundations and research background**

Our strategy should be to minimize negative stress and maximize positive stress. In today's era, understanding and explaining the concept of stress has been paid attention to in most industries, and researchers are looking for ways and techniques to manage it [9]. In the banking industry at the macro level, due to the occurrence of financial crises in recent years and the nature of banking activities, this matter has become extremely important. Managers and researchers in the field of money and banking often mention the issue of stress and stress management as a concern [10].

Stress is not necessarily negative, in fact, stress can be divided into two general categories: positive or beneficial stress and negative or unhelpful stress. Just as the long line of customers in front of the counter creates negative or unprofitable stress for the relevant delivery person, receiving a certificate of appreciation for an exemplary employee from the CEO of the bank in a large group of colleagues can also create positive stress in the individual [11]. Stress often exists in all work environments and affects a person's performance, health and well-being. Efforts to control or manage stress levels in the workplace should be an integral part of large companies [12].

Many companies are now using innovative technology to provide a healthy and stress-free environment to their employees to increase productivity and reduce stress [13]. Our reaction to all kinds of stress in work, family and social environments can lead to negative side effects such as absenteeism, leaving work, decreased motivation, headaches, insomnia, heart attack, high blood pressure and all kinds of psychological and mental illnesses [14]. Caused by work, it affects our personal life, and psychological. Michael et al. (2009) believe that job stress has negative effects on productivity, job satisfaction, intention to leave job and job commitment of employees and they state that studying stress in different jobs leads to a deeper understanding of this phenomenon. and minimizes the aforementioned problems [15].

Sarafis et al. (2016) also stated that the existence of occupational stress and its physical and psychological analysis lead to leaving the job, conflict among employees, health disorders and damage to their professional relationships [16].

## **Causes of stress in banks**

The causes of stress in the banking industry have been investigated in several studies. For example, Dankar (2015) studied job stress in the banking sector. In this research, the causes of job stress were investigated in two sectors of public banks and private banks. The findings of this study showed that the role of extra work in addition, ambiguity in roles and duties, job conflict, irrational and political pressures, people's work responsibilities, weak relationships and communications, difficult working conditions and expectation of performing insignificant and inconsistent tasks and roles are among the causes of occupational stress [17].

In general, it can be said that stress occurs in the banking environment for the following reasons:

**Role Ambiguity:** It is a situation where a person does not have some necessary information to perform his job well and does not know what is expected of him to perform his job. Uncertainty about how to evaluate, development

path, area of responsibility and expectations of others from the individual's performance are the four dominant cases of role ambiguity in work situations.

**Age:** Employers should know how the organization's approach changes with age. For example, the new trend in the banking industry shows the desire to hire more young and fresh graduates. So in the near future, most jobs, even senior managers, are young, and this is another issue that young people are more aggressive and sensitive, so that they are more prone to career mistakes.

**Income:** Income has a major impact on a person's standard of living. In fact, it would not be wrong to say that it determines the lifestyle of each person. Income is also related to the family life cycle, which actually shapes the family's spending pattern. The spending pattern of a high income person is different from that of a low income person. If the family and household size of a large person and what's more, most likely the only criterion for choosing a job is the money he gets. Therefore, due to lower payment and higher expenses, he finally experiences job stress.

**Organizational culture:** Cultures change over time and every organization has its own culture. If an employee cannot conform to the organizational norms and culture, he will be more prone to stress in his workplace. A person who moves from one organization to another must be flexible enough to absorb and adapt himself to the culture of the new organization.

**Working conditions:** Working conditions also create a lot of pressure for employees. The working space of the employees to do their work, the light and air of the room, the arrangement and placement of the room, the relationships of the employees with their peers, superiors and others are factors of the work environment that may cause job stress for an employee [18].

## **Stress and health of human resources**

Due to the nature and difficulty of the banking job, bank employees face various types of health related problems such as tension, depression, anxiety, diabetes, headaches, backaches, etc. These health related issues affect the performance of the employees and the capacity of the employees decreases day by day. Job pressures strongly affect the health of employees and the health of the organization. Physical, behavioral and emotional changes caused by stress cause various issues that affect the health of employees. As mentioned, tension, depression, anxiety, headache, blood pressure is among the most common. As a result, stress affects the overall productivity of employees and the organization, and when the performance and productivity of employees decrease, employees feel weak and their motivation decreases. Therefore, occupational health is dangerous for employees. Depression, anxiety, tension, low tolerance, aggression and separation are the main causes of stress that affect the health of employees [19].

## **Stress and HR performance**

Optimum stress is necessary for the optimal performance of bank managers and employees, but negative stress affects the performance of employees as well as organizational performance. Therefore, bank management is seriously responsible for overcoming stress and managing stress. In other words, he should design and carry out important measures to create a good and healthy environment in the bank. Because managers play an important role in managing stress problems among bank employees. Low salaries, lack of progress and poor communication with higher officials are considered as sources of stress on employees, and with innovation, motivation, organizational loyalty and commitment, stress management can be done, which affects the efficiency of bank employees with indicators such as discipline and attendance, turnover and complaints are affected. Therefore, it is necessary to manage the stress of bank employees by applying stress management strategies such as reducing the workload, changing jobs, opportunities for growth and advancement, improving the relationship between superior and higher officials, rewarding and improving the work atmosphere [20].

In the banking industry, technological changes, social responsibility, social changes, and policy changes increase stress and affect the efficiency of employees, and the bad performance of employees creates a negative impact on

the performance of banks. The source of stress in banks is in three groups of environmental, organizational and personal factors. These factors are a great source of stress that affects the performance of employees in any bank, and the bank suffers from lack of productivity, increased turnover, insurance costs, and high absenteeism [21].

### **Stress management strategies**

Stress management strategies are always useful to overcome the stress problems of bank employees and create a stress-free environment in banks. Banks focus on some stress management programs and use stress management strategies to manage stressful problems and reduce stress in the personal and professional lives of bank employees. To manage stress problems in banks, most training and development sessions and effective communication programs, time management programs play a very important role. Training programs have a positive impact on the lives of bank employees [22]. There are two ways to apply stress management strategies to control stress:

- Individualized strategies: includes individual activities, group activities, exercise and meditation.
- Organization-oriented strategies include stress management programs, employee assistance programs, physical activities, and advertising activities.

In another perspective, the strategies used at the organization level to prevent stress can be classified into two categories: problem-oriented strategies and emotion-oriented strategies. Problem-oriented strategies are focused on solving the problem and stressful issue, and emotion-oriented strategies emphasize on improving the mood and mental states of people when facing a stressful factor [23].

To manage stress, there are various ways and methods, such as identifying the signs and symptoms of stress, eliminating or reducing stressful factors, joining support networks (unions, etc.), performing daily sports exercises, doing relaxation exercises, Taking a nap at the right time, leaving a stressful environment, yoga, recreational programs, finishing small tasks started, playing with small children, having something to laugh at, listening to quiet music, doing manual and non-thinking tasks, stopping work and etc. [24, 25]. In the following, some stress management strategies are discussed:

**Employee Assistance Programs (EAP):** Employee Assistance Program is an employee support program. Short-term counseling is for employees to solve personal problems. EAP helps people understand and overcome their personal problems. Such a program affects the job performance of employees, the health of employees and the resolution of personal and professional problems [26].

**Employee Counseling Sessions (ESC):** Counseling sessions are a very prominent stress management strategy. It is a meeting between superior and subordinate organizations [27].

**Training and Development Programs (TDP):** Training and development programs are very useful for employees. This work helps the employees to improve their skills and knowledge which helps in the growth of their job efficiency [28].

**Meditation and Yoga (M&Y):** Relaxation and meditation is an important and very useful strategy for managing stress. Good meditation for mental relaxation and yoga is like mind training which is very helpful in reducing stress levels, blood pressure problems and heart and mental disorders. To manage and reduce stress with this strategy, at least 20 to 25 minutes of exercise and yoga should be done daily. These exercises can be done in all muscles or in some muscles. For example, people who spend many hours of the day behind the desk, these relaxing exercises seem useful. Spend 15 to 20 minutes a day doing hard exercises and relaxing your body muscles. It is better to start this procedure from the lower parts of the body, that is, from the tips of the toes and reach the head and neck [29].

**Time Management (T&M):** Time management is another stress management strategy and stress problem management. Time management helps to balance personal and professional life [30].

**Stress Management Program (SMP):** Stress management program is another important strategy for stress management among bank employees. In other words, it is essential that stress management programs and meetings should be considered in every organization in order to know how to deal with stress problems for bank managers and employees [31].

**Promotional Activities (PA):** Promotional activities help to overcome stress problems among lower level employees. This strategy helps employees in life and improve job performance by controlling stress problems and stress management [32].

**Reward system (RS):** The reward system in any organization is necessary to increase the morale and performance of employees and has a positive effect on encouraging employees [33].

**Motivational Meeting (MS):** Motivational meetings play an important role in reducing the stress level among bank employees. Therefore, it is necessary for every employee to participate in motivational meetings to increase motivation [34].

**Individual activities and group activities (IAGA):** Both individual and group activities are necessary to manage stress problems. Individual activities (reading, writing, photography, art, listening to music, performance) and group activities (sports, games, vacations, movies, shows and theater) have a positive effect on the life of employees and also stress management [35].

In the following, some studies have been discussed as the background of the research:

In a study, Shateri et al. (2016) investigated the relationship between job stress and the organizational performance of Bank Mellat employees. The results showed that there is a negative and significant relationship between job stress and the organizational performance of Bank Mellat employees. Also, the results showed that there is a negative and significant relationship between the dimensions of job stress (demand, control, lack of support from managers, lack of support from colleagues, role, communication, changes) and employees' performance [36].

Joshi et al. (2012) in a study titled "Stress Management among Bank Employees" point out that bank employees should be active people and have enough skills to perform their duties and responsibilities in a very tough competitive environment. They point out that the current conditions of the banking industry are very critical, for example, the global market is facing stagnation, the growth rate of emerging economies is decreasing, and the pressure of competition is very high [37].

Pandey (2020) in a study titled "Stress Management: A Study for Financial and Banking Sector Employees" investigated the causes of stress in bank employees. They say that banking organizations have faced challenges since the beginning of the last decade. They are faced with the technological revolution, diversification of services and global banking, which creates stress among employees [38].

Dankar (2015) has studied job stress in the banking sector in a research. In this research, the causes of job stress have been investigated in two sectors of public banks and private banks. The findings of this study have shown that the role of extra work or extra work Ambiguity in roles and duties, job conflicts, irrational and political pressures, people's work responsibilities, weak relationships and communications, difficult working conditions and expectations of performing insignificant and inconsistent tasks and roles are among the causes of occupational stress [17].

## **Discussion and conclusion**

The main purpose of this study was to identify the effects of stress on the health and performance of human resources and the main causes of stress and what strategies can be used to manage human resource stress in the banking industry. The findings of the research showed that stress on the health of human resources with indicators such as headache, fatigue, mood swings, despair, digestive and weight problems, sleep problems, heart rate due to reasons such as high workload, long working hours, inappropriate environmental factors, technical factors Work,

interaction and communication, work responsibilities, lack of decisiveness of the manager and lack of support have an effect that also affects the performance of human resources. Also, the findings showed that in banks, most of the employees face problems of tension and stress, and this has a negative effect on the quality of their work life. In other words, by recognizing the health problems of employees, this study confirms the negative effect of stress on the health of employees. Health problems resulting from stress in bank employees include things such as headaches, mood swings, despair, increased or decreased appetite, and blood pressure. Such health issues are very harmful to the health of employees. In banks, employees have little time to manage their personal and professional lives and pay attention to health, and they suffer from these types of health problems that have a bad impact on the employee's life.

If bank managers focus more on the jobs and stress of employees and provide a healthy and positive work environment and provide positive feedback on the performance of employees, this will help to reduce the stress of bank employees and ultimately improve the health status and performance of human resources. he does

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