

Tenure of Service and its Impact on Employee Vulnerability to Stress in ITeS-BPO Companies

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ABSTRACT

Growing stress level in today's work environment is visible easily and it continues to spread. If this is not managed with caution it can lead to various psychological diseases than can badly hamper the health of an employee as well as the productivity of the organization. This paper aims at understanding reasons for employee vulnerability and relationship of the same with regards to Tenure of Service of the respondent. ITeS-BPO companies located at NCR (National Capital Region of Delhi) form the population for selecting the sample units. Hence, the survey was limited to companies located in Delhi and other NCR towns. Call-floor executives and operational managers at all levels were the target population for the study. The results of the research substantiate that the respondents in the group 12 months – 24 months of the tenure of service are the most vulnerable to stress. Also, the results indicated that the respondents with more than 36 months of service are least vulnerable to stress while working with an ITeS-BPO company. The study suggested that companies should explore in detail the causes due to which employees get tired very easily and thus become vulnerable to stress. Appropriate measures should be taken that may include time management, physical exercises, yoga, and meditation.

Keywords: *Stress, Information Technology, Business Process Outsourcing, Business Process Management, Vulnerability, Tenure of Service, Burnout*

INTRODUCTION

The IT sector has helped India to change its perception in the global economy. India is one of the largest outsourcing countries of Information

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technology (IT) industry. It is having the largest pie of the share with 67% which makes for up to US\$ 130 billion market and also employee about 10 million workforce (<http://www.ibef.org/>). In global sourcing market, the availability of cost effective market is considered a good deal and India can provide the services 3-4 times cheaper than the US, which is proving its Unique Selling Proposition (USP). With the arrival of global IT giants who are setting up their innovation centre's is promising for India in gaining the intellectual capital.

The significant need has been created for the skilled workforce who has created the demand in Indian education sectors like engineering and computer science. The Indian Industry is divided into 4 major sectors: IT services, Business Process, Management (BPM), Software and Engineering and Hardware. The Indian BPM industry is expected to grow at the rate of 8.3% year on year basis to the US \$143 billion dollars in 2015-16 (<http://www.ibef.org/>). This growth is expected to contribute to Indian GDP with 9.5% and a mammoth of 45% in total service export in 2015-16.

The Indian IT sector is expected to grow with a good growth rate of around 12-14% in FY2016. IT sector is also eyeing for \$US 350 billion which is triple of its annual revenue in the year 2025, report given by NASSCOM (<http://www.ibef.org/>). India is also planning to grow its start-ups to 11,500 by 2020 from its current position of tech 3100 start-ups, as per the data given in the reports of NASSCOM. Public cloud services revenue is supposed to reach at US\$838 million in 2015, growing by 33% year on the year as per the report by Gartner Inc. In a different report given by Gartner it was estimated that the public cloud market in the country is supposed to grow to the US \$ 1.9 billion till 2018 from the US \$638 million in 2014. The reason for this rapid growth is the rapid development in the e-commerce business and deep penetration of internet in the Indian market. The significant development in IT sector has attracted a lot of investment from other countries (Mehta et al 2006).

BPO sector in India has been quite promising in recent years and proving to be India's most successful Industry with a growth rate of 45 percent since it first started. BPO industry is one of the rapidly growing industries with a strong momentum. BPO sector has created millions of jobs. Due to availability of skilled workforce and resources at very affordable price many BPO companies have chosen India their place for BPO operations. There is another side of the BPO which is not visible easily unless examined carefully and has caused the young workforce to lose out in BPO industry. In global BPO market, the fast transaction is

taking place. It is also supported by the increased investment in the BPO services. BPO is being adopted by the leading business companies of the world as a strategic business solution. The BPO industry is quite organized with many sub-segments, each displaying its own unique and exclusive qualities (Apte 1995).

However the multitude of ever evolving demands of a highly competitive work environment requires constant updating of knowledge and skills of employees in organizations to be able to function effectively (Lather 2005). Coupled with this is the need to deal with uncertainties and ambiguity when one cannot rely on past experiences alone to tackle with the present problems. The resultant misfit between environmental demands and person's ability results in stress. Nevertheless, there is an increasing realization that stress cannot be avoided and hence the next best alternative would be to gear oneself to not only manage stress but also to make the most out of it for realizing one's potential. Hence a better understanding of stress would be the first step towards coping with it effectively.

Stress has become a common phenomenon of our daily work life. It is one of the most important factors influencing individual efficacy and satisfaction in modern day occupational settings. This paper focuses on the impact of tenure of service in managing employee vulnerability to stress due to job related factors among the employees of the ITeS-BPO Companies. It becomes imperative for any organization as well as an individual to overcome stress by resorting to certain coping measures. Coping denotes the way of dealing with stress, or the effort to master conditions of harm, threat, or challenge when a routine or automatic response is not readily available (Lazarus, 1974).

LITERATURE REVIEW

A workplace stress has serious consequences in term of emotional and physical health and it usually happens when there is compromise between job and expectation, capabilities, resources, work environment, technological environment, technological advancement, HR practices and social development taking place day by day. Addressing or managing stress within an organization is a process that deserves planning and commitment on the part of the management team and is not something that will happen overnight.

Savery and Wingham (1991), in a study of management of child care centers accounted that intrinsic motivators such as 'interesting and

challenging work' and 'feeling of achievement' were important to their satisfaction in comparison with the 'salary'. Bharati et al. (1991) have investigated the conceptualization and measurement of occupational stress and the relationship with and effect on job satisfaction. The total sample consisted of 90 clerical cadre employees of three different business and service organizations. The obtained data were analyzed using 't' test, chi square test, coefficient of correlation and Duncan's Range test. The study found that occupational stress to be negatively correlated to job satisfaction - the greater the stress the lower the satisfaction.

Mehra, (2004) conducted a research with the primary objective to determine stress levels across age, profession, and type of job, and duration of work. Two questionnaires were devised to collect data in a scientific manner. Among the various findings of the study, the paper led to the very important perspective that profession and type of job definitely impact upon the work stress that an individual suffers from. Stress is not age specific it can occur to any individual irrespective of age. At the end the author also suggested five steps which will help an individual to reduce his/her stress level in specific and to the organisation in general.

Raina (2006) explored the growth of attrition rate which has been a major concern since the last couple of years. The research was carried out with the main objective of as to know the problems and effect of attrition on employees working in call centers. The findings of the research were that attrition was more common between the age group of 20-25 years and within three months of joining the organization. The employees leave the organization for career growth and higher studies. Further analysis show that attrition in call centers occur because of lack of social interaction, personal problems, slow growth prospects, odd shifts and monotony of work. Keeping in mind the causes of attrition, various employee retention strategies have been recommended. It recommends that Indian call centers should adopt a medium-or long term sustainable strategy for retention of employees in order to add value to the processes, as other countries are moving aggressively to upgrade the skills of employees.

Vanitha et al. (2006) made a study to analyze the organizational commitment and stress among the IT (Information Technology) professionals. Differences between male and female IT professionals were also examined in this regard. Results, based on the study of various variables, revealed that organizational commitment and stress among IT professionals is high and that gender and experience of the professionals do not influence these factors.

Treven et al. (2011) emphasized that the Organizations, where the employee are not happy and are stressed out are more likely to be unsuccessful in the competitive market. However there are various measures that are taken to manage stress, keeping a good work environment and a good management can prevent the stress to happen.

Khalid (2012) found that there is a simple and straightforward relationship between stress and job performance in an organization. It is essential for the members of organization to show their support towards the employee for him to improve his performance. A supportive leader and team member can significantly improve the performance of an employee in difficult situation.

Swaminathan & Rajkumar (2013) conducted a study that focused on the level of stress faced by the employees which involved people of different age group, profession, varieties of work, duration or working hours and environment they work in. Stress is still a topic which is not often discussed by the people. This study indicates the appropriate level at which an employee can perform at his full potential. The study brings out three conditions responsible for work related stress. 1) Role Overload 2) Role Self-distance 3) Role Stagnation.

The literature review has indicated that an important business priority for organizations across the complete knowledge sector world-wide today, is to attract and retain talent. In the Information Technology Enabled Services-Business Process Outsourcing Industry, this is further accentuated by a combination of factors that include the type of work and work timings, a demand - supply gap in employable talent and their consequent mobility coupled with stringent performance criterion and specific characteristics / needs of the employable workforce (Fried 2008). So even as an employing company focuses on meeting customer and stake-holder objectives and being globally 'best in class', it needs to also redouble its focus to understand the special needs / objectives of its knowledge employees so as to control their stress levels or to reduce the employees vulnerability to stress and initiate action that address core issues. Majority of studies have proved that it is length of employment that has an effect on employee satisfaction. Various studies have found that the years-in-service is the major variable that broadly affects job satisfaction.

Method

“The Truth is that outsourcing is no longer a choice but an absolute strategic necessity”, says chief of an ITES-BPO Company-Azim Premji. A

study done by NASSCOM (National Association of Software and Service Companies)-McKinsey study 'Indian IT Strategy Summit' reveals that year -by- year the size of BPO industry in India is increasing because of the high business potential from the ITES-BPO Companies. The growing figure of the number of people employed is indicative of the growth trends w.r.t to employment being provided by ITES-BPO companies.

Hypothesis

H0: The extent of vulnerability faced by employees due to stress by job related factors does not vary across groups categorized on the basis length of service.

H1: The extent of vulnerability faced by employees due to stress by job related factors vary across groups categorized on the basis length of service.

DATA ANALYSIS TECHNIQUES

The present study is undertaken to study the Employee vulnerability due to stress by job related factors from ITES-BPO Companies and finding out the relationship of the same with respect to length of service of the respondent. In order to study this, the descriptive research design of investigation coupled with techniques of various statistical techniques like ANOVA, and t-test was used. Seventeen items were used to measure the major effects of the work pressures in terms of behavioral and a health outcome for employees in ITES-BPO Companies.

Tool

A 5-point likert scale (where Never= 1 and Almost Always= 5) was used to measure the vulnerability caused to employees of an ITES-BPO company. The Cronbach's Alpha (α) of these 17 statements was 0.951.

The raw data was then exported to statistical package for social sciences (SPSS) Data Editor 16.0 for further analysis. In order to analyze the data accrued from this research, descriptive analysis, ANOVA, and t-test was used. In order to find out the reliability of the scale used for measuring the response Cronbach's Alpha has been calculated. The reliability estimate (Cronbach's Alpha) is 0.951, which is considered quite satisfactory.

Sample

ITeS-BPO companies situated at Delhi and NCR (National Capital Region) were the basis for selecting the sample units. Hence, the survey was limited to Delhi and NCR. The target population (total 428 respondents) of employees of ITeS-BPO companies included call-floor executives and operational managers at all levels but excluded back-end support staff from departments like Human Resources and administration. ITeS-BPO companies of each size i.e. small, medium and large were considered for this survey.

The target population for the study comprised of employees of the companies located in this region and listed in the “Directory of IT Enabled Service Providers, 2006” published by NASSCOM, which is the apex body for this industry. There are 96 such companies as per this directory. At the first stage, 28 companies were selected randomly from the list of 96 companies. At the second stage, a simple random sample of 428 respondents has been taken for the purpose of the study from these 28 companies.

DATA ANALYSIS AND RESULTS

Tenure of Service-wise Comparison of Dimensions of Vulnerability to Stress

The classification of respondents based on their tenure of service with present organization is depicted in Table 1 where majority of the respondents were found to be working for more than 36 months (37.8%) followed by less than 12 months (24.2%). The sample had representation of 18.7 per cent respondents working in between to 12 months to 24 months. The remaining 19.2 per cent of respondents were in the group of 24 months to 36 months.

Table 1: Tenure of Service Profile of the Respondents

Experience	Frequency	Percentage	Cumulative Percentage
Less than 12 months	104	24.2	24.3
12 months to 24 months	80	18.7	42.9
24 months to 36 months	82	19.2	62.1
More than 36 months	162	37.8	100.0
Total	428	100.0	

Source: Primary Data

The tenure of service-wise distribution of the mean scores of various dimensions of vulnerability caused to employees due to stress by job related factors while working in an ITeS-BPO company is given in Table 2. ANOVA test has been conducted to find out whether there exists any significant difference in the mean values of each of the dimensions of vulnerability caused to employees due to stress across the four tenure of service-wise groups of employees working in ITeS-BPO companies.

Table 2: Tenure of Service-wise Comparison of Dimensions of Vulnerability to Stress

Vulnerability to various dimensions due to stress	Less than 12 months	12 months-24 months	24 months-36 months	More than 36 months	F-value	P-value
Got tired very easily	2.82	3.03	2.66	2.51	3.614	.013
Have become short tempered.	2.51	3.16	2.44	2.38	7.710	.000
Smoke, drink or eat more than you should.	2.14	2.54	2.10	2.21	1.531	.206
Feel mentally exhausted	2.67	2.75	2.46	2.16	5.175	.002
Have been bothered by shortness of breath	2.33	2.61	2.10	1.86	6.218	.000
Lack sound sleep at night	2.43	2.89	2.18	2.20	6.002	.001
Are unable to respond despite having clear answer	2.41	2.67	2.17	2.11	3.811	.010
Productivity has reduced.	2.16	2.89	1.95	1.86	12.095	.000
Feel restless during your daily routine.	2.51	3.05	2.29	2.28	7.821	.000

Vulnerability to various dimensions due to stress	Less than 12 months	12 months-24 months	24 months-36 months	More than 36 months	F-value	P-value
Find that you are becoming forgetful or indecisive	2.31	2.72	2.07	2.11	4.770	.003
Suffer from unexplained aches and gastric related problems.	2.52	2.92	2.02	2.01	11.731	.000
Want to be left alone.	2.64	3.10	2.20	2.13	11.783	.000
Have developed any particular physical or health problem	2.37	2.61	2.05	2.01	4.256	.006
Feel exhausted at the end of the day.	2.72	2.90	2.44	2.27	5.013	.002
Feel lonely	2.70	2.72	2.17	2.17	5.449	.001
Find yourself dreaming during your work.	2.20	2.82	1.95	2.14	6.405	.000
Find yourself becoming bored.	2.34	2.69	2.27	2.08	3.978	.008

Note: i) All figures, except F-values and P-values are mean values, $df = 3/424$

Source: Primary Data

DISCUSSION

It is clear from the mean score given in Table 2 that the highest mean score for the respondents in the group of Less than 12 months of service is observed on the dimension 'getting tired very easily' (mean score=2.82), for the group 12 months - 24 months of service, the highest mean score (3.16) is found on the dimension of employee 'becoming short tempered'. For both the groups 24 months - 36 months of service, and more than 36

months of service the highest mean score of 2.66 and 2.51 respectively is obtained on the dimension got tired very easily.

The Table exhibits that respondents of two groups' viz. less than 12 months of service and 12 months - 24 months of service have accorded the lowest mean values of 2.14 and 2.54 respectively to the variable 'smoking, drinking or eating more than one should'. For the respondents of the group 24 months - 36 months two dimensions i.e. 'productivity has reduced' and 'find oneself dreaming during work' has got the lowest mean value=1.95. Similarly, for the group with more than 36 months of service, the lowest mean value (1.86) is found with two variables viz. 'productivity has reduced', and has been 'bothered by shortness of breath'.

A glance at the Table 2 shows that regarding the various dimensions viz. 'got tired very easily', 'lack sound sleep at night', 'inability to respond despite having clear answer', 'having become short tempered', 'a feeling of mentally exhausted', 'have been bothered by shortness of breath', 'productivity has reduced', 'a feeling of restless during daily routine', 'becoming forgetful or indecisive', 'suffering from unexplained aches and gastric related problems', 'want to be left alone', 'have developed any particular physical or health problem', 'feel exhausted at the end of the day', 'feeling lonely', 'find oneself dreaming during work', and 'becoming bored' the ANOVA results have found the F-value significant at 5 percent level. This implies that there is significant difference in the level of vulnerability caused to employees due to stress across the four groups depending upon their length of service that is less than 12 months, 12 months - 24 months, 24 months - 36 months, and more than 36 months. Except three dimensions viz. lack sound sleep, find yourself becoming forgetful or indecisive and find yourself dreaming during work, the lowest mean scores have been observed in case of the respondents in the group of more than 36 months of service. Hence, it indicates that this group of respondents is least vulnerable one due to stress while working with an ITeS-BPO company. However, the highest mean score has been obtained by the respondents in the group 12 months – 24 months in case of all the dimensions of stress. Thus, the employees of this group are the most vulnerable to stress.

However, regarding the sole remaining dimension i.e., 'smoking, drinking or eating more than one should', there is no significant difference in the mean scores of four groups of employees as F-value turns insignificant at 5 percent level. Thus, same level of vulnerability is experienced by employees of each of the four groups on this dimension.

There are significant differences in the level of vulnerability caused to employees due to stress across the four groups depending upon their length of service. It has been found that except three dimensions viz. 'lack sound sleep', 'find yourself becoming forgetful or indecisive' and 'find yourself dreaming during work'. The lowest mean score on all the remaining dimensions have been observed in case of respondents with more than 36 months service tenure in the company. However, the highest mean score has been obtained by the employees having service tenure of 12-24 months in case of all the dimensions of stress. Thus, the employees of this group are the most vulnerable to stress. Thus, the results indicate that the respondents with more than 36 months of service are least vulnerable to stress while working with an ITeS-BPO company.

CONCLUSION

Companies should explore in detail the causes due to which employees get tired very easily and thus become vulnerable to stress. Appropriate measures should be taken that may include time management, physical exercises, yoga, and meditation. Also, an organization through establishment of health clubs, creating a supportive organizational climate, and by providing comfortable working conditions can help employees in coping with this dimension.

The ITeS-BPO companies should pay attention to the employee in service tenure group of 12 months - 24 months because they are the most vulnerable to stress as reported by the study. Hence, the management of these companies should pay specific attention to reduce the vulnerability caused to employees of this group. Special attention should be given to manage employee temperament, feeling of loneliness and feeling of exhaustion. A pause/ short break in work are advisable to overcome the strain experienced by the employees of this group during their daily routine.

There are various indicators that can measure the work related stress. Since changes in the competitive situation, technological progression, economic development, and social developments are taking place every day the stress level of employees is increasing respectively. As a result, the employees are faced with the problems like pressure, strain, anxiety, tension, trauma which ultimately leads to decrease in productivity.

The results revealed that almost every employee was facing some kind of stress whether it was due to personal hardships or job-based stress due

to extra organizational, group or individual problems. Some of the stress was due the work performance and having over expectation from their work. The study found that at one time most employees were facing more than one symptoms of stress, which ultimately had various effects on their workplace and their health. The best way to cope with stress is heaving knowledge about the stress in advance and this also reduces the chances of stress significantly. Learning to cope with it, psychological fitness and to learn to relax is necessary. It is suggested that the organization should take initiatives to come forward with ideas and activities to reduce the level of stress among its employees.

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