



A STUDY ON STRESS MANAGEMENT PRACTICES AND ITS EFFECT ON PSYCHOLOGICAL CONTRACT OF EMPLOYEES

Dr. Annie Sam* Dr. A. Shameem**

*Assistant Professor, AMET Business School, AMET University.

**Professor, AMET Business School, AMET University.

Abstract

Work stress has a considerable importance for the organization considering that it has a direct impact in employee's health and consequently impacts work performance.. For the individual, regardless of whether stress is perceived positively or negatively its effects may eventually contribute to illness. While for the organization, work stress may contribute to absenteeism and turnover. It is understood through research that 96 percent of employees get attracted to an employer when it helps employees meet family obligations through options such as flexi-time, job sharing, or telecommuting. Perhaps more important, the survey found that workers who take advantage of the work-life balance options their employers offer are 20 percent more likely to stay with their employer for the next five years. The strong relationship between flexibility and commitment is one of the most compelling reasons to offer it to employees. Another is that flexible work practices reduce worker stress, which is the leading cause of unscheduled absence and leads to higher turnover. This study aims to develop an in-depth understanding between the psychological contract and employment relationship amongst the employees with special reference to the contributions of HR Practices towards employee stress management practices in automobile industry in Chennai, India. Stress can be managed through various innovative practices in the organisation. While variant factors contributes to this mixed understanding concept, this study analyses the concept with the just three variables namely home and work interface, job demand and working environment. It is understood that employees actively manage the exchange relationship by the psychological contract and the relationship between the HR practices and employee loyalty and employee commitment is established beyond doubts through Psychological contract.

Keywords: Psychological contract, stress, home and work interface, job demand, work environment, organisational commitment, loyalty, employee care.

Introduction

According to Jennings (2008) work stress remains a significant concern for many organizations, affecting both individuals and organizations. For the individual, regardless of whether stress is perceived positively or negatively its effects may eventually contribute to illness. It is proved that to some extent or another, offering flexibility to workers (exempt and non-exempt alike) helped the companies' bottom lines: "Whether measured by cycle time, revenue by person, client service, productivity, sales, retention rates, employee engagement, job satisfaction or reduced stress levels, flexibility has proven to have positive impact." However it is the right time to develop innovative practices which can be more beneficial than the flex time which can help manage the issues on work-life balance along with creative working practices and policies. Additionally, there has been a growing tendency to develop stress management strategies to control and reduce novice effects of burnout on employees.

Home and Work Interface

The home-work interface is a distinct topic in the stress literature. Meta-analyses have explored the antecedents and consequences of work-family conflict, generally supporting the proposition that work stressors have an impact on the extent to which work interferes with family (e.g., Byron, 2005). Stressors at work can also have an impact on the health of the employee's family members (Bakker, Demerouti, and Dollard, 2008). Organisations are more cautious and sensitive on solving the issue on home and work in order to have healthy and happy work force. Traditionally creating and managing a balance between the work-life was considered to be a woman's issue. But increasing work pressures, globalization and technological advancement have made it an issue with both the sexes, all professionals working across all levels and all industries throughout the world. Work life and personal life are inter-connected and interdependent. Spending more time in office, dealing with clients and the pressures of job can interfere and affect the personal life, sometimes making it impossible to even complete the household chores. On the other hand, personal life can also be demanding if you have a kid or aging parents, financial problems or even problems in the life of a dear relative. It can lead to absenteeism from work, creating stress and lack of concentration at work.

Through review of the literature surrounding work/life balance issues the most common forms of work/life balance employment options include various HR practices like: Flexi-time; Time off in lieu; Self-fostering; Job-sharing; Working from home; Staggered hours; Shift swapping; Annualized hours; Tele-working; Professional development work; Compressed



working hours; Term-time working and Flexible retirement schemes. Juggling between the obligations towards the families and expectations of the organisation and constant struggle to maintain a balance can work can have serious implications on the life of an individual. Therefore, it is important for employees to maintain a healthy balance between work and their private lives.

Job Demand

In the context of occupational stress and dysfunction, it has been found that perceived self-efficacy to fulfil job demands also affects the level of stress and the physical health of employees. Those who have low sense of self-efficacy, experience higher levels of sleep disturbances, heavy drinking, anxiety, and health problems. Additionally, certain organizational conditions such as poor prospects for occupational advancement, heavy workloads and so on, can undermine employee's beliefs in their occupational abilities, thus exacerbate a low sense of coping efficacy (Bandura, 1997).) The job demand - control (JDC) model, also known as the job strain model (JSM) was developed by R. A. Karasek in the late 1970s (Karasek, 1979); see also Karasek (1989), and Karasek and Theorell (1990). In the last 20 years, this model has been applied to numerous studies, which have elicited theoretical and methodological criticism due to empirical inconsistencies (van der Doef and Maes, 1999). This model has often failed to demonstrate the predicted interaction effect of high job demands and low job control on measures of strain (de-Rijk, Le-Blance, Schaufeli, and de-Jonge, 1998). The DC model assumes that those in active jobs will take advantage of the high level of control to actively manage high demands. However, there is research evidence to suggest that there are individual differences in the way that people react in these situations, such that personal characteristics moderate the demands-control relationship. Salanova, Peiró, and Schaufeli (2002) found that for those with high self-efficacy, job control buffered the effect of job demands on strain, but for low self-efficacy individuals, job control acted as an additional stressor, leading to increased strain. Thus, for some individuals high job control can exacerbate, rather than buffer, job stress in demanding jobs.

Work Environment

The model of the job-stress process presented by Spector (1998) asserts that environmental stressors are perceived by individuals as such, leading to the experience of negative emotions, such as anger or anxiety, which may be followed by reactions to the stressors, called job strains. Job strains can be classified as psychological, physical, or behavioural (Jex and Beehr, 1991). Behavioural strains are a means for individuals to cope with the stressor either by reducing the emotions elicited by the stressor (e.g., drinking alcohol, avoiding work) or by eliminating the stressor itself (e.g., talking with the supervisor, developing a solution). Behavioural strains such as yelling at a co-worker, staying home from work, and decreasing work quality or quantity can be considered.

Psychological Contract

Rousseau (1989, 1990, 1995) defined 'Psychological Contract' as an employee's perception of the exchange of mutual promise-based obligations between the employee and the organization. Sims (1994) said 'Psychological Contract' is the set of expectations held by the individual employee that specify what the individual and the organisation expect to give to and receive from each other in the course of their working relationship. Whereas Rousseau (1989), Rousseau (1993) and Aquino (1993) explains Psychological Contract as an individual's system of belief, shaped by the organisation, regarding terms of an exchange agreement between him/herself and the organisation. Rousseau (1995) reported that Human Resource departments of organisations, through their policies, practices and actions aimed at managing and shaping the employment relationship, are therefore considered to be particularly instrumental in the shaping of Psychological Contracts. Some even state that the task of HRM should be the creation and maintenance of the Psychological Contract between organisations and their employees, where each HRM practice represents a choice by the organisation about what it expects from its employees and what the employees can expect in return (Sparrow 1998). A great deal of research has focused on the evaluation of Psychological Contracts and their consequences for individual performance said Robinson and Rousseau (1994). Schalk (1996), Dabos and Rousseau (2004) have indicated that violation of employee's elements of Psychological Contracts may influence work outcomes, including job satisfaction, participation in development activities, and intention to remain with the current employer.

Objectives of the Study

- To identify the HR Practices which lead to Employee Care with respect to Stress Management
- To identify the effect of HR Practices leading to the Psychological Contract with employees with respect to Employee Loyalty and Employee Commitment.

The psychological contract variables considered in the study are as follows: (i) employer's commitment/obligation to employee, (ii) employee's commitment/ obligation to employer, (iii) employer's relationship with employee, and (iv)

employee's relationship with employer. The demographic variables considered are (i) year of joining, (ii) total work experience, (iii) gender, (iv) marital status, (v) position held, and (vi) educational qualification. Thus, the concept of psychological contract adopted in this study was defined as the beliefs people hold about promises others make to them and which they accept and rely on.

Data Analysis and Interpretation

Table 1: Mean and SD of Items on Stress Management

Items on Stress Management	Mean	SD
Employees are able to have work life balance	4.40	0.77
Employees have role clarity	4.31	0.75
Employee roles are well defined	4.44	0.71
Employee work load is reasonable	4.32	0.67
Interpersonal relationship among employees is good	4.28	0.68
Superior-subordinate relationship is cordial	4.23	0.65
Work culture is conducive to work.	4.21	0.70
Working environment is liked by all	4.25	0.73
Quality of work life is maintained effectively	4.29	0.72

From the above table it is clear that the factors of StressManagement like 'Well defined Employee roles' has a highest mean of 4.44 with a standard deviation of 0.71 and 'Conducive Work culture 'has a lowest mean of 4.21 with a standard deviation of 0.70 compared to the other factors. No two factors in stress management have the same mean or standard deviation. The employees have variety of opinion on the issues related to the stress management and each companies offer different techniques to manage stress. Also there is a high standard deviation for the factor "work life balance for the employees "and low standard deviation for the factor"cordial superior-subordinate relationship".

Hypothesis I

Null Hypothesis: There is no association between the opinions of employees on the level of stress management and level of employee care in Automobile Industry.

Table 2: Chi-square test for association between the opinion of employees on the level of stress management and level of employee care in Automobile industry

Level of Stress Management	Level of Employee Care			Total	Chi-square value	P value
	Low	Moderate	High			
Low	114 (58.8%) [71.7%]	74 (38.1%) [19.2%]	6 (3.1%) [2.9%]	194 (100.0%) [25.9%]	275.663	<0.001**
Moderate	37 (9.5%) [23.3%]	242 (61.9%) [62.9%]	112 (28.6%) [54.4%]	391 (100.0%) [52.1%]		
High	8 (4.8%) [5.0%]	69 (41.8%) [17.9%]	88 (53.3%) [42.7%]	165 (100.0%) [22.0%]		
Total	159 (21.2%) [100.0%]	385 (51.3%) [100.0%]	206 (27.5%) [100.0%]	750 (100.0%) [100.0%]		

- Note: 1. The value within () refers to Row Percentage
2. The value within [] refers to Column Percentage
3. ** Denotes significant at 1% level

Since P value is less than 0.01, the null hypothesis is rejected. Hence there is association between the opinion of the employees on the level of stress management and level of employee care. Out of the 750 respondents from the automobile industry, it is understood based on the row percentage 58.8 percentage of employees have low level of stress management with low level of employee care, 3.1 percentage have low level of stress management with high level of employee care, 53.3 percentage have high level of stress management with high level of employee care, 4.8 percentage have high level of stress

management with low level of employee care. It is evident that high percentages of the employees in the study have an opinion that moderate level of stress management leads to moderate level of employee care.

Hypothesis II

Null Hypothesis: There is no association between opinions of employees on the level of stress management and level of employee commitment in Automobile industry.

Table 3: Chi-square test for association between opinion of employees on the level of Stress management and level of employee commitment in Automobile industry

Level of Stress Management	Level of Employee Commitment			Total	Chi-square value	P value
	Low	Moderate	High			
Low	128 (66.0%) [77.1%]	54 (27.8%) [15.0%]	12 (6.2%) [5.4%]	194 (100.0%) [25.9%]	350.191	<0.001**
Moderate	37 (9.5%) [22.3%]	241 (61.6%) [66.8%]	113 (28.9%) [50.7%]	391 (100.0%) [52.1%]		
High	1 (0.6%) [0.6%]	66 (40.0%) [18.3%]	98 (59.4%) [43.9%]	165 (100.0%) [22.0%]		
Total	166 (22.1%) [100.0%]	361 (48.1%) [100.0%]	223 (29.7%) [100.0%]	750 (100.0%) [100.0%]		

Note: 1. The value within () refers to Row Percentage
2. The value within [] refers to Column Percentage
3. ** Denotes significant at 1% level

Hence with respect to opinion of employees on employee stress management leading towards employee care there is association with the employees' opinion on stress management that leads to employee care. And also it is understood that low level of stress management leads to low level of employee care, moderate level of stress management leads to moderate level of employee care and high level of stress management leads to high level of employee care. Since P value is less than 0.01, the null hypothesis is rejected. Hence there is association between the opinion of the employees on the level of stress management and level of employee commitment.

Hypothesis III

Null Hypothesis: There is no association between the opinions of employees on the level of stress management and level of employee loyalty in Automobile industry.

Table 4: Chi-square test for association between the opinion of employees on the level of stress management and level of employee loyalty in Automobile industry

Level of Stress Management	Level of Employee Loyalty			Total	Chi-square value	P value
	Low	Moderate	High			
Low	104 (53.6%) [63.8%]	76 (39.2%) [23.0%]	14 (7.2%) [5.4%]	194 (100.0%) [25.9%]	179.785	<0.001**
Moderate	43 (11.0%) [26.4%]	179 (45.8%) [54.2%]	169 (43.2%) [65.8%]	391 (100.0%) [52.1%]		
High	16 (9.7%) [9.8%]	75 (45.5%) [22.7%]	74 (44.8%) [28.8%]	165 (100.0%) [22.0%]		
Total	163 (21.7%) [100.0%]	330 (44.0%) [100.0%]	257 (34.3%) [100.0%]	750 (100.0%) [100.0%]		

Note: 1. The value within () refers to Row Percentage
2. The value within [] refers to Column Percentage
3. ** Denotes significant at 1% level



It is evident that high percentages of the employees in the study have an opinion that moderate level of stress management leads to moderate level of employee commitment. Hence with respect to opinion of employees on employee stress management leading towards employee commitment there is association with the employees' opinion on stress management that leads to employee commitment. And also it is understood that low level of stress management leads to low level of employee commitment, moderate level of stress management leads to moderate level of employee commitment and high level of stress management leads to high level of employee commitment. Since P value is less than 0.01, the null hypothesis is rejected. Hence there is association between the opinion of the employees on the level of stress management and level of employee loyalty.

Findings and Suggestions

The employees have variety of opinion on the issues related to the stress management and each companies offer different techniques to manage stress. Also there is a high standard deviation for the factor "work life balance for the employees" and low standard deviation for the factor "cordial superior-subordinate relationship". Factors related to Working **Environment** under **Employee Stress Management** have a high mean of 16.97 and a standard deviation of 2.27 compared to factors related to Home and Work Interface and Job Demand. Mean level of employees opinion with respect to HR practices influencing Psychological Contract of female employees are better than male employees. And there is significant difference between opinion of male and female employees with respect to overall HR practices influencing Psychological contract among employees, and also towards employee care, employee commitment and employee loyalty being influenced by psychological contract. There is significant difference between the opinions of employees with different educational qualification towards the factors of HR practices that influence Psychological Contract of employees. Also it is found that the employees who are having an educational qualification up to HSc have significantly higher level of psychological contract than the employees with other educational qualification with respect to the overall HR practices. The employees who are in upper level designations have significantly higher level of psychological contract than the employees in lower and middle level with respect to the overall HR practices. Also it is found that there is significant difference between the opinion of employees belonging to lower, middle and upper levels with respect to the HR practices that influence psychological contract. The opinion of employees whose total years of experience is below 5 years have significantly higher level of psychological contract than the employees with different total years of experience with respect to the overall HR practices. Stress Management practices leads to employee care, employee commitment and employee loyalty. When the company has greater stress management practice, higher is the employee care, higher is the employee commitment and higher is the employee loyalty

Conclusion

Through the analysis the concepts employee care, employee commitment and employee loyalty seem to be strongly influenced by people but can also become the drivers for sustainable competitive advantage in an era of new demands and rapid organizational change. This gives an alarm for the organizations to be well planned with the a proper system in place without any ambiguity which means a lot for the HR practices related to stress management. The high mean value for 'Protection of the organisation's image by Employees' leading to Employee Loyalty shows the importance given by employees towards the goodwill of the organization and that leads them to be loyal in all aspects. Also the high mean on the factor 'Importance given in the company for employee' gives an understanding that it develops employee commitment. And the highest mean of the factor 'Good Physical working conditions' makes the employee feel that they are being cared well by the organization and reduces the stress and improves better psychological contract.

References

1. Aquino, K. (1993). Fairness and implied contract obligations in job terminations: The role of remedies, social accounts and procedural justice. *Human Performance* 6, 135-149.
2. Bakker A.B, Demerouti E., Dollard M F. (2008). How job demands affect partners' experience of exhaustion: integrating work-family conflict and crossover theory. *Journal of Applied Psychology*, Jul;93(4):901-11.
3. Bandura, A. (1997). *Self-efficacy: The Exercise of Control*, W.H. Freeman & Company, New York, NY.
4. Byron, D. (2005). A meta-analytic review of work-family conflict and its antecedents. *Journal of Vocational Behavior*, 67, 169-198.
5. Dabos, G.E., & Rousseau, D.M. (2004). Mutuality and reciprocity in the psychological contracts of employees and employers. *Journal of Applied Psychology*, 89(1), 52-72. doi:10.1037/0021-9010.89.1.52, P Mid:14769120.
6. De Rijk, A. E., Le Blanc, P. M., Schaufeli, W. B., & de Jonge, J.(1998). Active coping and need for control as moderators of the job demand-control model: Effects on burn out. *Journal of Occupational and Organizational Psychology*, 71,1-18.
7. Jennings, B. M. (2008) *Work Stress and Burnout Among Nurses: Role of the Work Environment and Working Conditions*. In Hughes, R.G. (ed.) *Patient Safety and Quality: An Evidence-Based Handbook for Nurses*. Rockville (MD): Agency for Healthcare Research and Quality (US).



8. Jex, S. M., & Beehr, T. A. (1991). Emerging theoretical and methodological issues in the study of work-related stress. *Research in Personnel and Human Resource Management*, 9, 311– 365.
9. Karasek, R. A. (1989). Control in the workplace and its health related impacts. In S. L. Sauter, J. J. Hurrell, & C.L. Cooper (Eds.), *Job control and worker health* (pp. 129-159). New York: Wiley.
10. Karasek, R. A., & Theorell, T. (1990). *Healthy work: Stress, productivity, and the reconstruction of working life*. New York: Basic Books.
11. Karasek, RA. (1979). Job demands, job decision latitude, and mental strain: Implications for job redesign. *Administrative Science Quarterly*, 24, 285-378.
12. Robinson, S. L., & Rousseau, D. M. (1994). Changing obligations and the psychological contract: A longitudinal study. *Academy of Management Journal*, 37: 137-152.
13. Rousseau, D. M. (1989). Psychological and implied contracts in organisations. *Employee Responsibilities and Rights Journal*, 2, 121-139
14. Rousseau, D. M. (1990). New hire perceptions of their own and their employer's obligations: A study of psychological contracts. *Journal of Organisational Behaviour*, 11, 389-400.
15. Rousseau, D. M. (1995) *Psychological contracts in organisations*. Thousand Oaks: Sage.
16. Rousseau, D. M., & McLean Parks, J. (1993). The Contracts of Individuals and Organizations. *Research in Organizational Behavior*. 15, 1 – 43.
17. Salanova, M., Peiró, J.M. y Schaufeli, W.B. (2002). Self-efficacy Specificity and Burnout among Information Technology Workers: An extension of the Job Demands-Control Model, *European Journal on Work and Organizational Psychology*, 11, 1-25.
18. Schalk, R. (1996) Implications of differences in psychological contracts for human resource management. *European journal of work and organisational psychology*, 5, 501-509.
19. Sims, R R (1994). Human Resource management's role in clarifying the new psychological contract. *Human Resource Management*, 33(3), 373-382.
20. Sparrow, P.R. (1998). Reappraising psychological contracting. *International Studies of Management and Organization*, Vol. 28, pp. 30-61.
21. Spector, P. E. (1998). A control theory of the job stress process. In C. L. Cooper (Ed.), *Theories of organizational stress* (pp. 153–169). Oxford, UK: Oxford Univ.
22. Van der Doef, M., & Maes, S (1999). The Job Demand-Control(-Support) model and psychological well-being: A review of 20 years of empirical research. *Work and Stress*, 13, 87-114.