

# The Relationship Between Role Stress, Locus of Control, and Job Satisfaction in the Banking Industry

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## **Abstract**

This research examines the impact of role stress and locus of control on job satisfaction among 100 employees from various private sector banks. The factors measured include stress, assessed using the Occupational Stress Index (OSI), and locus of control, measured with the Social Reaction Inventory. Job satisfaction is evaluated with the S-D Employee Inventory. The correlation analysis reveals that role overload, role ambiguity, and role conflict are significantly negatively correlated with both satisfaction with management and overall job satisfaction. Overall stress also shows a negative correlation with satisfaction with management and total job satisfaction. Similarly, locus of control is significantly negatively correlated with satisfaction with management and overall job satisfaction. Furthermore, stepwise multiple regression analysis indicates that total stress contributes to the percentage variance in explaining satisfaction with management, while role conflict contributes to the percentage variance in explaining total job satisfaction.

**Keywords:** Locus of Control, Occupational stress index (OSI), role stress, multiple regression analysis

## **Introduction**

Employee satisfaction and retention have always been crucial issues, as high levels of absenteeism and staff turnover can impact an organization's bottom line. Despite this, few practices or organizations, particularly in the banking sector, prioritize job satisfaction, possibly because they do not recognize the significant opportunity it presents. Satisfied employees tend to be more productive, creative, and committed to their employers. Recent studies have even demonstrated a direct correlation between staff satisfaction and patient satisfaction.

Job satisfaction refers to an individual's overall attitude towards their job. A person with a high level of job satisfaction has a positive attitude towards their job, while a dissatisfied person holds a negative attitude. When people speak of employee attitudes, they usually refer to job satisfaction.

In today's world, it is naive to assume that individuals work primarily for professional fulfillment and job satisfaction. Instead, many work because their job enables them to achieve personal goals outside of work.

Today's typical professional may no longer have an undivided loyalty and commitment towards his job. Therefore, it is incorrect to believe that an employee's work life is spent entirely in the pursuit of job satisfaction. Perhaps, he or she is not actively seeking job satisfaction as much as aspiring towards other

important needs and considerations like own career progression, standard of living and personal fulfilment. The job is a means to achieving the desired ends.

There are so many variables which may affect the feeling of satisfaction at workplace, such as work-family conflict, injustice perception, social support, immediate changes in personal life, work culture, stress and locus of control among these variables, stress and locus of control are more frequent and important predictors of job satisfaction.

Work related stress has become the top agenda for all sectors. This is primarily due to the financial and psychological implications it puts on the country. Work related stress can be defined as any level of mental or physical strain that is gained due to pressures in the profession. Work stress is given much impetus since it directly affects the government in the public sectors and the business in the private sectors. A number of factors are held responsible in the study of stress. Stress is classified in to two categories, namely (1) Personal Stress and (2) Occupational Stress. The researcher suggested that an organization can be defined as a system roles, and they used three categories to define role stress (1) Role Ambiguity. It refers to the lack of clarity about the expectations regarding the role which may arise out of lack of information or understanding. (2) Role Conflict. This type of stress is generated by different expectations by different significant persons, i.e. superiors, subordinates and peers, about the same roles and the role occupant's ambivalence as to whom to please (3) Role Overload. When the role occupant feels that there are too many expectations from the significant roles in his/her role set, he/she experiences role overload. There are two aspects of this stress: quantitative and qualitative.

### **Literature Review**

Researchers investigating organizational role stress have noted a number of dysfunctional outcomes resulting from stress, both physiological and psychological, which ultimately affect the functioning and effectiveness of the organization and its employees. Thus, the impact of work stressors has been assessed not only in terms of its effect on the organization, decreased productivity, turnover and decreased job satisfaction, but also in terms of the emotional impact on the workers. Furthermore, "burnout" is usually a consequence of long-term involvement in emotionally demanding situations and ineffective coping with long-term stress.

Role stress arises from difficulties encountered during role performance. When these issues are addressed or resolved, the resulting role stress diminishes or disappears, leading to improved well-being for the role occupant and better performance and effectiveness at both the individual and organizational levels. Homogeneity of role stress suggests that similar problems are prevalent throughout the organization, allowing for uniform solutions and interventions. Conversely, heterogeneity of role stress indicates that different problems exist in various parts of the organization, necessitating distinct solutions and interventions. Recognizing these differences is valuable for developing a contingency model to enhance organizational performance and effectiveness.

Locus of Control is considered to be an important aspect of personality. The concept was developed originally Julian Rotter in the 1950. Locus of Control refers to an individual's perception about the underlying main causes of events in his/her life. The full name Rotter gave the construct was Locus of Control of Reinforcement. In giving it this name, Rotter was bridging behavioural and cognitive psychology. Rotter's view was that behaviour was largely guided by "reinforcements" (rewards and punishments) and that through contingencies such as rewards and punishments, individuals come to hold beliefs about what causes their actions. These beliefs, in turn, guide what kinds of attitudes and

behaviours people adopt. This understanding of Locus of Control is consistent, for example, with Philip Zimbardo (a famous psychologist):

A locus of control orientation is a belief about whether the outcomes of our actions are contingent on what we do (internal control orientation) or on events outside our personal control (external control orientation)." (Zimbardo, 1985, p. 275)

Thus, locus of control is conceptualised as referring to a unidimensional continuum, ranging from external to internal

1. **External Locus of Control** - Individual believes that his/her behaviour is guided by fate, luck, or other external circumstances.
2. **Internal Locus of Control** - Individual believes that his/her behaviour is guided by his/her personal decisions and efforts.

### Research Objective

To find the relationship between the locus of control and role stress following objectives were taken care of

1. To examine the effect of locus of control on job satisfaction on banking employees
2. To examine the effect of role stress on job satisfaction of banking employees.

**Sample size:** A sample size of 250 respondents were asked to fill in the questionnaire on which 175 respondent replied back, 100 were the respondent who complete the data which were used for the study. The present study was carried on 100 banking employee of different private banks. Participant's age varied between 22-59 years (mean = 43.13 and standard deviation, SD = 9.10)

**Sample area:** The survey was conducted in Lucknow region.

**Sample tool used:** Structured Questionnaire.

**Sampling technique:** A simple random sampling is selected so that all samples of the same size have an equal chance of being selected from the entire population.

### Research Instrument

The following tools were used in the study.

#### 1. Occupational Stress Index (OSI)

Occupational Stress Index (OSI), which was related to role over load role ambiguity and role conflict in this study, was used to measure occupational stress. Only 15 items were selected in the study to measure the above mentioned role stress. Five point response format---- strongly agree (5) to strongly disagree (1) was used in this scale. High scores on the scale show the high level of occupational stress.

#### 2. Locus of Control

This is measured by using social reaction inventory. This inventory was developed to measure a person's internal and external locus of control by Rotter (1966) which is based on the person's perception and the relationship between his own behaviour and events which follow that behaviour.

This social reaction inventor consists of 29 question, using forced choice format, and 6 filler questions.

#### 3. Job Satisfaction

Job satisfaction was measured by using S-D employees inventory developed by (Pestonjee, 1973). Job and management areas constitute of 'on the job' dimension, where as human relation and adjustment constitute 'off the job' dimension. In this study only on the job dimension was used.

**Data Analysis**

First of all, bi-variate correlation was computed to examine the strength the direction of relationship between variables. Table 1 shows that role over load is significantly negatively correlated with satisfaction with management ( $r=-0.192$ ), ambiguity is significantly negatively correlated with satisfaction with management ( $r=-0.198$ ), role conflict is significantly negatively correlated with satisfaction with management ( $r=-0.167$ ).

**Table 1**

Stress variables	Job	Management
RO	0.214	-0.192
RA	0.246	-0.198
RC	0.214	-0.167
I.E Control	0.118	-0.110

Locus of control is significantly negatively correlated with satisfaction with management ( $r=-0.110$ ). The result of step-wise multiple regression analysis showed that no variable was found to be a significant predictor in explaining satisfaction with job (table 2-3)

**Table 2 - Role Stress and Locus of Control as predictors and satisfaction with Management as a criterion**

Summary Output	
<b>Regression Statistics</b>	
Multiple R	0.503746
R Square	0.25376
Adjusted R Square	-0.34323
Standard Error	1.588172

25.37 % significance is shown with management practices contributing to RO, RA and RC.

**Table 3 - Role Stress and Locus of Control as predictors with Job**

Summary Output	
<b>Regression Statistics</b>	
Multiple R	0.399103501
R Square	0.159283605
Adjusted R Square	-0.51328951
Standard Error	1.35379531

15.92 % Job satisfaction significance is seen with variables RO, RA, RC and IE on Job related condition.

**Findings**

The study was carried out to establish the effect of organizational role stress and locus of control on the

satisfaction of managers. The foremost objective of the present study was to find the role of occupational stress/role stress in satisfaction of managers. The result of correlation indicated that satisfaction with the management was significantly negatively affected by all the three components of organizational role stress (role overload, role ambiguity, and role conflict)

People in some work places experience more stress viz-a-viz others, particularly those in occupations where workers are required to display. Stress could be due to factors intrinsic to the job, such as poor physical working conditions, work overload or time pressures. Often, one's role in the organization and the ambiguity associated with the job resulting from inadequate information concerning expectations, authority and responsibilities to perform one's role as well as the conflict that arises from the demands placed on the individual by superiors, peers and subordinates could also result in stress.

Role conflict and role ambiguity are the situations which create a state of continues tension among employees that may adversely affect the level of satisfaction among them with their job.

Much of the researcher in the field of organisation stress has focused on the relationship between role stress and job satisfaction. Thus study generally indicates the role stress and satisfaction are inversely related.

The findings related to locus of control and job satisfaction reveals that locus of control was significantly negative correlated to management. Step-wise regression analysis was performed to find out the relative contribution of role stress and locus of control in explaining job and management satisfaction.

This specified that stress at work, especially role conflict, was the main cause of job dissatisfaction among managerial personnel. Role conflict is a special form of social conflict s that takes place when one is forced to take on two different and incompatible roles at the same time.

## Conclusion

Stress produces routine behavioural patterns and generally interferes with novel or creative responses. Stress and strain particularly hamper the motivational aspects of performance, such as manifest effort or going beyond routine job responsibilities. Demonstrated that teams have difficulty in assigning tasks, and the roles of team/members could indirectly distract an individual and directly from a team's ability to perform creatively.

Despite the potentially negative effects of role conflict, contrary evidence suggests that role conflict might enhance creativity. First, an individual's promise of multiple roles (e.g., work-family conflict) is a response to role demands that induce strain. Moreover, strain is often viewed as a negative emotional response to stress that could eventually lead to a negative effect. Role Conflict often brings a direct interference within the person that is difficult to manage.

Locus of control tends to have a significant effect in our daily lives. people who are found to be on high on external locus of control tend to believe that they cannot influence the future outcomes. On the other hand, people who are high on internal locus of control see the world through a more adaptive perspective and tend to believe that it is hard work and personal abilities that lead to positive outcomes.

This study shows that role stress increases dissatisfaction of managers. Thus organization can recognise and manage the source of occupational stress of their managers are able to eliminate those sources and create more satisfied managers.

It also projects the enormous impact that role stress has on dissatisfaction of managers. On the basis of the results of this study, organization can make a plan to enhance the internal locus of control of their managers which helps in increasing the satisfaction and reduces the effect of role stress on managers.

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