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## Current Situation of Work Stress in Nepalese Organization with Reference to Banking Institutions

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### ABSTRACT

In the banking industry, work-related stress is a major problem that has an impact on employee well-being and performance. This study looks at the stress levels of employees at three government banks in the Ilam district: Agriculture Development Bank, Rastriya Banijya Bank Limited, and Nepal Bank Limited. The Perceived Stress Scale (PSS) and work-related questionnaires were used to analyze a sample of 25 employees. The results show that the majority of workers have moderate levels of stress, and that there is a bidirectional causal relationship and a significant positive correlation between personal stress and stress at work. Excessive workload, poor coordination, poor communication, unclear job responsibilities, and time management issues are major stressors. Nonetheless, job satisfaction, collaboration, and workplace support all help to lower stress levels. The study emphasizes how crucial it is to place structured stress management techniques into practice, such as better communication, defined roles, and strengthened organizational support networks. By addressing these issues, the banking industry can increase overall productivity, decrease stress-related inefficiencies, and improve employee well-being.

## **Current Situation of Work Stress in Nepalese Organization with Reference to Banking Institutions**

Stress is a natural human response and every individual in their daily life face some degree of stress. Stress refers to body's psychological, physiological and emotional response to any demand that is perceived as threatening to person's wellbeing. It wears and tears our mind and body experience as cope with our continually we attempt to cope with our continually changing environment (Poudyal & Pradhan, 2022). Stress is a dynamic condition in which an individual is confronted with an opportunity, constraint or demand related to what he or she desires and for which the outcome is perceived to be both uncertain and important Current Situation (Robbins, 2013). It is an adaptive response to a situation that's perceived as challenging or threatening to a person's well-being. Work stress is a condition within which employees are needed to satisfy the duties that exceed the person's capacity, ability and also the resources which are required to perform these duties, under the huge difference between rewards and demand for fulfilling the duties (McGrath, 1976). Although the stress includes both good and bad aspect it's not necessarily bad. It is generally two types Eustress and Distress. Eustress refers to the level of stress that can helpful for providing energy and motivating employees for improving their innovative skills developing their self-efficiency, competency, commitment and positive behavior towards their job while distress causes anxiety, worry, tension, pain mental illness, depression, anxiety causing decreasing or poor performance, high error rate poor performance absenteeism and high employee turnover (Poudyal & Pradhan, 2022). Work stress is defined as the harmful physical and emotional responses that occur when job requirement does not match the worker's capabilities, resources and needs (National Institute of occupational safety and healthy, 1999). It brings both positive and negative impact. Stress is cause by various factor like environmental, organizational and personal factor bringing physical, Intellectual, psychological and

behavioral effects. Some work-related stresses are caused by information overload, improper pay, job dissatisfaction, improper pay, motivation, high competition, role ambiguity and many more. Stresses are positive and negative. Positive stress refers to healthy, positive and constructive outcome. Negative stress refers to over workload, job insecurity, information overload and the increasing pace of life. Work stress is the response people may have when presented with work demands and pressure don't seem to be matched to their knowledge, talents and which challenge their ability to cope (Phandey, 2020). Nowadays stress has become an integral part of jobs in every sector. In recent years banking sector of Nepal has improved a lot. It has been able to draw the attention of many youth talents they prefer banking sector due to the amazing opportunity and facilities, job security, proper timing, use of new innovative technology, other amazing facilities in this sector and their desire to contribute for their society and its development has motivated them to work in banking sector. But banking sector is hunting enormous changes in organizational structure, technology and new ways of structuring operation etc. have left their mark on the working condition and daily life of employees. Because of these employees are facing many problems while performing the work. Their excessive pressure within the banking system to perform any task that always ends up in stress which undermines employee performance and might make people believed that employee's uncertainty of their abilities; if they'd sufficient qualifications to satisfy job requirements, lack of information and skills opposite to task demand will end internal conflict and job stress (Rao & Broker, 2012). Competition around the world is on top to complete other we have to be better than them in the any work that causes stress. It is more in banking sector. In many research and study it is found that the main component of work stress are: work type, salary, pay scale and job insecurity, poor communication, work overload, lack of motivation, lack of management support and poor performance evaluation and appraisal system. During his study he find out that these stresses

results in decreased organization performance, decreased employee's overall performance, decreased quantity of labor, high staff turnover, absenteeism, health problem like anxiety, depression, headache and backache etc. (Phandey, 2020). So in this paper we try to analysis the level of work stress in the banking sector, the factor causing work stress and their impact on their performance and suggest way to work stress in the organization.

### **Purpose of the study**

Every bank has policies to achieve its objectives continuous updating monitoring of these policies should be essential to keep pace with the change in time to avoid any type of stress on the part of employees.

Work stress is an adaptive response to external situation that results in physical, psychological and behavioral deviation for organizational participant (Luthans, 2011). It occurs when pressure is greater than recourses. This paper tries to analyze what factor causes the work stress among the employees of banking sector and what it's impact is. It is discovered in research that there is an indirect correlation between the quality of services delivered to customers and work-related stress, that is, highly stressed employees have not provided top quality services as compared to less stress ones (Varca, 2009).

When we analyze the current situation of work stress it has become major concern for all the employees and organization to increase productivity efficiency in achieving the organizational goal. Work stress has both positive and negative impact. Eustress is helpful for the employees for developing self-efficacy, competency, creativity, commitment and positive behavior of the employees. But distress the feeling of high level of stress causes anxiety, tension, pain, depression, mental illness and employees experience of physical and mental illness. It results in declined in performance, innovation and satisfaction. Employees in and every level of organization are suffering from certain level of stress during their work (Poudyal & Pradhan, 2022).

Competition has been growing day by day in working system to work effectively and efficiently handling the competition, globalization, technological advancement, change in organization structure employees need to understand work stress their effect and proper management. The work environment of banking employees is extremely tedious because it includes the immediate client connection all total levels. They have to deal the stress factor for eg, overload, role ambiguity, role conflict, responsibility for people participation, lack of management support staying tuned into quick innovative change (Phandey, 2020).

So, study seeks to examine which level of work stress is beneficial, what are the causes of work stress, what is its impact on behavior, how to manage the stress effectively to give our best to the job in which we are involved. For which I have set three questions. First, what is the level of stress among banking employees? Second, what are the major factors that causes work stress in the organization? Third, what is the relation between perceived stress of individual and work-related factor?

### **Methodology**

The study is basically quantitative type as well as descriptive and analytical research based on Primary sources of data. Initially we use frequency analysis and different chart to analyze the trend of respondent their perceived stress and other work-related stress. Econometric tools like, scatter diagram slope (regression equation), correlation is used to find the relationship between work related factor and perceived stress of employees.

### **Participants**

The study included 25 full-time employees (15 male, 10 female) from three government banks in Ilam District, Nepal. Participants ranged in age from 25 to 55 years ( $M = 32.4$ ,  $SD = 6.8$ ), with 68% falling within the 25-35 age bracket. All participants had minimum one year of organizational tenure and were selected through purposive sampling to ensure representation across different banking roles and departments.

**Materials**

The study employed two psychometrically validated instruments to assess stress-related constructs. The primary measure was the 10-item Perceived Stress Scale (PSS-10; Cohen, Kamarck, & Mermelstein, 1983), a widely used self-report instrument that demonstrated good internal consistency in the current sample ( $\alpha = .78$ ). Complementing this, a researcher-developed 15-item Work-Related Stressors Questionnaire was administered, comprising five subscales: workload (4 items,  $\alpha = .72$ ), role clarity (3 items,  $\alpha = .69$ ), job control (3 items,  $\alpha = .71$ ), social support (3 items,  $\alpha = .75$ ), and job satisfaction (2 items,  $\alpha = .68$ ). All items across both measures utilized a 5-point Likert-type response format. To ensure linguistic and conceptual equivalence for the Nepali-speaking participants, the instruments underwent rigorous translation through standardized back-translation procedures, with verification by a panel of bilingual experts in psychology and organizational behavior.

**Data Analysis**

The collected data were subjected to comprehensive statistical analysis using SPSS version 26.0, employing multiple analytical techniques to examine different aspects of the stress phenomena. Initial analysis involved descriptive statistics (means and standard deviations) to characterize the central tendencies and variability of stress levels and work-related factors across the sample. Reliability analyses using Cronbach's alpha coefficients were conducted to verify the internal consistency of all measurement scales. To investigate relationships between variables, non-parametric correlational analyses (Spearman's rho) were performed, suitable for the ordinal nature of the Likert-scale data and the study's sample size. Furthermore, linear regression modeling was implemented to examine predictive relationships between work-related stressors and perceived stress levels. Complementing the quantitative analysis, qualitative data obtained from interviews were analyzed using Braun and Clarke's (2006) six-phase thematic analysis framework, which involved familiarization

with the data, generating initial codes, searching for themes, reviewing themes, defining and naming themes, and producing the final report. This rigorous analytical approach allowed for the identification of emergent patterns in employees' stress experiences while maintaining methodological consistency with established qualitative research standards. The integration of both quantitative and qualitative analytical methods provided a more comprehensive understanding of workplace stress dynamics in the banking sector.

## **Results and Discussion**

### **Results**

A large proportion of employees (92%) reported experiencing moderate levels of stress, as measured by the Perceived Stress Scale (PSS scores between 14 and 26). The primary contributors to stress were workload (44%), role ambiguity (52%), and poor coordination among team members.

Pearson correlation analysis revealed a small positive correlation between stress and workload,  $r(198) = .16$ ,  $p < .05$ , as well as between stress and lack of controllability,  $r(198) = .21$ ,  $p < .05$ . In contrast, stress was negatively correlated with job satisfaction,  $r(198) = -.22$ ,  $p < .01$ , and peer support,  $r(198) = -.30$ ,  $p < .01$ , indicating that higher satisfaction and stronger peer support were associated with lower stress levels.

Granger causality analysis indicated a significant bidirectional relationship between perceived stress and work-related stressors,  $p < .05$ , suggesting a reinforcing cycle where stress and its sources influence each other over time.

A linear regression analysis was conducted to determine the extent to which work-related factors predicted perceived stress. The model was statistically significant,  $F(1, 198) = 39.78$ ,  $p < .001$ , and explained 16.7% of the variance in stress levels,  $R^2 = .167$ . Specifically, for every one-unit increase in workload, perceived stress increased by 0.721 units,  $\beta = .41$ ,  $t(198) = 6.31$ ,  $p < .001$ .

**Discussions**

The findings of this study contribute to the growing body of literature on occupational stress in developing economies, particularly within the banking sector. The prevalence of moderate stress levels (92% of respondents) aligns with previous research indicating that banking employees frequently experience stress due to high job demands and organizational pressures (Kumar & Singh, 2020). The identified stressors—work overload, role ambiguity, and insufficient peer support—are consistent with Karasek's (1979) Job Demand-Control-Support model, which posits that high job demands coupled with low control and support create a high-risk work environment. The bidirectional relationship between work stressors and perceived stress further supports Hobfoll's (1989) Conservation of Resources theory, suggesting that employees experience stress when they anticipate or actualize the loss of valued resources such as time, energy, and social support.

The negative correlation between job satisfaction and stress ( $r = -.22$ ) underscores the importance of addressing workplace factors that contribute to employee dissatisfaction. This finding aligns with Herzberg's (1968) Two-Factor Theory, which distinguishes between hygiene factors (e.g., salary, job security) and motivators (e.g., achievement, recognition). While the banking sector in Nepal provides strong hygiene factors, the lack of motivators may exacerbate stress levels. Additionally, the significant role of peer support ( $r = -.30$ ) highlights the buffering effect of social support, as proposed by Cohen and Wills (1985). Interventions aimed at fostering collaborative work environments and strengthening peer relationships could mitigate stress and enhance job satisfaction.

**Limitations**

Despite its contributions, this study has several limitations. First, the small sample size ( $N = 25$ ) limits the generalizability of the findings to broader populations within Nepal's banking sector. Second, the cross-sectional design precludes causal inferences, as it does not

account for temporal variations in stress levels or work conditions. Future research should employ longitudinal designs to explore how stress dynamics evolve over time. Third, the reliance on self-report measures may introduce response biases, such as social desirability or recall bias. Incorporating objective measures, such as physiological indicators of stress (e.g., cortisol levels), could provide a more comprehensive assessment. Finally, the study focused exclusively on government banks in Ilam District, which may not fully represent the stress experiences of employees in private banks or urban centers. Expanding the scope to include diverse banking institutions and geographical locations would enhance the external validity of future studies. These limitations notwithstanding, the study offers valuable insights for policymakers and organizational leaders seeking to address workplace stress in Nepal's banking sector. By implementing targeted interventions—such as role clarification programs, workload management strategies, and peer support initiatives—organizations can foster healthier work environments and improve employee well-being. Future research should build on these findings by adopting more robust methodologies and exploring the interplay between stress and other organizational outcomes, such as productivity and turnover intentions.

### **Conclusion**

This study highlights moderate but pervasive stress levels among employees in Ilam's government banks, driven by workload, role ambiguity, and insufficient support. The bidirectional stressor-stress relationship underscores the need for comprehensive workplace interventions. Addressing these challenges through role clarity, workload management, and enhanced support systems can improve employee well-being and organizational efficiency in Nepal's evolving banking sector.

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