A STUDY ON ORGANIZATIONAL STRESS AND CONSEQUENCES OF WORK EFFECTIVENESS
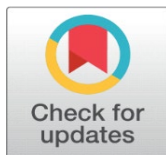
Aditya Singh Yadav[1] ✉ , Dr. Tulika Saxena[2] ✉ , Dr. Roshni Jaiswal[3] ✉ , Sonam Maurya[4] ✉

[1] Research Scholar of Business Administration Dept. at M.J.P. Rohilkhand University, Bareilly
[2] Head & Dean of Business Administration Dept. at M.J.P. Rohilkhand University, Bareilly
[3] Assistant Professor of Business Administration Dept. at Ashoka   Institute of Technology & Management, Varanasi (affiliated with AKTU, Lucknow)
[4] MBA 2nd year student at Ashoka Institute of Technology & Management, Varanasi (affiliated with AKTU, Lucknow)

Corresponding Author
Dr. Tulika Saxena,
tulika.saxena28@mjpru.ac.in

ABSTRACT

In today's tough economic times, many managers and business owners face a lot of challenges at work, which can lead to stress. Work-related stress is becoming a bigger concern because it can affect a company financially. While some stress is normal, too much stress can affect productivity, health, and emotions, and it needs to be managed properly. When people lose confidence, avoid responsibilities, get easily irritated, or feel disappointed with their job, their performance drops, and this can harm the company. Fortunately, most managers and business owners know how to spot the signs of stress and how to manage it before it affects their employees' work. Stress can affect both the organization and the people working in it, so being able to handle stress can be the key to whether a job succeeds or fails.

This paper looks at how managers and business owners in Indian National County view stress. It explores whether they feel stressed, whether they use methods to reduce stress, and if they think stress can impact how well their company performs.

Keywords: Organizational Stress, Workplace Productivity, Work Effectiveness, Job Satisfaction, Stress Management

1. INTRODUCTION

ORGANIZATIONAL STRESS

Organizational stress refers to the emotional, mental, behavioural, and physical reactions people experience when dealing with the harmful or challenging aspects of their work, work environment, or company culture. It's often marked by feeling unable to handle tasks or situations effectively. In simple terms, work-related stress happens when people are faced with demands or tasks that are too difficult for them to manage.

TYPES OF ORGANIZATIONAL STRESS

There are two main types of organizational stress:

- **Eustress**: This is a good kind of stress that helps people get ready mentally and physically for what's coming. Eustress can boost energy, creativity, and motivation, helping people perform better and achieve their goals.
- **Distress**: This is the bad kind of stress that happens when something disrupts a person's normal routine, even if it's only for a short time. Distress negatively affects people and includes:
- ➢ **Acute Stress**: Short-term stress caused by specific situation. It Occurs when something changes a person's usual tasks or routine. Although it may feel intense, it usually goes away quickly. Common symptoms include headaches, high blood pressure, fast heartbeat, and stomach issues.
- ➢ **Chronic Stress:** Ongoing stress that lasts over a long period due to constant   pressure or unresolved problems. It is more serious and can be very harmful to a person's health. It happens when something disrupts a person's routine for a long time, from weeks to even years. This type of stress is often caused by ongoing work problems or personal difficulties.

IMPACT OF STRESS ON ENTREPRENEURS/MANAGERS AND WAYS TO MANAGE IT

Sources, Symptoms, and Effects of Stress for Entrepreneurs/Managers

After looking at the causes of stress in organizations, we can separate those that specifically affect entrepreneurs or managers. These causes include:

- The variety and difficulty of tasks they must handle.
- The high level of responsibility that comes with management positions.
- Worrying about the future of the organization.
- Being aware of how a poor decision can negatively impact the business.
- Having an inappropriate or ineffective management style.
- The over-centralization of decision-making power.
- Managing employees who are not well-trained or skilled.
- Working longer hours due to unexpected situations or problems.

The relationship between the sources of stress, its symptoms, and the negative health effects for entrepreneurs or managers can be shown in a diagram (Fig. no. 1). This diagram would visually represent how different stressors lead to specific symptoms and potentially cause diseases.
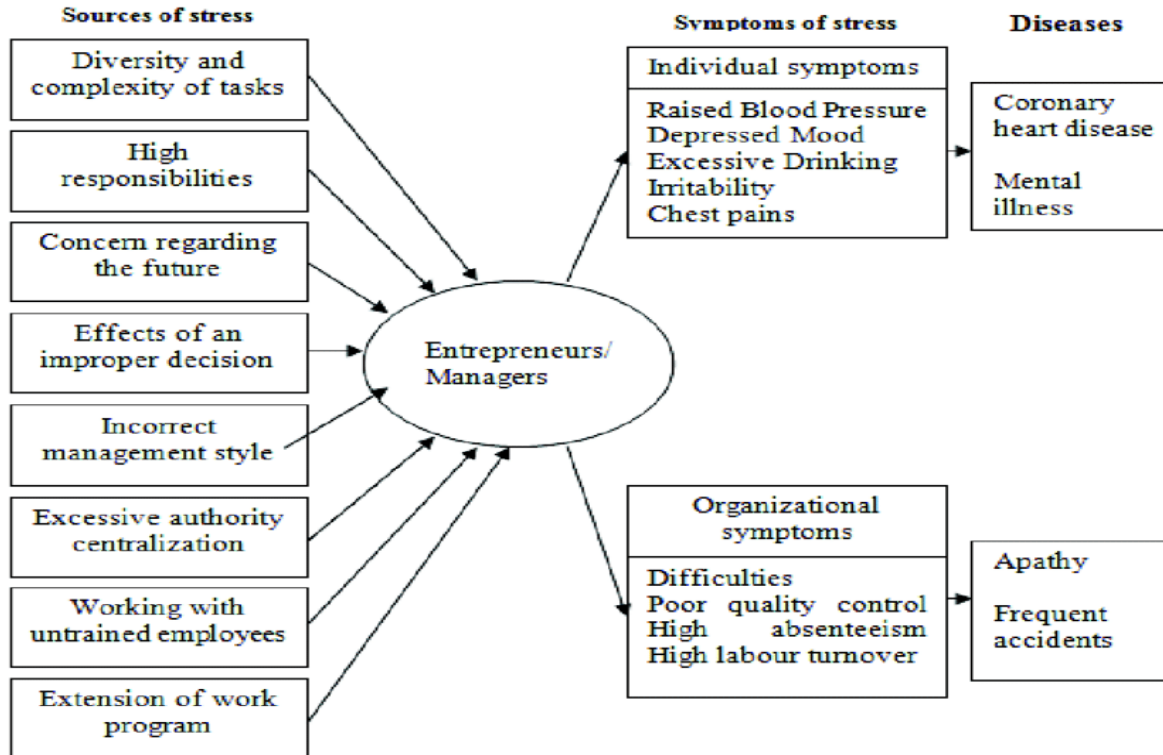

Figure no.1 The relationship between stress sources, symptoms and diseases caused by stress for managers/entrepreneurs

WAYS OF MANAGING INDIVIDUAL STRESS
Individuals can manage their stress and prevent it from becoming a bigger problem. These actions can be grouped into three main areas: changing behaviour, living a healthy lifestyle, and altering how we think.

1. MANAGING BEHAVIOUR:
- **Be assertive**: Listen to others, express your feelings and needs, and try to be confident in your interactions.
- **Manage your time better**: Prioritize tasks, make a to-do list, avoid wasting time, and learn to say "no" when needed.
- **Avoid perfectionism**: Don't aim for perfection in everything you do; focus on doing your best instead.
- **Don't get angry over things beyond your control**: Learn to let go of frustrations that you can't change.
- **Accept mistakes**: Both your own and others' mistakes are a part of life.
- **Smile and show affection**: It can help improve your mood and your relationships.
- **Practice listening**: Be a good listener to reduce misunderstandings and stress.
- **Learn to relax**: Take time to unwind and recharge.
- **View challenges as opportunities for growth**: See stressful events as a chance to learn and grow.
- **Take "time out"**: Take breaks when needed to avoid burnout.

2. HEALTHY LIFESTYLE:
- **Eat a healthy diet**: Eat fruits, vegetables, and drink enough water. Limit alcohol, caffeine, and sugary foods.
- **Exercise regularly**: Exercise helps reduce muscle tension, boosts energy, and improves your mood.
- **Relaxation**: Practices like meditation or deep breathing can help you sleep better, reduce pain, and improve your overall well-being.
- **Make time for fun**: Engage in hobbies or activities you enjoy to relax and refresh your mind.

3. CHANGING YOUR MIND SET:
- **Change your perspective**: Try to look at situations from a positive angle.
- **Talk to yourself positively**: Replace negative thoughts with encouraging and helpful ones.
- **Focus on positive thinking**: Shift your mind set toward focusing on what's going well and what you can control.
By making small changes in these areas, you can manage stress more effectively and improve your overall well-being.

WAYS OF MANAGING ORGANIZATIONAL STRESS
Some simple ways to manage organizational stress and create a healthier, more productive work environment:
1. **Prevent problems early**: Address work-related issues before they lead to stress, such as unclear expectations or poor communication.
2. **Adjust work demands**: Ensure that employees' workloads are manageable and realistic, avoiding overwhelming them with too much to do.
3. **Make sure employees have the right skills**: Provide training so employees have the knowledge and abilities to do their jobs effectively and feel confident in their roles.
4. **Improve work techniques**: Continuously look for ways to improve how things are done at work, making tasks easier and more efficient.
5. **Use a good management style**: Leaders should be supportive, approachable, and fair to create a positive environment.
6. **Create a good work environment**: Make sure the physical and emotional work environment is comfortable, safe, and conducive to productivity.
7. **Offer stress management training**: Provide employees with tools and techniques to handle stress in healthy ways.
8. **Provide support**: Ensure that employees have the resources and help they need to succeed and manage any challenges at work.
9. **Encourage cooperation**: Promote teamwork and collaboration among employees to reduce stress and increase a sense of unity.

10. **Set clear rules**: Clearly define expectations and disciplinary procedures so employees know what's expected and how to handle issues that arise.
11. **Build a supportive culture**: Create a workplace culture where employees feel valued, included, and motivated to contribute to the organization's goals.
12. **Support career development**: Help employees grow professionally by providing career development opportunities and guidance.
13. **Offer flexible work schedules**: Give employees the option to adjust their work hours or work remotely when possible, helping them balance work and personal life.
14. **Manage change carefully**: When changes happen at work, make sure they are communicated clearly and managed in a way that reduces stress for employees.
    By applying these strategies, organizations can reduce stress and create a healthier and more effective workplace for everyone.

2. LITERATURE REVIEW

Organizational Stress refers to the physical, emotional, and psychological strain employees experience due to workplace demands. Common stressors include excessive workload, poor management, job insecurity, and lack of work-life balance (Selye, 1976). Studies show that prolonged stress leads to burnout, reduced productivity, and higher turnover rates (Maslach & Leiter, 2016).

Consequences on Work Effectiveness
- **Negative Effects:** High stress decreases focus, creativity, and decision-making ability (Karasek & Theorell, 1990).
- **Health Impacts:** Chronic stress causes anxiety, depression, and cardiovascular issues (WHO, 2020).
- **Organizational Costs:** Companies face absenteeism, low morale, and financial losses due to stress-related inefficiencies (Cooper et al., 2001).

Coping Mechanisms
- Supportive leadership and flexible work policies reduce stress (Goh et al., 2015).
- Mindfulness and employee wellness programs improve resilience (Kabat-Zinn, 2003).

Case Study - Stress Perception among Entrepreneurs and Managers in India
This study explores how entrepreneurs and managers in India perceive stress in their work and how they manage it, especially in small and medium-sized businesses (SMEs).
Project Overview: The project, "Flexibility and Performance through Management," aims to improve the skills of entrepreneurs and managers. It focuses on helping them adapt to changes in business, adopt new technologies, and improve work organization and safety.

3. OBJECTIVES

1. **To identify** the major sources of organizational stress affecting employees.
2. **To analyse** the relationship between workplace stress and employee productivity.
3. **To evaluate** the effects of stress on job satisfaction and employee morale.

4. RESEARCH METHODOLOGY

- This study is descriptive, aims to give a glimpse of stress among entrepreneurs and managers. The research method used is a survey.
- A structured questionnaire with 35 questions was created, divided into two parts. The target group includes entrepreneurs and managers from Indian County who participated in the "Flexibility and Performance through Management" project, funded by the European Social Fund.
- Provide training to 180 entrepreneurs and managers across India, teaching them new work methods, technology adoption, and ways to reduce environmental impact.
- For this study, we used an online questionnaire given to 80 managers and entrepreneurs who are part of a project funded by the Indian Social Fund called "Flexibility and Performance through Management." Each participant answered 35 questions about stress, and the results will be shared in this paper.
  The survey was done online, and the database includes responses from these participants.

5. RESULTS & DISCUSSION
RESPONDENT DEMOGRAPHICS
- **Business Role**: 40% are entrepreneurs, 60% are managers at various levels within small and medium-sized enterprises (SMEs).
- **Gender**: 40% of respondents are women, and 60% are men.
- **Age**:
  - 16% are between 18–24 years old.
  - 73% are between 25–45 years old.
  - 9% are between 45–54 years old.
  - 2% are between 55–64 years old.
- **Family Status**: Most are married (62.8%), 34.8% are unmarried, and 0.04% are divorced.

STRESS FINDINGS
- 45% of respondents work over 48 hours per week.
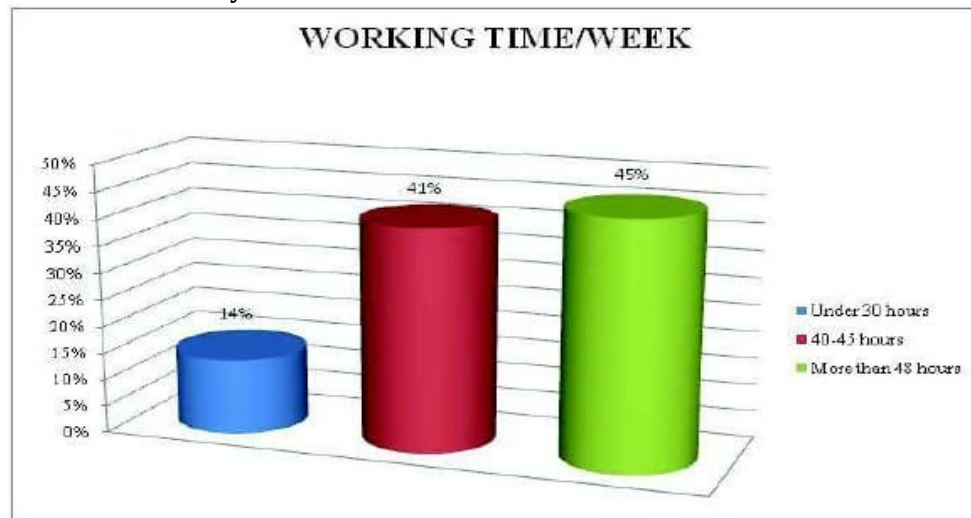- 70% of respondents feel affected by stress.

Figure no. 2 Working time/week in the case of managers and entrepreneurs from India

The results show that many respondents, 69%, believe they are affected by stress. However, only 21% have taken steps to manage it. Additionally, only a small percentage of managers, 18%, say their organization has implemented measures to help workers deal with stress.
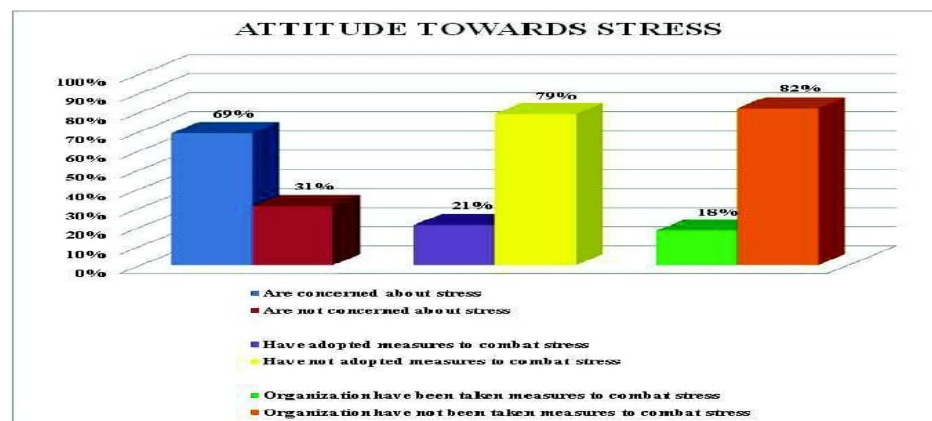

Figure no. 3 Managers, entrepreneurs and organization's attitude towards stress

To a large extent (85%) respondents considered that work is the main source of stress in their lives (Fig. no.4)
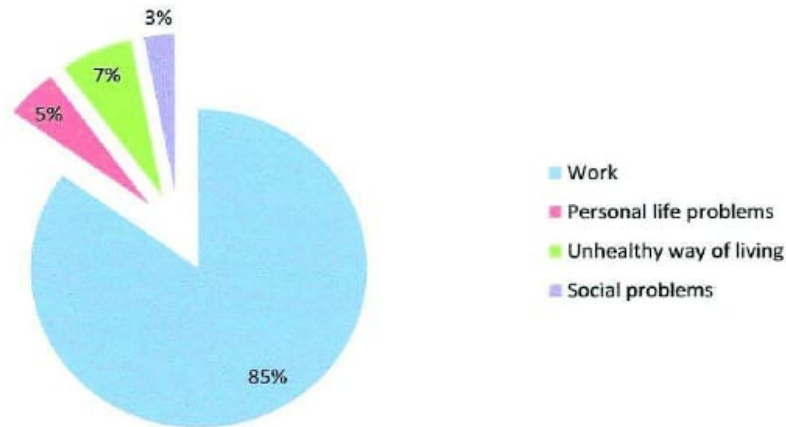
The main stress factors

Figure no. 4 The main stress factors

6. CONCLUSION

Stress in the workplace can have a significant impact on employees and the overall effectiveness of an organization. When employees experience high levels of stress, it can lead to decreased productivity, poor decision-making, low morale, and even health issues. This affects the quality of work and can reduce the overall success of the business.

Organizations that fail to manage stress may see an increase in absenteeism, high turnover, and a lack of motivation among employees. On the other hand, companies that recognize and address stress through support programs, better work-life balance, and a positive work environment can improve employee well-being, enhance productivity, and increase overall work effectiveness.

In simple terms, managing stress in the workplace is crucial for maintaining a healthy, productive workforce and ensuring the success of the organization.

The study aims to help entrepreneurs and managers recognize and manage stress better, improving their productivity, mental health, and business performance.

The main conclusion is that while the job itself is seen as a source of stress, other factors like family issues, personal problems, or social concerns also play a crucial role in causing stress.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

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