



WORK STRESS AND JOB PERFORMANCE EVALUATION OF BPO EMPLOYEES

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Abstract: Work stress is defined as the harmful physical and emotional responses that occur when job requirements do not match the worker's capabilities, resources, and needs (National Institute of Occupational Safety and Health 1999). Especially more attention given to the Business Process Outsourcing (BPO). In modern world, BPO task is increasing in Business based on their client. So employers in this organization are increased. In this situation employee must boost up their energy and role in this organization, and they confused to do in their role. It leads to stress, strain, and nervousness to the employee. The paper gives the research on different ages working in different companies. The result gives salary, job task; colleagues, work environment, autonomy and workload are the major variables to introduce the stress among the employees.

Keywords: BPO, Employee, Stress.

I. INTRODUCTION

Current environment is the business environment as it is giving birth to the corporate advancement in the country. BPO sector is also becoming the part of it. It is ranked as the most preferable source of employment for the youngsters. In India, almost 70% of the total youngster population is doing job in the BPO. But it would be surprised that they are not becoming remain in the BPO for a long time period. The reason of this is that BPO sector is providing 32% sleep disorder, 25% digestive disorder and 20% eye-sight problem to the employees. Jobs in the BPO sector are giving many gifts to the employees like high stress level, Number of other illness and broken marriages. Currently, near about 80% organizations are suffering from this disease, consequently the overall job satisfaction of the employees is demolish. Stress is becoming inevitable these days in every organization and ultimately it is establishing to the Burnout. Burnout, experienced as a state of physical, emotional, and mental exhaustion (Pines & Aronson, 1988) as well as depersonalization and reduced personal accomplishment, is the result of a process of attrition in which highly motivated and committed individuals lose their spirit (Freudenberger 1980).

Modern era is known as the "era of anxiety and stress" (Coleman, 1976). Every job whether that is in corporate, pharmaceutical industry, banking sector and education sector is becoming the main reason to give the stress to its

employees. Thus, when this stress becomes excessive, employees develop various symptoms of stress that harm their performance and even threaten their ability to cope up with their environment.

II. LITERATURE REVIEW

A brief review of the studies made in this area in the Indian context is presented here. De (2004), based on a sample survey of BPO employees (n=462), reported that more than 61% of the respondents under his study felt that the appraisal system in BPOs was transparent and slightly fewer than 55% felt that it was fair and more than 63% gave thumbs up to the fact that special initiatives and efforts were duly recognized at the time of appraisal.

Rani and Mahalingam (2003), based on a sample survey of BPO employees (n=544) across the country, reported that the BPO is an industry where performance is almost entirely metrics-driven and it is also an industry where metrics and the pressure to deliver on them have emerged as significant causes of stress. Yet - by the very fact that the metrics are automatically generated and cannot industry than in the IT industry. As per their study, the overall satisfaction score for the ITeS employees was at 8.3 (or 83.0 per cent) on a scale of 10.

Babu (2004), based on a sample survey of 277 call center employees, has opined that the performance of the BPO employees is linked with incentives in cash and kind and the



annual increments in salary as well as the vertical mobility of the agents in the BPO firms are also linked to their ratings. Linking performance with incentives and/or punitive actions forces the agents to stress continuously.

Shivani (2006) observes that the performance appraisal in BPOs means a hurried 5-minute session for the HR manager who, many a time, is very badly prepared for the session and sometimes the employees get to meet their managers and interact with them only during this time. The number of ratings to be given under various categories is fixed, following a bell-curve distribution and the ratings depend on 'quota'! Awards are mostly given as ad hoc measures to temporarily satisfy the employees and most often do not influence the final ratings, which are also often ad hoc! What further complicates affairs is that the ratings also determine whether the person will be eligible for a promotion in the next 12 months. According to her, such practices demotivate the employees.

Ramakrishna (2002), senior human resources executive suggests that clearly enunciating the performance management system is very critical for an employee to know what is expected out of him and what the performance parameters are.

Bhaduri (2008) opines that if one wants to manage attrition, one should start by looking at the performance management system of the organization. In his opinion, every manager should be adequately trained to give candid feedback and also to coach the players in his team. These studies indicate that all is not well with the appraisal system in the BPO firms. In this context, an attempt has been made by the researchers to study, analyze and group the correlates of the employee satisfaction with the performance appraisal system being practiced by the foreign MNC BPO firms operating in India.

A sample of the studied has been conducted on the impact of the stress on the job satisfaction among the employees (Beehr and Newman, 1978). Spector (2004) studied that long working hours in the organization increase the stress among the employees and in this situation; they can reduce their stress level by making conversation with their peers and family members

III. IMPACT OF THE BPO INDUSTRY

Outsourcing began in the early eighties when organizations started delegating their non-core functions to an external organization that was specialized in providing a

particular service or product. Business Process Outsourcing is an industry which we all 'Love to hate and hate to love'. Jobs in BPOs are generally divided into two categories, back office and front office. BPO jobs are fairly well-paid in relative to other sector. At the turn of the millennium, India can be rightly called the foster-child of globalization. The liberalization in 1994 gave an unexpected boost to the ITES/BPO industry. According to the Research firm Gartner the Indian BPO industry will grow into a \$1.2 billion market by 2011 and \$1.8 billion by 2013. In India, the BPO industry experienced 30-40% average annual growth rates from 2000 to 2008 by (NASSCOM 2009). In the present scenario many UK and US based companies are looking at India, to outsource. The global BPO industry will be worth \$230 billion by 2012 and India stands to gain \$50 billion of that global pie. So one can say that currently BPO industry is an explosion and number of employees keeps on increasing.

Grossman and Helpman's (2005) statement, "We live in an age of outsourcing," clearly designates that outsourcing has now become an acknowledged, accepted and established business strategy. One of the most familiar forms of outsourcing is business process outsourcing (BPO), i.e., transferring the operational ownership of one or more of the firm's business processes to an external supplier that, in turn, administers the processes according to some predefined metrics (Ghosh and Scott, 2005; Stone, 2004). BPO or Business Process Outsourcing thus refers to the rearrangement of entire business functions to some other service providers, primarily in low cost locations. The service provider may be either self-owned or a third party. This relocation or transferring of business processes to an external provider is essentially to accomplish increased shareholder value. Some of the general services provided by the BPOs are Receivables and Payables, Inventory Management, Order Processing, Cash flow Analysis, Reconciliation, Data Entry, Payroll Processing, QuickBooks Accounting, Financial Statement Preparation and Accounting Services. Some of the web based services include live online sales and order entry, E-commerce transaction support, Live online enquiry handling, Web Design/Development.

Organizations do not work in isolation; they function within the main system of society. Businesses take place by taking the inputs from society in the form of people, capital, resources and gives goods and services as output. These outputs influence the life of people and provide the means of improving the lifestyle. We cannot ignore the effect that the



society is largely impacted by businesses of various size and operations. Business process outsourcing is the long term contracting out of non-core business activities to the experts who perform the activities with less cost and more efficiency. Today's business spans the entire globe by their overseas operations and thus they leave a visible change in the societies of various geographies. Like the industrial revolution of the 17th century, the BPO revolution has also brought about a variety of changes in the lives of the people. Business process outsourcing is a strategic choice of the companies – when implemented creates numerous advantages such as:

A Social Impact of the BPO Industry

The first step towards understanding the social impact is to understand why India is the most preferred location for business process outsourcing and how the outsourcing industry has changed India to enable it to sustain the position of the most preferred offshore center.

1) Advantage India

The products and services are usually significantly cheaper in India compared to US or Europe. While the manpower in India is definitely cheap compared to US or any other developed nation, but manufacturing or service costs are not necessarily very cheap.

In India a company typically spends about US \$400-\$1000 per month on a skilled employee depending on the skill level. This is definitely cheaper compared to same level employee in a developed country.

2) Advantage of Outsourcing to India

Cheaper manpower. Cheaper office space (Typically, one sq. foot costs less than \$1 per month). Highly skilled workforce (For example, Bangalore is said to have more number of IT engineers than Silicon Valley). On the other hand, the infrastructure and fuel expenses are relatively more in India.

3) Disadvantages

Higher fuel and electricity costs. Higher telecom and Internet access charges. Public Infrastructure not up to the mark when compared to developed nations, and the companies need to make their own arrangements (such as back-up power generator etc.). When one tries to study the impact of BPO industry, both individual and societal concerns unfolds.

B Growth of Indian BPO Industry

BPO is a varied and speedily growing offshore market with an estimated annual growth rate of 60 percent (Tapper, 2004). Brown and Stone (2004) reported that BPO accounted for 34 percent of the global outsourcing contract value in 2004 and estimated that BPO services would grow from \$1.3 billion in 2002 to \$4.3 billion in 2007. The Indian BPO sector has emerged rapidly, and its exports have grown from \$565 million in 2000 to about \$7.3 billion in 2005. These exports were projected to increase to \$20 billion by 2007 and employment in the sector was expected to rise from its current level of 300,000 to over 1.1 million by 2008(Chanda, 2005; NASSCOM, 2005a).

There were various catalysts that led to the boom in business process outsourcing in India in the mid-1990s (see Dossani and Kenney, 2003 for a comprehensive discussion). The growth of the BPO industry capitalized on India's reputation as a software services provider, a reputation that first developed during the Y2K crisis. This reputation, alongside a large English speaking workforce and low costs (Indian costs are about 20% of U.S. costs in business processes), coupled with the time differences (India works while the U.S. sleeps), resulted in the establishment of call centers and back office services. The pioneering efforts of some MNCs in attempting to re-engineer business processes for cost savings paved the way for many others to outsource to India. Specifically, General Electric, American Express, and British Airways were quick to capitalize on the huge salary cost differentials between similarly trained employees in India and the United States. These MNCs also demonstrated that relocation could be undertaken with minimum disruption. And improvements in the enabling environment—notably the availability of telecommunications bandwidth at increasingly lower rates, the ability to digitize documents, and the usage of standard software platforms in corporate information systems—played a key role too.

Table 1 provides an overview of the BPO sector in India. While the \$7 billion sector currently accounts for only 23.8% of the total IT industry revenue, it has seen an average growth rate greater than 55% during the 2000-2005 period. It is this dramatic growth rate, its relatively high contribution to exports and the accompanying escalating employment potential that has raised the possibility that this sector will be the most important “development engine” for India.



Table I
Overview of BPO Sector in India

Revenue\ Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Offshore BPO Revenue	1,322	1,825	3,017	6,439	12,563	24,230	48,220	55,234	70,132	80,145	90,150
Indian BPO Revenue	912	1,205	1,961	3,928	7,412	13,811	19,234	26,231	32,143	38,134	44,212
Total BPO Market	110,167	121,687	131,171	143,090	157,033	173,070	180,126	188,123	195,245	200,146	220,121

Table II
Growth rate of Software and BPO in India

	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Software (exports Sector)	110	162	170	205	296	390	513	865	987	1009	1168	1998
Software (domestic sector)	132	198	146	285	318	352	365	427	543	765	867	956
BPO	42	70	106	180	216	316	415	704	808	934	1056	1563
Total	284	430	522	670	830	1058	1293	1996	2235	2987	3786	4078

Table III
IT-BPO Revenue USD billion

Year Wise	2008	2009	2010	2011	2012
Export	41	47	50	59	69
Domestic	22	22	24	29	32
Percentage of GDP	6.40%	6.70%	6.50%	7.10%	7.50%

Table I gives the offshore BPO revenue, Indian BPO revenue and the total market potential of the world BPO industry. Table II shows the growth rate of software and BPO in India. Table III gives the IT-BPO Revenue USD billion. The BPO sector in India is calculable to possess reached a 54 per cent growth in revenue. The demand for Indian BPO services has been growing at an annual rate of 50. The BPO business in India has provided jobs for over 74,400 Indians. This number is continuous to grow on a yearly basis. The Indian BPO sector is presently to use over 1.1 million

Indians. 70th of India's BPO industry's revenue is from contact centers, 200th from knowledge entry work and also the remaining 100% from data technology connected work. Indian BPOs handle 56 of the world's business method outsourcing.

IV. STRESS IN BPO SECTOR

According to the web, stress is defined as: constraining force or influence: as.

- A force exerted when one body or body part presses on, pulls on, pushes against, or tends to compress or twist another body or body part; especially : the intensity of this mutual force commonly expressed in pounds per square inch
- The deformation caused in a body by such a force
- A physical, chemical, or emotional factor that causes bodily or mental tension and may be a factor in disease causation
- A state resulting from a stress; especially: one of bodily or mental tension resulting from factors that tend to alter an existent equilibrium.

In another simple definition, stress is the emotional and physical strain caused by our response to pressure from the outside world. Common stress reactions include tension, irritability, inability to concentrate, and a variety of physical symptoms that include headache and a fast heartbeat. Stress is a wide phenomenon as it seems to have universal spread. Stress exists in human beings, animals and even in metals. Stress is also related with providing quality services to human beings depend upon their stress levels. However, this study is about women stress with special focus on the work stress in BPO sector in India. Many people think they



understand stress. In reality, stress is complex and often misunderstood. Our BPO industry has a name for it: BOSS – Burnout Stress Syndrome., which is seen very commonly among women working in BPO sector. Technological and regulatory changes in the BPO sector in India created a sharp and fairly sudden increase in the demand for female workers, Therefore stress among employees in BPO industry is a contemporary issue to discuss and to hit upon on elucidation of this problem.

- **Stress due to Work Timing:** The geographical time difference with the US and the UK gives Indian industry one of the biggest advantages to remain a dominant player in the BPO. Hence the employees have to work in nights for long. This creates stress and causes a drastic change in the activities of body.
- **Stress due to Repetitive Nature of Work:** Monotony is another important reason or stress. Possible solutions can be hiring retired personnel or housewives, since these groups with more experience tend to get frustrated the least. Since other innovative measures can be periodic job rotation.
- **Stress due to Workload:** It is argued that even IT services employees have tremendous workload, so why it is that only the BPO employees complain. Though IT services employees work for long and odd hours, the long working hours are interspersed with smoke breaks, coffee breaks or chat with colleagues. Unfortunately, this is not the case in call centers, a fresher gets a little respite, since the first few months on the job involves a lot of training time.
- **Stress due to Insufficient Holidays:** Most of the employees have to work on Indian holidays. While some companies do celebrate Indian holidays there are a number of small and big call centers, which do not observe Indian holidays.
- **Stress due to Pressure to Perform on Metrics:** Every single action in a call center needs to conform to a performance metric. This is because most call centers are keen on different standard certifications. It is more of business necessity for most companies to follow these quantifiable business metrics to attract customers. With experience, the stress level goes down, and more importantly, working on such quantifiable performance parameters helps the employees in their future careers.
- **Stress due to Travel Time:** Most call centers are located on the outskirts of cities, and therefore most employees spend a long time traveling to and from their offices. Again, this is a unique problem of the Indian industry. Most call centers require large manpower in order

to scale up and grow, and to support such huge workforces; they need lot of space. And exorbitant land prices in cities necessitate their movement to the outskirts.

- **Stress due to Call Volumes:** While the overall workload is quite high, call volume itself is proving to be a major cause of stress. In most call centers, there is hardly any respite between two calls.
- **Stress Caused due to Overtime:** Though most companies encourage overtime with incentives, this can be a major reason for stress. Initially, fresher's who are willing overtime for making more money feel stressed once they are into it and performing. Overtime, along with long working hours and travel time, is turning out to be a potent combination, causing call center related stresses.

Table IV

Reason for stress in the BPO sector	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Salary	120	70	40	30	20
Job Task	170	50	20	25	30
Work Environment	150	50	40	30	45
Colleagues	90	45	30	45	50
Late Night Shift	195	55	45	60	35
Target	130	11	100	12	43
Work Load	150	69	54	56	67

Table 2 shows the stress among the employee, there are given 7 reasons for the stress among the employees. That the seven stress are Salary, Job Task, Work Environment, Colleagues, Late Night Shift, Work Load.

Results discussed that 195 employees agreed that Late Night Shift is the main source of the stress. They responded that they will have to work in the night shifts also. If these employees will not be given noise free and ventilated environment they it will reduce their satisfaction and ultimately it will lead to raise the chances of stress among the employee.

On the variable job task, 170 employers responded that worker should tend a correct job task within the organization, if should tend a job task as per his information, expertise and interest, if correct job task isn't given to the worker within the organization, then worker are frustrate as a result of each human being will stand out in one field within the organization. On the opposite hand, 150 employees responded that job task and working environment is not the cause of stress among the employee they said that



work load the reason to raise the stress among the employees. In the organization every employee have to achieve some targets, till the time when these targets are achieve, up to that time period that organization is good, but when employee feel unable to achieve those targets, then he become frustrate from that job.

But 90workers assumed that bungling colleagues are the most supply of stress, they believed that once the workers are corrupted, political and diplomatic in nature, then it is very tough for a worker to work in these surroundings. Each worker needs hardworking, bold and friendly and reduced stress colleagues.

During the study, 120 workers replied that package is taken into account as an awfully necessary variable to boost a stress, as a result of this is often the most factors that each worker does job. As we all know that man may be a social animal, he has bound responsibility toward his family and society and if the organization is not ready to provide him that quantity of salary that is needed to survive then his job satisfaction can decrease and check out to examine another opportunities. So, if the employer desires to extend the work satisfaction among the workers, then workers must be given a salary to satisfy employee’s physiological want, and social need.

The result reveals that 130 employees targets are main reason of the stress among the employees, they said that they have to achieve the hefty targets throughout the day, which is very difficult for them to achieve

A Status Of Women In The IT/ BPO Sector In India

In the modern world, women not lag behind in terms of career. It has been noticed that BPO is one among the trade, that has witnessed high growth for ladies and helped them a lot of. However, even nowadays ladies are expected to do multi tasking. One will say that ‘Nature has given women an excessive amount of power, the law offers them too little’ as there is no separate rules (except just in case of maternity part, that to some extent only) in support of women to fill the gap throughout their innate responsibilities.

Earlier The Factories Act, 1948,under Section 66, banned working of women in night shifts butlater on The High Court of Mumbai in its judgment dated 10thJune 1999 passed an interim order allowing deployment ofwomen in Santa Cruz Electronic in the nightshift. On August 2005 the Factories(Amendment) Bill was introduced that to give a protection to the women as well as safety. The owner of thefactory has to ensure, equal opportunity for women workers,adequate protection to their dignity, honor and safety andtheir transportation from factory to the nearest point of theirresidence. Reports says that BPO industry prefer women, dueto more pleasant voice and demeanor when interacting with customers. Thus, technological and regulatory changesin the BPO sector in India created a fairly sudden increase inthe demand for female workers.

- Women in BPO companies 50%
- Female participation in the workforce 42%
- Enrollment in higher education 40%
- Women in IT companies 25%
- Women employees in private companies 23%

Table V
Comparison of Stress between Men and Women in BPO Sector

Problems	MEN		WOMEN	
	Agree	Strongly Agree	Agree	Strongly Agree
Salary	150	50	170	60
Job Task	110	54	150	67
Work Environment	114	78	134	56
Colleagues	90	23	150	67
Late Night Shift	100	50	175	89
Target	89	25	100	35
Work Load	120	45	145	20

From the above table it is clearly noticed that the women get more stress than the men. That the stress are categorized in Salary, Job task, Work Environment, Colleagues, Late night Shift, Target, Workload. From the above also noticed that the women get more stress on Late Night Shift.

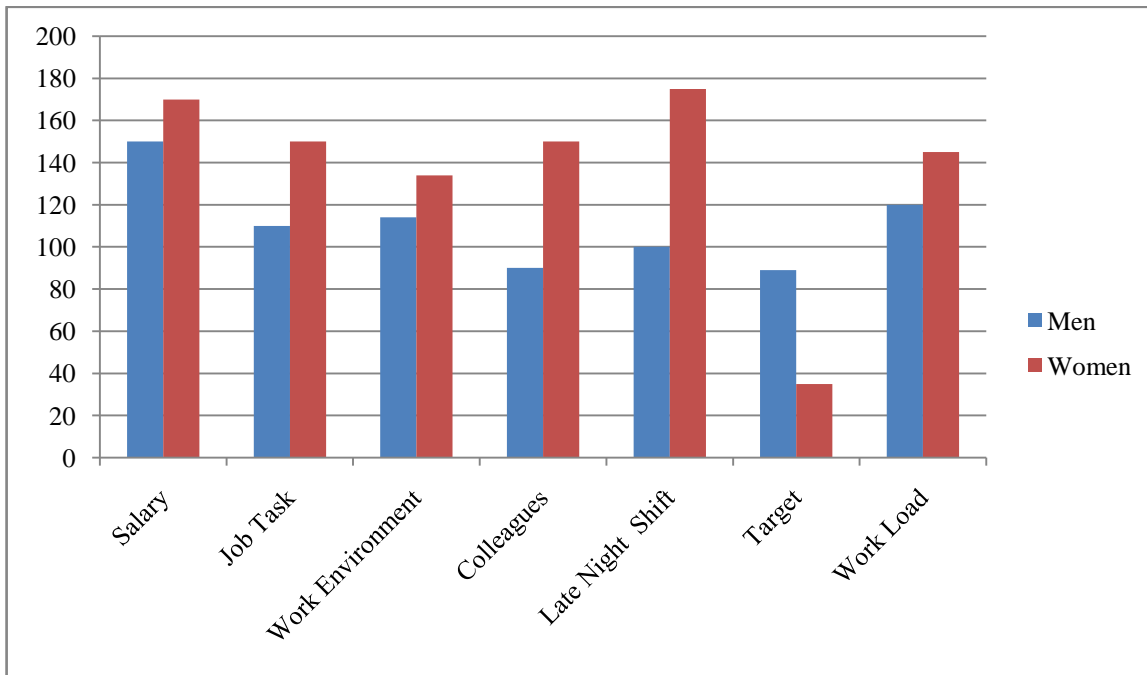


Figure 1 Comparison of stress in BPO Sector

From the above figure clearly noticed that women get high stress than men. Proportionately more employed women reported greater work stress than men. One-third of women felt quite a bit or extremely stressed most days at work, compared to men.

V. ACHIEVING HIGH PERFORMANCE IN BPO

Achieving high job Performance in BPO Sector

- End-End approach
- Collaborative BPO Governance
- Change Management
- Value Beyond Cost
- Business Outcomes
- Domain Expertise and Analytics
- Transformation of the retained organization
- Technology as business enabler

Table VI
 Work Stress Indicators for different age

Problems	Responses (%)					
	AGE 20-30		AGE 30-40		AGE Above 40	
	Agre	Disag	Agr	Dis	Agr	Disag
What do you feel about your salary package?	52	48	35	65	46	54
Have you ever experienced depression?	35	65	75	25	66	34
Have you ever taken any drugs to cope up with stress?	29	71	53	47	40	60
Do you have any stress because of the uncertainty in the profession?	45	55	29	71	69	31
Do you have a nice relationship with your higher hierarchies?	50	50	35	65	42	58
Have you ever been harassed by your colleagues?	33	67	51	49	56	44
Are you working in night shift basis?	75	25	34	66	48	52
Are you comfortable with night shifts, if your are working in that?	56	44	48	52	82	18

	e	ree	ee	agr ee	ee	ree
What do you feel about your salary package?	52	48	35	65	46	54
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Do you have a nice relationship with your higher hierarchies?	50	50	35	65	42	58
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Are you working in night shift basis?	75	25	34	66	48	52
Are you comfortable with night shifts, if your are working in that?	56	44	48	52	82	18



Table VI provides the survey conducted based on the stress^[14] for different age people. The survey based on the late night Shift, salary Package, Relationship with others, experienced^[15] depression, taking drugs based on the stress. In this Late night shift is secures high place for stress for age group of 25-30.

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VI. CONCLUSION

Work stress can be measured by several indicators. As a result, some can be used to find out the stress. It is been concluded that as the competitive environment, technological advancements, HR Practices, economic development, social developments are taking place day by day. Consequently, every employee is expected to work for long hours, perform multiple jobs, available for 24 hours in seven days. These reasons give a mentally as well as physical problems to the employees. When these problems increase, then it gives a pressure, strain, anxiety, tension, trauma to the employees and ultimately the productivity of the employee's decreases. More ever women get high stress than men.

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