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Impact of job stress on job satisfaction among employees of banking sector of Pakistan in presence of social capital (A mediator)

Aiman RAZA[1,*], Hasnain RAZA[2] and Abeer IMAM[1]

[1]*Department of Management Sciences, CUI, Lahore, Pakistan*
[2]*Department of Media & Communication, UMT, Lahore, Pakistan*

([*]Corresponding author's e-mail: mn_raza28@yahoo.com)

Abstract

Employees are essential for any organization and its success. It is imperative for organizations that its employees should come with mental peace on workplace. This leads to the sustainable organizational growth and prosperity. Job stress and job satisfaction are most widely researched areas of Human Resources. Job satisfaction help employees attitude towards the organization and work. Job stress is detrimental and adversely impact the satisfaction of employees towards their job and organization. Social capital is the growing phenomenon today and it can help attain the mental peace and satisfaction of employees. It is strength of individual employees that helps them to cope with the stress, anxiety, tension and hurdles that affect their job satisfaction, performance and mental health. Social capital includes ones social and family relationships that help maintain their satisfaction towards job and organization. Job stress is destructive but social capital can help lower the effect of stress on employees and make them satisfied towards their work. A cross-sectional study was conducted regarding study variables (job stress, social capital and job satisfaction). This study was inclined to see the impact of job stress on job satisfaction of employees in presence of social capital being a mediator. This study investigated the banking sector employees of Pakistan through survey questionnaire. Respondents were selected using random sampling techniques. Information was obtained from all levels of management using questionnaire (adopted from different empirical studies). There were 31 questionnaire items, carefully used to earn the response of banking employees, regarding the study variables. Reliability analysis was done to test the reliability of the study variables. Baron and Kenny steps were used to test the mediating relationship. Results exposed that there exists a full mediating effect of social capital between job stress and job satisfaction, which leads to the finding that Social capital can help employees of Pakistan to get through the job stress and retain their job satisfaction. Future recommendation for researchers and industry implications were also reported. Study limitations were presented too.

Keywords: Job stress, social capital, job satisfaction, mediation, banking sector, employees, Pakistan

Introduction

Employees are important asset of any organization, therefore it is essential to manage them properly (Tella et al. 2007). Employee commitment and employee job satisfaction are crucial concepts that an organizations should consider to retain the valuable workforce and to earn the competitive advantage (Abdullah & Ramay, 2012). Managing people is always important as it defines the proper implementation of management process (Tella et al. 2007). HR is an imperative asset for any organziation because they helps organziation to prosper and succeed the competition (Bemana et al. 2013). DeCenzo and Robbins (1998) also reported that Human Resource Management involves the staffing, training, development and motivation of employees. These are the important consideration for any organization, because it creates the sense of belonging in the employees with the organization.

Job satisfaction of employees is imperative for any organization (Saeed et al. 2013) as it helps organization to cope with the competition. Similarly, job stress has also gained a considerable concern to the management, and employees of the organization. It leads to a serious organizational problem (Cooper & Cartwright, 1994; Ornelas & Kleiner, 2003; Varca, 1999).

Problem need analysis

Employees of the banking sector have to face the lot of work and stress daily. Their interaction with the customers along with the toughest working hours (Abdullah & Ramay, 2012) leads to higher stress among the employees. It is important to achieve the declining satisfaction of the employees of banking sector because of the increased rate of turnover intentions of employees and their lacking commitment. It is essential to impact the job stress with the social capital (family, friends, peers and/or colleagues, etc.) in order to enhance the satisfaction of employees towards their job.

Research question

Does mediating effect of social capital between job stress and job satisfaction exists in the banking sector employees of Pakistan?

Literature review

Following paragraph will list the literature regarding study variables.

Job stress

Stress is "a situation that cause an individual to face forced deviation from the normal functioning that occurs due to interruption or development in that individuals physiological and psychological conditions" (Olin, 1997). Managers always work to minimize the cost associated with the job stress. Managers are always busy in developing strategies that will help minimize the costs associated with the stress at the work place (Ongri & Agolla, 2008).

Social capital

Social capital is actually ones family, friends, peers, social structure etc. It exists in the interpersonal relationships (Coleman, 1988). This concept has been widely used in the most recent years (Hasle el at. 2007). He reported the Bourdieu critical definition as "it is a driving force in the maintenance of social class difference". He reported Coleman definition as "a quality which could be used to the advantage of members of a group or a society".

Job satisfaction

Job satisfaction is an "employee response towards their work experiences, they gain at work Berry (1998). "Job satisfaction is also an employee emotional state towards their job" (Gruneberg, 1979). According to Spector (1997), job satisfaction is actually how employees significantly feel about jobs, aspects of their job and work conditions".

Job Stress and Job Satisfaction

Stress has the ability to adversely impact both the organizations and its employees leading to increase the organizational cost (Cascio & McEvoy, 1992) and decrease job satisfaction, along with the turnover intentions, absenteeism, work stoppage and strikes at the workplace (Al-Khasawneh et al. 2013).

Social capital and jobsatisfaction

Social capital is so strong in bringing the prosperity in the organization. As Ommen et al. (2009) reported that job satisfaction can be achieved by social capital. According to him social capital strongly predicts the job satisfaction of employees within any organization. It is also investigated by Requena (2003) that social capital does predict the job satisfaction along with significantly affecting the quality of life.

Job stress and social capital

Social capital can help resolve the stress an employee is having because of the work place work and burden. Social capital brings the peace to the employees by lowering their level of stress.

Theoretical framework

According to Sweeney & Quirin (2009) "job satisfaction, organizational commitment and turnover intentions are important job attributes that are related to job stress". Stress depicts a negative relation with the job satisfaction. Employees cannot show commitment with the organization and its goals. Intervening role of social capital can better impact in increasing the satisfaction of employees against the job stress (**Figure 1**).

Figure 1 Theoretical framework.

Hypothesis

H_1: Social Capital has a full mediating relationship between Job Stress and Job Satisfaction in the Banking Managers of Pakistan.

Research methodology

This study is done to explore how social capital of banking employees mediates the relationship between job stress and job satisfaction. This research was made effective through questionnaire survey. There were 17 questions measured on a 5 point Likert-scale.

Empirical findings

Reliability check

Reliability of study variables were checked through using Cronbach's alpha. **Table 1** shows the reliability analysis for study variables.

Table 1 Constructs reliability.

Constructs	No. of Items	Cronbach's Alpha
Job Stress	5	.546
Social Capital	19	.838
Job Satisfaction	7	.703

Multiple regression analysis

The steps of Baron & Kenny (1986) were used to test the mediation effect of social capital between job satisfaction and organizational commitment.

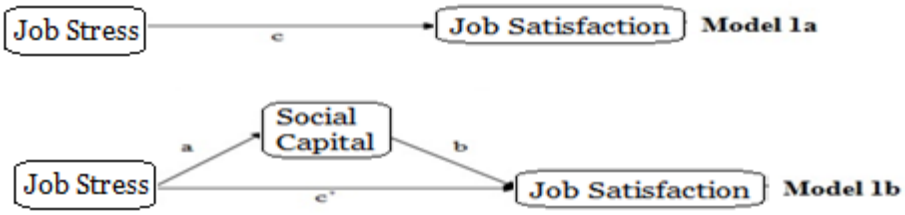

Figure 2 Models for multiple regressions.

Figure 2 shows path to be tested by Multiple Regression Analysis as a Baron and Kenny (1986). The four steps of Baron and Kenny (1986) states that if all the four steps should be significant then there is a partial mediating relationship while if the fourth step is insignificant then there exists a full mediation.

Table 2 Path analysis.

Path	Coefficients	s.e.	t	Sig(two)
Path c	.4291	.0984	4.3603	.0000
Path a	.4429	.0825	5.3708	.0000
Path b	.6309	.1202	5.2493	.0000
Path c'	.1496	.0995	1.5030	.1373

Since all the four steps of Baron and Kenny (1986) were satisfied and every four steps are significant (**Table 2**). Therefore, Hypothesis will be accepted that there exists a full mediating relationship of Social Capital between Job Satisfaction and Organizational Commitment in the Banking Employees of Pakistan.

Table 3 Model summary for DV model.

R-sq	Adj R-sq	F	df1	df2	p
.4301	.4140	26.7894	2.0000	71.0000	.0000

Interpretation

Table 3 shows that almost 41.40% variability in job satisfaction is shared by stress being the mediating variable and organizational commitment as a dependent variable. It is also evident that the model is highly significant.

Table 4 Sobel test.

	Test Statistic (Z)	Std. Error	p-value
Sobel Test	3.7212	.0751	.0002

Interpretation

Table 4 shows that there exists a significant mediation.

Conclusion

It can be concluded that partial mediating effect of social capital helps intensify the job stress on the job satisfaction of employees towards the organization. This finding directs this study to answer the research question that *there exists a full mediating effect of social capital between job stress and job satisfaction in banking sector employees of Pakistan*. It is also concluded that there exists a predictive validity (significant) for dependent variable, i.e., for job satisfaction.

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