

CHAPTER I

INTRODUCTION

Stress in the workplace is a growing concern in the current state of the economy, where employees increasingly face conditions of overwork, job insecurity, low levels of job satisfaction, and lack of autonomy. Workplace stress has been shown to have a detrimental effect on the health and wellbeing of employees, as well as a negative impact on workplace productivity and profits. There are measures that individuals and organizations can take to alleviate the negative impact of stress, or to stop it from arising in the first place. However, employees first need to learn to recognize the signs that indicate they are feeling stressed out, and employers need to be aware of the effects that stress has on their health as well as on company profits. This report is a call to the employers to take action on stress levels in the workplace.

BACKGROUND

Occupational stress, psychological empowerment and job satisfaction have long been concerns for employees and employers because of the impact and influence they wield on work performance. In today's world, stress has become a worldwide phenomenon, which is virtually there, in some form, in every workplace. In today's work life, employees are generally working for longer hours, as the rising levels of responsibilities require them to exert themselves even more strenuously to meet rising expectations about work

performance. Omolara, (2008) described stress as the adverse psychological and physical reactions that occur in an individual as a result of their being unable to cope with the demands being made on them.

Before embarking on any study regarding the relationship between Occupational stress, psychological empowerment and job satisfaction in IT organisations in Coimbatore, it is important to understand the organizational structure, issues and problems confronting this sector so that any research or study done may address them appropriately as occupational stress, psychological empowerment and job satisfaction are influenced by the ways in which the organizational structure is established.

Information technology plays an important role in India today and has transformed India's image from slow moving bureaucratic economy to a land of innovative entrepreneurs. The work environment in this sector is multidimensional because of the diverse functions these organizations perform. Globalization had a profound impact in shaping the Indian IT industry with India capturing a sizeable chunk of the global market for technology sourcing and business services. Over the years, the growth drivers for this sector have been the verticals of manufacturing, telecommunication, insurance, banking, and, of late, the fledgling retail revolution. As the new scenario unfolds, it is getting clear that the future growth of IT and ITeS will be fuelled by the verticals of climate change, mobile applications, healthcare, energy efficiency and sustainable energy. In the broadest sense, information technology refers to both the hardware and software that are used to store, retrieve, and manipulate information.

In the last two decades, the Indian IT/ITES industry has contributed significantly to the Indian economic growth in terms of GDP, foreign exchange earnings and employment generation. The industry has been the trigger for many "firsts" and has contributed not only to unleashing the hitherto untapped entrepreneurial potential of the middle class Indians but has taken Indian excellence to the global market.

India has been known for its huge talent pool and has proved to be one of the most significant destinations for global companies to outsource their back office operations. Due to country's additional edge in knowledge based services, India has emerged as a favorite destination for outsourcing knowledge processes too. Over a period of time, the industry has touched everyone from market researchers to accountants to medical professionals. Now BPOs have also started high end consulting jobs.

Nevertheless, despite the fact that the IT sector in Coimbatore is a rapidly growing sector, it is facing numerous challenges both internally and externally. Externally, IT industry has to deal with criticism and occasional hostility for a number of reasons including their inability to manage or deliver according to expectations, and sometimes they face lack of credibility because of their foreign and domestic affiliations or exclusive groupings. The negative media publicity about IT employees and the unfortunate functioning of some opportunistic elements sometimes further aggravate the negative public impressions (Khan, 2005).

On the other hand, internally, the IT, particularly the smaller grassroots level organizations, are facing problems relating to inadequacies in the areas of management, capacity building, human resource development, institutional strengthening and

sustainability. Thus, all these challenges and expectations create a high stress environment not only for the organization as a whole but for the individual IT workers as well, who are expected to show loyalty and empowerment in face of all challenges. However, it is important to understand that promoting psychological empowerment and job satisfaction is vital for an improved level of service. This can be achieved by developing a comprehensive organizational strategy that should address stress reduction elements by investigating the overall function of the organization including its climate and values, its provision of social support and rewards and the relationship of its workers with the organization.

Psychological empowerment and job satisfaction is widely illustrated in the human resources management and organizational behavior literature as a key factor in the relationship between individual and organization. The level of empowerment strongly influences the retention level of workforce and affects employees work performance.

A search of the extensive literature reveals a long list of factors that are related with the development of psychological empowerment and job satisfaction. Keeping in view the phenomenon of psychological empowerment and job satisfaction, the IT employees find that they are expected to show a high level of commitment to the mission, objectives of organizations and its activities. The traditional image of an IT worker is that of an Individual who sit in his cubicle for hours without break, which cause stress among employees resulting in monotonous nature of job, unsafe and unhealthy working conditions, lack of confidence and crowding.

The IT employees are expected to have a high level psychological empowerment and job satisfaction to face such a high degree of occupational stress. However, the salaries and facilities provided to IT employees are more attractive when compared to the other service organisations. The stress, psychological empowerment and job satisfaction are influenced by the ways in which the organizational structure is established through social support, organizational policies and relationships at work. Somehow, these factors seem perhaps the most neglected ones in the IT sector in Coimbatore. This may be one of the main reasons for high degree Indecision, forgetfulness; negative thinking, loss of confidence and a lack of concentration are all classic symptoms in the IT sector of Coimbatore.

Previous researches have established that call centre agents are more stressed, less satisfied and less empowered than other workers in a traditional office environment (Lynn Holdsworth, 2003). Occupational stress is positively related to turnover and absenteeism and tension (Van de Ven, 2002). From the literature, it also seems that the phenomenon of occupational stress directly affects employees lives and work performance.

It appears that a clear gap exists in the availability of empirical data to understand the relationship between stress, psychological empowerment, and job satisfactions among IT employees in Coimbatore, The absence of such knowledge may seriously affect IT managers' ability to develop, appropriate strategies for stress management and promotion of psychological empowerment and job satisfaction in IT sector, which is a major contributor to employment in India. The focus of this study is to examine the relationship

of stress with IT employees' psychological empowerment and job satisfaction in Coimbatore.

THEORETICAL FRAMEWORK OF OCCUPATIONAL STRESS, PSYCHOLOGICAL EMPOWERMENT AND JOB SATISFACTION

1.1 STRESS

Stress is what we feel when we have to respond to the demand on our energy. Stress is a natural part of one's life, and occurs whenever there are significant changes in our lives, whether positive or negative. It is generally believed that some stress is necessary (sometimes referred to as "challenge" or "positive" stress) but when stress occurs in amounts that individuals cannot cope with, both mental and physical changes may occur.

We are all different in the events that we perceive as stressors and the coping abilities at our disposal. However, there are a number of situations which are generally identified as being stressful, including financial worries, overload work, unemployment, relationships, parenting, balancing work and family, caring, health problems, losses, Christmas, competitiveness, peer pressure, exams, and not having enough time.

Stress is a normal, adaptive response to stressors in our environment. Our bodies are designed with a set of automatic responses to deal with stress. This system is very effective for the short term "fight or flight" responses that are essential when faced with immediate danger. The problem is that, physiologically, our bodies have the same

reaction to all types of stressors. Experiencing stress for long periods of time, such as lower level but constant stressors at work, activates this system. For many people, every day stressors keep this response activated, so that it does not have a chance to “turn off.” This reaction is called the “Generalized Stress Response” and it consists of the physiological responses such as increased blood pressure, increased metabolism (e.g., faster heartbeat, faster respiration), decrease in protein synthesis, intestinal movement (digestion), immune and allergic response systems, increased cholesterol and fatty acids in blood for energy production systems, localized inflammation (redness, swelling, heat and pain), faster blood clotting, increased production of blood sugar for energy, and increased stomach acids.

Job stress results from various interactions of the worker and the environment of the work in which they perform their duties. Location, gender, environment, and many other factors contribute to the buildup of stress. Job stress results from the interaction of the worker and the conditions of work. Views differ on the importance of worker characteristics versus working conditions as the primary cause of job stress. The differing viewpoints suggest different ways to prevent stress at work. Differences in individual characteristics such as personality and coping skills can be very important in predicting whether certain job conditions will result in stress. In other words, what is stressful for one person may not be a problem for someone else. This viewpoint underlies prevention strategies that focus on workers and ways to help them cope with demanding job conditions.

Working conditions

Although the importance of individual differences cannot be ignored, scientific evidence suggests that certain working conditions are stressful to most people. Such evidence argues for a greater emphasis on working conditions as the key source of job stress, and for the necessity of job redesign as a primary prevention strategy.

Workload

In an occupational setting, dealing with workload can be stressful and serve as a stressor for employees. There are three aspects of workload that can be stressful. Quantitative workload or overload: Having more work to do than can be accomplished comfortably. Qualitative workload: Having undertaken difficult task. Under load: Having work that fails to use a worker's skills and abilities. Workload has been linked to a number of strains, including anxiety, physiological reactions such as cortisol, fatigue, backache, headache, and gastrointestinal problems.

Workload as a work demand is a major component of the demand-control model of stress. This model suggests that jobs with high demands can be stressful, especially when the individual has low control over the job. In other words control serves as a buffer or protective factor when demands or workload is high. This model was expanded into the demand-control-support model that suggests that the combination of high control and high social support at work buffers the effects of high demands.

As a work demand, workload is also relevant to the job demands-resources model of stress that suggests that jobs are stressful when demands (e.g., workload) exceed the individual's resources to deal with them.

Long hours

A substantial percentage of Americans and Japanese work very long hours. By one estimate, more than 26% of men and more than 11% of women worked 50 hours per week or more in 2000. These figures represent a considerable increase over the previous three decades, especially for women. According to the Department of Labor, there has been a considerable rise in increasing amount of hours in the work place by employed women, an increase in extended work weeks (>40 hours) by men, and a considerable increase in combined working hours among working couples, particularly couples with young children.

Status

The person's status in the workplace can also affect the levels of stress. In a workplace stress has the potential to affect employees of all categories; from those who have very little influence to those who make major decisions for the company. However, less powerful employees (that is, those who have less control over their jobs) are more likely to suffer stress than powerful workers. Managers as well as other kinds of workers are vulnerable to work overload.

Economic factors

Economic factors that employees are facing in the 21st century have been linked to increased stress levels. Researchers and social commentators have pointed out that the computer and communications revolutions have made companies more efficient and productive than ever before. This boon in productivity however, has caused higher expectations and greater competition, putting more stress on the employee (Primm, 2005).

The World Health Organization has declared occupational stress to be a worldwide epidemic. Certainly the impact of an increasingly pressurized work environment is evident throughout every industry. One recent analysis noted that 20% of payroll of a typical company goes toward dealing with stress-related problems (Riga, 2006), and Americans identify work as their most significant source of stress because of heavy workloads, uncertain job expectations, and long hours (American Psychological Association, 2007). Extensive research over the years has focused on identifying stressors (e.g., Colligan & Higgins, 2006), coping mechanisms (e.g., Nelson & Sutton, 1990), and ways that both individual employees and organizations can effectively manage stress (e.g., Kram & Hall, 1989). Yet, despite this attention, remedies to combat occupational stress remain elusive.

1.2 PSYCHOLOGICAL EMPOWERMENT

Psychological empowerment has been distinguished between two major perspectives on empowerment: the structural and the psychological approach. Originally, the structural view focused on empowering management practices, including the delegation of decision making from higher to lower organizational levels (cf. Heller, 1998; Heller et al., 1998) and increasing access to information and resources for individuals at the lower levels (Bowen & Lawler, 1992, 1995; Rothstein, 1995). As such, central to the notion of structural empowerment is that it entails the delegation of decision-making prerogatives to employees, along with the discretion to act on one's own (Mills & Ungson, 2003). In this structural view, the rationale is that employees will behave in an empowered way by making the necessary changes at the structural level. More specifically, employees would develop managerial skills to personal control over how to perform their job and would be more aware of the business and the strategic context in which the job is performed; and would be more accountable for performance outcomes (Bowen & Lawler, 1995). These cognitive-affective responses have later been relabeled as psychological empowerment (Conger & Kanungo, 1988). In this review, the researcher focuses on this psychological perspective on empowerment for several reasons. First, thanks to the work of Conger and Kanungo (1988) and Thomas and Velthouse (1990), important steps have been taken towards clarification of this psychological approach to empowerment, resulting in a growing consensus on its conceptualization. Second, because of the development of a sound and validated measurement instrument (Spreitzer, 1995; 1996), the psychological perspective is for our purposes the most useful perspective because it enables us to

systematically review both the theoretical and empirical evidence on the effects of empowerment in the workplace.

Rather than approaching empowerment as “something managers do to their people” (Quinn & Spreitzer, 1997, p. 41), the psychological perspective focuses on perceptual or psychological dimensions of empowerment (Liden et al., 2000). Extensive efforts in the organizational theory domain have been devoted towards the clarification of these psychological empowerment dimensions. Thomas and Velthouse (1990) defined psychological empowerment as increased intrinsic task motivation, i.e. generic conditions by an individual, pertaining directly to the task, that produce motivation and satisfaction. Building on the work of Conger and Kanungo (1988), these authors distinguished between four empowerment dimensions, which reflect four distinct cognitions relating to an employee’s orientation to his or her work.

The first empowerment cognition is meaningfulness. It concerns the value of a work goal or purpose, judged in relation to an employee’s own ideals and standards (Thomas & Velthouse, 1990; Spreitzer, 1995, 1996). It refers to congruence between requirements of a work role and employee’s beliefs, values, and behaviors (Brief & Nord, 1980; Spreitzer, 1995). The second empowerment cognition is competence. It is an employee’s belief in his or her capability to perform task activities skillfully when he or she tries (Thomas & Velthouse, 1990). Bandura’s (1997) self-efficacy concept reflects this competence dimension. Self-determination, the third empowerment cognition, involves causal responsibility for a person’s actions. It is the employee’s perception on the

autonomy in the initiation and continuation of work behaviors and processes (Bell & Staw, 1980; Deci, Connel & Ryan, 1989).

Finally, impact is the fourth empowerment cognition. It reflects the degree to which an employee can influence strategic, administrative, or operating outcomes at work (Ashforth, 1989). As pointed out by Lee and Koh (2001), the general notion of impact has been studied under various labels, including learned helplessness (Overmeier & Seligman, 1967) and locus of control (Rotter, 1966). Impact is the converse of learned helplessness (Martinko & Gardner, 1982), however, it differs from locus of control. Internal locus of control is a general personality characteristic, while the impact cognition endures with the work context (Spreitzer, 1995).

Lee and Koh (2001) suggest that the common feature in the conceptions of empowerment is that it is treated as a set of management practices and manager behaviours. However, breaking away from this approach, some researchers have focused on the psychological state of subordinates resulting from these practices and behaviours (Huang et al., 2006). According to Kraimer et al. (1999), psychological empowerment differs from the structural concept of empowerment in that it focuses on intrinsic motivation rather than on the managerial practices used to increase individuals' levels of power. Contemporary research on psychological empowerment has increased focus on articulating the empowerment process and the psychological underpinnings of the construct in terms of self-efficacy and autonomy.

This view suggests that empowerment techniques that provide emotional support for subordinates and create a supportive atmosphere can be more effective in strengthening the self efficacy beliefs (Bordin et al., 2007). This study takes an explicitly psychological view of employee empowerment, focusing on individuals' perceptions of their work roles. The stream that conceptualizes employee empowerment in motivational terms and therefore advances the notion of self-efficacy define 'psychological empowerment' as a process of enhancing feelings of self-efficacy among organisational members through the identification of conditions that foster powerlessness and through their removal by both formal organisational practices and informal techniques of providing efficacy information (Conger & Kanungo,1988; Thomas & Velthouse, 1990).

According to Kanter (1979), psychological empowerment is the product of employee interaction with organisational structures of information, support, resources, and opportunity that enable the employee to develop further and to be more effective in the organisation. Information about the organisation's mission, performance, and reward system is an important antecedent to psychological empowerment. Employee access to information in the organisation helps to create a sense of meaning and purpose for the individual, which may provide an employee with an understanding of how their work can contribute to the goals of the organisation and subsequently enable them to see the bigger picture (Spreitzer, 1996).

Potterfield (1999) views psychological empowerment as a subjective state of mind where an employee perceives that he/she is exercising efficacious control over meaningful work. Similarly, Menon (1999) define psychological empowerment as a cognitive state

that is characterized by a sense of perceived control, perceptions of competence, and internalization of goals and objectives of the organisation.

Some studies report that employees are less likely to leave the organisation if it means giving up empowerment and development benefits. Cappeli (2004), cited in Benson, (2006) states that the organisations that offer development and empowerment programmes report lower turnover compared to the similar organisations without such programmes. This suggests that participation in development and empowerment activities should also lead to reduced turnover intention.

Ding and Lin (2006) also suggests that employees are likely to have strong turnover intentions when they are dissatisfied with their personal development in their career or job, and therefore designing suitable human resource development programmes that satisfy employees' growth needs towards their job/career which helps to improve their perception of the organisation and consequently strengthen their willingness to stay.

Effective Empowerment in Organizations

Psychological empowerment in organizations is the perception by members who have the opportunity to help determine work roles, accomplish meaningful work, and influence important decisions. Over the past several decades an interest in empowerment can be seen in many subject areas within psychology and management, including motivation, leadership, group processes, decision making, and organizational design. Many studies have examined aspects of leadership behavior or management programmes that can

increase empowerment and a much smaller number of studies have examined the effects of such determinants on the perceptions of employees and on outcomes such as unit performance. Since a program or leadership style designed to increase empowerment may not actually do so, it is useful to measure the psychological empowerment of employees. Empowerment is considered important because of the potential benefits that can result from it, including increased commitment, better decisions, improved quality, more innovation, and increased job satisfaction.

Components of Psychological Empowerment

Psychological empowerment is usually conceptualized as the increased task motivation that results from an individual's positive orientation to the work role. Four defining actors are described as independent and distinct, yet related and mutually reinforcing. The four factors are meaningfulness, competence, choice, and impact (Thomas & Velthouse, 1990). It is interesting to note that each of these four factors has served as definitions of empowerment in earlier research descriptions of empowerment as a unitary concept.

Meaningfulness is “the value of the task goal or purpose, judged in relation to the individual's own ideals or standards; the individual's intrinsic *caring* about a given task” (Thomas & Velthouse, 1990, p. 672). It is analogous to the psychological state of meaningfulness in the job characteristics model of Hackman and Oldham (1980). In psychoanalytic terms, meaningfulness represents a kind of cathexis or investment of psychic energy (Thomas & Velthouse, 1990). Within the empowerment construct, meaningfulness is characterized at the level of specific tasks or projects. Meaningfulness

is described as the “engine” of empowerment, in that meaning energizes individuals to work (Spreitzer, Kizilos & Nason, 1997).

Competence is “the degree to which a person can perform task activities skillfully when he or she tries” (Thomas & Velthouse, p. 672). The concept is analogous to Bandura’s (1986) notion of self-efficacy or personal mastery. Competence refers to the individual’s belief in his or her capability to perform work activities with skill (Gist, 1987). Competence captures the idea that the individual feels capable of successfully performing a particular task or activity (Bandura, 1986). Conger and Kanungo’s (1988) discussion of psychological empowerment in organizations explores the nuances of self-efficacy and competence in the individual.

Choice refers to the causal responsibility for a person’s actions and whether behavior is perceived as self-determined. The concept is similar to locus of control. People with a strong internal locus of control orientation believe that events in their lives are determined more by their own actions than by chance, while people with a strong external locus of control orientation believe that events are determined mostly by chance or fate (Rotter, 1966). DeCharms (1968) uses the term “locus of causality” and argues that perceiving one’s own behavior as the origin (rather than pawn) is the fundamental basis for intrinsic motivation. Deci, Connell and Ryan (1989) use the term “self-determination,” which is the individual’s sense of having a choice of initiating and regulating actions and one’s own work. Liden and Tewksbury (1995) describe degree of choice in the work setting as the crux of empowerment. Thomas and Velthouse (1990) characterize choice as different from Rotter’s locus of control (which also involves

outcome contingencies); however, here we emphasize the similarities and overlap between the two concepts.

Impact is “the degree to which behavior is seen as “making a difference” in terms of accomplishing the purpose of the task, that is, producing intended effects in one’s task environment” (Thomas & Velthouse, p. 672). Impact builds on the concept of locus of control and the belief that one has an influence on organization-level decisions or policy (Rotter, 1966) and also on the notion of learned helplessness (Abramson, Seligman, & Teasdale, 1978). Impact is analogous to the psychological state of knowledge of results in Hackman and Oldham (1980). Ashforth (1989) characterizes impact as the degree to which an individual can influence strategic, administrative, or operating outcomes at work.

1.3 JOB SATISFACTION

Job satisfaction is defined as the feelings a person has about her or his job (Balzer, et al., 1997; Spector, P.E 1997). Job satisfaction is the degree to which an individual feels positively or negatively about various aspects of the job (Schermerhorn, J.R 1996). It describes the comfortable zone of an individual with his or her job. The happier people are within their job, the more satisfied they are said to be with their job. According to Loscocco, K.A and Roschelle, A.R (1991), the assumption of the definition is that people can balance their specific satisfactions and dissatisfactions to arrive at a general degree of satisfaction with their job.

Job satisfaction is “a pleasurable or positive emotional state” that is “a function of the perceived relationship between what one wants from a job and what one perceives it is offering” (Locke, 1976, p. 1300). The job characteristics model (Hackman & Oldham, 1980) proposes that critical psychological states such as experienced meaningfulness, feelings of responsibility, and knowledge of work results influence job satisfaction. Although Thomas and Velthouse (1990) and Conger and Kanungo (1988) did not explicitly include job satisfaction in their models of empowerment, Thomas and Tymon (1994) argued that empowerment is more likely to manifest at higher levels of job satisfaction. They further argued that assessments of empowerment generate intrinsic rewards and thus should be positively related to job satisfaction.

Empirical support varies regarding the relationships between the individual empowerment dimensions and job satisfaction. Most available evidence is related to additive effects and is in the form of simple correlations. First, there seems to be strong evidence of a positive association between meaning and job satisfaction (Hackman & Oldham, 1980; Spreitzer et al., 1997; Thomas & Tymon, 1994). According to Herzberg (1966), an important determinant of job satisfaction is personal meaning. Kanter (1983) suggests that perceived meaningfulness results in greater commitment and concentration of energy. Job satisfaction results from fulfillment of desired work values (Locke, 1976). Lack of meaning in the workplace has been linked to apathy and job dissatisfaction (Thomas & Velthouse, 1990).

Second, researchers have suggested that choice is a psychological need and that meeting this need results in job satisfaction (Conger & Kanungo, 1988; Greenberger, Strausser,

Cummings, & Dunham, 1989; Parker, 1993). Studies by Liden, Wayne, Sparrowe, and Bradway (1993) and Thomas and Tymon (1994) show that higher levels of personal control are related to job satisfaction. These results are consistent with Spector's (1986) seminal review, in which he presented evidence for a positive association between job autonomy and job satisfaction.

Third, with regard to the impact–satisfaction relationship, strong and consistent evidence is yet to emerge. Ashforth (1989, 1990) suggested that perceived lack of opportunity to have an impact on the organization might be related to job satisfaction, and Thomas and Tymon (1994) reported a positive relationship between impact and job satisfaction, but Spreitzer et al.'s (1997) study did not support the hypothesized effect of perceived impact on satisfaction.

1.4 PSYCHOLOGICAL EMPOWERMENT AND JOB SATISFACTION

The key presumption on empowerment is that empowered people are more active and productive than individuals who are not empowered (Thomas, K.W and Velthouse, W 1990). Empowered employees have complete knowledge about their work, so that they plan and schedule their work and are capable of identifying and resolving any obstacles for their performance (Cook, S 1994). Lot of research has supported the contention that psychological empowerment is related to job performance and job satisfaction (Liden et al., 2000; Spreitzer, G.M 1995; Spreitzer et al., 1997; Thomas, K.W and Tymon, W, 1994). Spreitzer and her co-authors (1997) established a strong relationship between competence and effectiveness; meaning and satisfaction. Thomas, K.W and Tymon, W

(1994) related self-determination to work effectiveness and impact, meaningfulness and choice to job satisfaction. Balzer, et al., (1997) and Locke, E.A (1976), related empowerment to job satisfaction which comprises the intrinsic nature of work, task activities, job autonomy and level of responsibility.

Feeling of empowerment can have consequences for both the individuals and organisations. Perceptions of empowerment can enhance the value of work for individuals, increase job satisfaction, and contribute to work productivity and success (Koberg et al., 1999; Spreitzer, 1995). Job satisfaction is one of the important outcomes of psychological empowerment (Bordin et al., 2007; Seibert, Silver, & Randolph, 2004).

Research evidence has accumulated to show that empowerment results in more satisfied employees (Bowen & Lawler, 1995). Critical psychological states such as experienced meaningfulness, feelings of responsibility and knowledge of results which influence job satisfaction (Carless, 2004). A positive relationship has been found to exist between psychological empowerment and job satisfaction (Avey et al., 2007; Holdsworth, & Cartwright, 2003).

Research findings show that psychological empowerment is the primary predictor of job satisfaction (Seibert et al., 2004), and an individual's perception of empowerment is an important mediator between the organisation context and behaviour (Larrabee et al., 2003; Spreitzer, 1995; Thomas & Velthouse, 1990). An increase in job satisfaction is one of the key anticipated outcomes behind the perceived feeling of empowerment among the employees in the workplace, while low levels of empowerment in the workplace are

strongly related to turnover intentions and reduction in job satisfaction (Appelbaum & Honegger, 1998; Fox, 1998; Holdsworth & Cartwright, 2003; Ripley & Ripley, 1993; Thomas & Tymon, 1994).

According to Bordin et al. (2007), Holdsworth and Cartwright (2003), and Spreitzer et al. (1997), all four dimensions of psychological empowerment play a major role in influencing job satisfaction. They suggest that the self-determination dimension of empowerment relates to satisfaction in that it is a psychological need and a key component of intrinsic motivation.

The meaning dimension is important for job satisfaction because an individual can only derive satisfaction from their work when engaged in a meaningful job. In terms of the impact dimension, Liden, Wayne, and Sparrowe (2000) argue that when employees feel that their work can influence outcomes that affect their organisation, they tend to feel more involved and therefore gain a sense of satisfaction with their job. Conversely, lack of opportunity to have an impact on the organisation is negatively related to job satisfaction (Ashforth, 1990).

Concerning the competence dimension of empowerment, Bordin et al. (2007) and Spreitzer et al. (1997) assert that an individual who feels more competent in their jobs are also likely to feel more satisfied with their jobs. Bordin et al. (2007) further suggest that the relationship between empowerment and job satisfaction is moderated by perceived supervisory social support.

1.5 STATEMENT OF THE PROBLEM

Psychological empowerment can lead to valuable consequences such as organizational success, reduced employee turnover, etc. This quest to harness the possible organizational pay back has resulted in a number of researches that focus on the scenery and relationship between occupational stress, psychological empowerment and job satisfaction.

An extensive review of the literature revealed that a great deal has been written about the causes and adverse effects of occupational stress as well as the importance of psychological empowerment and job satisfaction for the realization of organizational and professional goals. However, very few studies were found which addressed this relationship in the IT sector in India. The previous research has been conducted mostly in the domain of occupational stress related to dimensions like job satisfaction (Khan, 2005; Haider et al., 1986; Cochinwala & Imam, 1987), personality characteristics (Khurshid, 2008) psychological empowerment (Gretchen M. Spreitzer et al., 1997; Chung C.E, Kowalski S., 2012).

In addition, each IT employee has their own area of interest and they function in a unique work environment with their stakeholders. Therefore, such general descriptions about the employees' issues, and problems might not be enough. Empirical evidence is still needed to unravel the relationship between occupational stress psychological empowerment and job satisfaction in the IT sector.

The problem to be investigated is to, “examine the relationship between Occupational stress, Psychological empowerment, and Job satisfaction among the employees of Information Technology industry in Coimbatore. Further, this study aims to explore the effect of demographic variables on occupational stress, psychological empowerment and job satisfaction of the IT employees in Coimbatore”.

1.6 RESEARCH OBJECTIVES

The objective of this empirical study was to examine the relationship between occupational stress, psychological empowerment, and job satisfaction among the employees of IT sector in Coimbatore. The literature review failed to provide any viable data about the nature and level of occupational stress and its relationship with psychological empowerment and job satisfaction of IT employees in Coimbatore.

Therefore, this study attempts to help fill this vacuum by providing additional information that might be of interest to the researchers, IT managers, psychologists, and career counselors. The specific objectives of this study are:

1. To study the relationship between occupational stress, psychological empowerment and job satisfaction among the employees of IT industry.
2. To find out the level of occupational stress among the employees of IT industry.

3. To find out the level of psychological empowerment among the employees of IT industry.
4. To find out the level of job satisfaction among the employees of IT industry.
5. To analyze the effect of various demographic variables such as age, gender, education, experience, marital status, and monthly income on occupational stress, psychological empowerment and job satisfaction among the employees of IT industry.

1.7 CONCEPTUAL FRAMEWORK OF THE STUDY

A conceptual framework is proposed to logically explain the interconnection among variables of the study. The proposed conceptual model shows variables including occupational stress, psychological empowerment, and job satisfaction.

Occupational stress is a major hazard for many workers. Increased workloads, downsizing, overtime, hostile work environments, and shift work are just a few of the many causes of stressful working conditions.

Psychological empowerment refers to an individual's experience of intrinsic motivation that is based on cognitions about himself or herself in relation to his or her work role.

Job satisfaction is the level of contentment employees feel about their work, which can affect performance. It can be influenced by a person's ability to complete required tasks,

the level of communication in an organization, and the way management treats employees.

To explore the occupational stress and psychological empowerment of IT employees, this study treats them as independent variables that influence the dependent variables, i.e. job satisfaction. An increase in job stress may lead to augmented strain and decreased psychological empowerment, which eventually results in poor employee work performance and reduced job satisfaction.

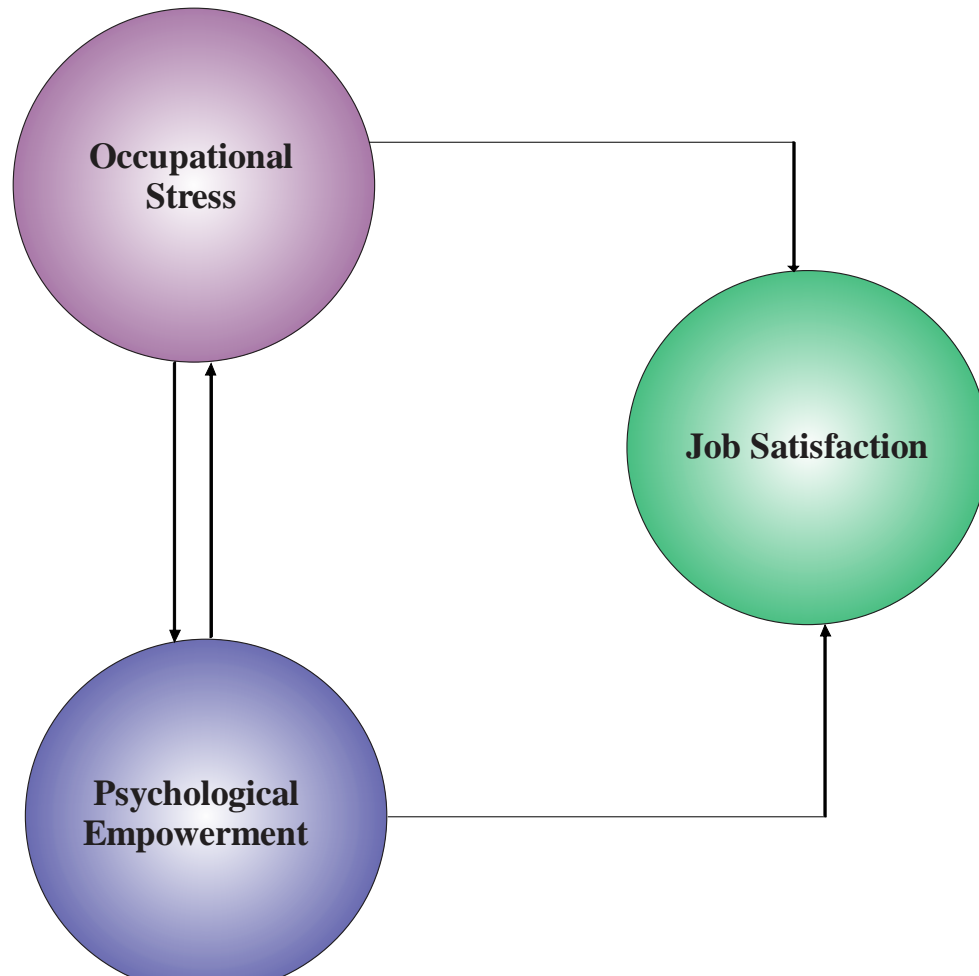


Figure 1.1 A CONCEPTUAL MODEL OF THE STUDY

Furthermore, this study aims at investigating how do employees belonging to different age groups, different experience level, different genders, qualifications, different monthly income level , different marital status and different family size in an organization perceive and experience occupational stress and how these factors affect employees' psychological empowerment and job satisfaction.

1.8 INDIA'S EMERGING ECONOMY: IT SECTOR

There is a broad consensus that the global center of economic growth is moving to Asia, and as a large emerging nation with a growing middle class. India has captured the attention of the developed economies looking for new investments and trade opportunities. By some estimates, India's economy will grow from its current \$1.8 trillion GDP to be the world's third largest in 2030, with a GDP of close to \$30 trillion. A recent report by the National Intelligence Council (*Global Trends 2030: Alternative Worlds*) states that by 2030, "India could be the rising economic powerhouse that China is seen to be today".

Despite the interest in India's economy, its dynamism is still often perceived in the United States as being driven by the information technology (IT) sector. However, the IT industry accounts for only 7.5 percent of India's GDP and employs just a fraction of the population. The IT sector enables nearly every other sector in India, but it is only *one* of the many drivers of India's economy. As India leapfrogs rapidly from an agrarian society to a knowledge-based economy, and fills the gaps in between, the perception that IT remains the main sector driving India's growth is outdated.

Overview of India's IT and ITES Industry:

The Indian IT and ITES Industry recorded a turnover of US \$ 60 billion in 2009, with exports accounting for about US \$ 47 billion and contributing to over 70% of industry revenues. The industry has grown at a CAGR of close to 30% between 2004 and 2009.

The major segments of the Industry are IT Services, BPO, and Engineering Services, R&D, and Products. Much of the activity is centred on service offerings in Banking, Financial Services, and Insurance (BFSI), Hi-Tech and Telecom, Manufacturing, and Retail. These are also referred to as various 'industry verticals' in common parlance.

The major market for software and services remains the Americas (primarily USA), accounting for about 60% of revenues. However, recognizing the need to diversify their client base, companies in this industry have increased their share of revenues outside USA from about 30% in 2004 to about 40% currently. Continental Europe and APAC are likely to see increase in their share of revenues.

IT Services

Share of segments

The IT Services segment is the largest contributor to the IT and ITES Industry, accounting for about 60% of industry revenues. The following are the major segments in the IT Services sector.

Major segments in IT Services exports

IT Services - Exports	Contribution (%)
<i>Project Oriented</i>	58%
IT Consulting	3%
Systems Integration	3%
Custom Application Development	49%
Network Consulting and Integration	1%
Software Testing	2%
<i>Outsourcing</i>	33%
Application Management	12%
IS Outsourcing	6%
Others	15%
Software development and support	7%
<i>Support and Training</i>	9%
Hardware deployment and support	1%
IT education and training	1%
<i>Total</i>	100%

Source: NASSCOM and IMaCS analysis

Customer Application Development and Maintenance contribute to over 50% of revenues in this space. This is primarily because the activity is viewed as ‘outsourcable’. The

industry garners a large chunk of its revenues from IS outsourcing and software support activities.

Enterprise solutioning, Remote Infrastructure Management (RIM), testing services, are expected to fuel growth in this segment. In order to grow, companies are increasingly looking at positioning themselves as end-to-end solution providers. Recent acquisitions by IT companies are primarily meant to acquire either scale or capabilities in niche segments such as IT consulting, telecom and healthcare products.

The BFSI, telecom, retail, and manufacturing sectors account for major portion of the IT Services revenues.

Demand Drivers for IT Services

The key demand drivers for the IT Industry in India are as follows:

Global growth in IT Services spending: The IT spending is expected to grow at 6.3% globally in the next five to six years. Given the growth in the spending base, as well as India being poised to increase its share from the current levels of about 7% in the IT Services space, it is well poised to tap into the global IT spending. The ‘addressable’ market is expected to triple from US \$ 500 billion today to US \$ 1.5 to 1.7 trillion till 2022.

Growth in markets beyond US and EU: Markets beyond US and EU, especially BRIC5 (Brazil, Russia, India, China) and APAC will be major growth areas in the future. These markets are expected to witness growth much more than the US and EU.

Growth in domestic spending: The growth in domestic spending will be fuelled by the following:

High rates of GDP growth: As per the BRIC Report of Goldman Sachs, India is likely to be the only country among the BRICs to clock GDP growth between 5% and 6% across all years till 2050. This would fuel growth in a host of downstream industries where IT adoption would be high, such as BFSI.

Increasing IT spending: India's IT spending is expected to be US \$ 24 billion in 2009. This will be also fuelled by increasing end-user spending, which is expected to reach US \$ 110 billion growing at a CAGR of 15% from 2007.

Other areas which will drive domestic demand: Other areas which will drive domestic demand are increasing Government spend on IT and e-governance. Industry adoption will be spearheaded in BFSI, telecom, retail, and healthcare.

Sustaining cost competitiveness: It is estimated that for multinational corporations sourcing from India, cost savings delivered are in the range of 25 to 60 per cent of the company's original costs. This is expected to sustain for the next 15 years. On a scale of 4 in terms of overall financial attractiveness for this industry, India scored 3.22 as compared to China (2.93), Malaysia (2.84), and Thailand (3.19).

Large technical pool of skilled professionals: a diversified product, service, and market play; and innovation are expected to enable this growth, as described in the later sections.

Indian IT-BPO performance

The sector is estimated to aggregate revenues of USD 88.1 billion in FY2011, with the IT software and services sector (excluding hardware) accounting for USD 76.1 billion of revenues. During this period, direct employment is expected to reach nearly 2.5 million, an addition of 240,000 employees, while indirect job creation is estimated at 8.3 million. As a proportion of national GDP, the sector revenues have grown from 1.2 per cent in FY1998 to an estimated 6.4 per cent in FY 2011. Its share of total Indian exports (merchandise plus services) increased from less than 4 per cent in FY1998 to 26 per cent in FY2011.

Exports market: Export revenues are estimated to gross USD 59 billion in FY2011 accounting for a 2 million workforce.

Geographic focus: The year was characterised by a consistent demand from the US, which increased its share to 61.5 per cent. Emerging markets of Asia Pacific and Rest of the world also contributed significantly to overall growth.

Vertical Markets: While the sector's vertical market mix is well balanced across several mature and emerging sectors, FY2011 was characterised by broad based demand across

traditional segments such as Banking, Financial Services and Insurance (BFSI), but also new emerging verticals of retail, Healthcare, Media and Utilities.

Service Lines: Within exports, IT Services segment was the fastest growing segment, growing by 22.7 per cent over FY2010, and aggregating export revenues of USD 33.5 billion, accounting for 57 per cent of total exports. Indian IT service offerings have evolved from application development and maintenance, to emerge as full service players providing testing services, infrastructure services, consulting and system integration. The coming of a new decade heralds a strategic shift for IT services organisations, from a ‘one factory, one customer’ model to a ‘one factory, all customers’ model. Central to this strategy is the growing customer acceptance of Cloud-based solutions which offer best in class services at reduced capital expenditure levels.

The BPO segment grew by 14 per cent to reach USD 14.1 billion in FY2011. The year also witnessed the next phase of BPO sector evolution - BPO 3.0 - characterised by greater breadth and depth of services, process re-engineering across the value chain, increased delivery of analytics and knowledge based services through platforms, strong domestic market focus and SMB centric delivery models. During the year, the BPO sector growth was affected by delayed decision making and deal restructuring in the first half of the year, though it picked up momentum in the second half. Changing demand patterns led to revamp of operations for service providers - high focus on client relationships, mining existing clients and restructured operations to provide focused vertical solutions. Further, the industry focused on achieving excellence in business

process management, and delivering strong transformational benefits creating revenue impact for clients.

The engineering design and products development segments generated revenues of USD 9 billion in FY2011; growing by 13.6 per cent, driven by increasing use of electronics, fuel efficiency norms, convergence of local markets, and localised products. Increasing confidence in relationships between customers and service providers successfully executing a variety of activities across low-medium-high complexity projects has led to increasingly larger sizes of projects being sourced from India.

Domestic market: Domestic IT-BPO revenues excluding hardware are expected to grow at almost 16 per cent to reach ` 787 billion in FY2011. Strong economic growth, rapid advancement in technology infrastructure, increasingly competitive Indian organisations, enhanced focus by the government and emergence of business models that help provide IT to new customer segments are the key drivers for increased technology adoption in India.

IT services is one of the fastest growing segments in the Indian domestic market, rising by 16.8 per cent to reach 501 billion, driven by localised strategies designed by service providers.

Domestic BPO segment is expected to grow by 16.9 per cent in FY2011, to reach ` 127 billion, driven by demand from voice based services, in addition to adoption from

emerging verticals, new customer segments, and value based transformational outsourcing platforms.

Indian software product segment is estimated to grow by 14 per cent to reach ` 157 billion, fueled by replacement of in-house software applications to standardised products from large organisations and innovative start-ups.

Government sector is a key catalyst for increased IT adoption- through sectors reforms that encourage IT acceptance, National e-Governance Programmes (NeGP), and the Unique Identification Development Authority of India (UIDAI) programme that creates large scale IT infrastructure and promotes corporate participation.

Future Outlook

The underlying theme of 2010 has been the steady recovery from recession. Worldwide GDP, which had declined by 0.6 per cent in 2009, grew 5 per cent in 2010 and is expected to stabilise at about 4.4 per cent in 2011. Developing nations continue to grow faster than the developed countries by at least three times. IT spend is directly linked to growth in GDP and in line with this trend, IT spend in 2011 is expected to grow nearly 4 per cent. Worldwide IT spending will also benefit from the accelerated recovery in emerging markets, which will generate more than half of all new IT spending worldwide in 2011. In 2011, growth will reflect new demand for IT goods and services, not pent-up demand from prior years. 2011 will also see a major surge in the use of private and public cloud and mobile computing on a variety of devices and through a range of new apps.

Hardware is likely to grow the fastest at about 7 per cent, led by the refresh cycle in the Government sector. Shipments of app-capable, non-PC mobile devices (smartphones, media tablets) are expected to outnumber PC shipments.

IT services is expected to grow by about 3.5 per cent in 2011 and 4.5 per cent in 2012. While focus on cost control and efficiency/productivity remain, customers are also evaluating how investments in IT impact can further business goals – ROI led transformation - leading to an increase in project-based spending. Services such as virtualisation, consolidation, and managed services that focus on ROI in the short term will drive opportunities in the market. Emerging Asian enterprises across multiple industries will continue to accelerate services spending in their efforts to challenge existing global MNCs. Organisations will look for alternative IT models - Cloud, on-demand services and SaaS – in order to reduce hardware infrastructure costs and provide scalability on demand.

Worldwide packaged software revenue is estimated to reach USD 297 billion in 2011, a Y-o-Y growth of over 5 per cent, led by emerging regions, such as APAC and LATAM. These regions are expected to invest heavily in enterprise software initiatives as they continue to round out the IT infrastructure necessary to do business. Business Process Outsourcing spending is expected to be driven by analytical services, F&A and industry-specific BPO solutions.

In the future, the global IT-BPO industry is likely to go through a paradigm shift across five parameters.

Markets: Growth will be driven by new markets – SMBs, Asia, public sector and government-influenced entities which will become a priority customer base.

Customers: Customers will demand ‘transformative’ value propositions, that go beyond lower-cost replication; as technology creates virtual supply chains, customers will require a seamless experience across time zones and geographies; increasing demand for innovation and end-to-end transformation.

Service Offerings: Offerings that are high-end deeply embedded in customer value chains will emerge. Services and delivery will become location-agnostic leading to new opportunities such as design services in manufacturing, Remote Infrastructure Management (RIM), etc. Solutions for the domestic market will be a key focus area.

Talent: Government pressures to create local jobs and the need for local knowledge will alter the employee mix - a higher proportion of non-Indians with multilingual and localised capabilities. There will be a much greater focus on ongoing development of specialised skills and capabilities.

Business models: Driven by a focus on expertise and intellectual property, offerings will shift from piecemeal, technology-centric applications to a range of integrated solutions and higher-end services, spanning new service lines (e.g., green IT).

While developed markets constitute the largest share of IT spend, increasingly emerging markets are spearheading growth as a large consumer base becomes increasingly tech-savvy and enterprises adopt IT solutions to improve their global competitiveness. Given this scenario, the Indian supply base has begun to explore market opportunities beyond US and UK. By 2020, new segments (SMBs), new verticals (Public sector and Defence, Healthcare, Utilities, Printing and Publishing) and new geographies (BRIC) will account for 50-55 per cent growth in the addressable market. India supply base is well placed to tap this potential, with their two decade long experience, mature service capabilities, presence in almost all verticals, global footprint and an abundant talent pool.

Suitably exploiting these emerging opportunities both in the global and domestic markets can help India reach USD 130 billion in IT-BPO revenues by FY2015, a CAGR of 14 per cent. By FY2015, the Indian IT-BPO industry is expected to contribute about 7 per cent to annual GDP and create about 14.3 million employment opportunities (direct and indirect).

Further, the India supply base has also begun to look for expansion across various non-metros both to control costs and have access to a large talent pool. This expansion has resulted in the development of a local talent pool and the physical and social infrastructure. The industry is now moving to rural areas creating employment, improving living standards, positively impacting career and personal development, empowering women and developing a social infrastructure, thus leading to a balanced regional growth.

The government will be a key driver for increased adoption of IT-based products and solutions. It has embarked on various IT-enabled initiatives including Public services (Government to citizen services, citizen identification, and public distribution systems), Healthcare (telemedicine, remote consultation, and mobile clinics), Education (e-Learning, virtual classrooms, etc) and financial service (mobile banking/payment gateways), etc. These initiatives are expected to substantially improve the economic conditions of a large, under-served population, thereby reducing the government's fiscal burden.

IT sector in Coimbatore

Today, the IT software export from Coimbatore is close to Rs.150 crores. Tamil Nadu has the maximum number of potential BPO companies in the country. Coimbatore has a host of educational institutions, a traditional yet cosmopolitan crowd and a pleasant climate.

Coimbatore is on the fast track all that makes the city an irresistible destination for IT companies to set up shops and they have employed around 15,000 people here. To complement the need of skilled manpower, Coimbatore has around 54 engineering colleges, over 70 arts colleges, seven universities, two medical colleges and 18 polytechnics. Every year, Coimbatore produces around one lakh arts graduates and 50,000 engineering graduates. This has been one of the major reasons for big companies such as Larsen & Toubro, Robert Bosch Engineering and Business Solutions and Cognizant setting up large bases near the city.

Today Coimbatore has made giant strides in the fields of engineering, auto components, education, healthcare, motors and pumps and wet grinders. The city supplies around 60 per cent of pumps and 40 per cent of motors used in India. Tata Motors sources over 25 per cent of its components from here. The healthcare sector in Coimbatore is one of the best in the country with the presence of several hospitals and specialty clinics such as Arya Vaidya Pharmacy that provide world class services. There are nearly 750 hospitals in and around the city with a capacity of 5,000 beds. The size of the Coimbatore health care industry is estimated to Rs.1, 500 crores in 2010.

The city is the second largest software producer in Tamil Nadu, next only to Chennai. IT and BPO industry in the city has grown greatly with the launch of TIDEL Park and other planned IT parks in and around the city. It is ranked as 17th among the global outsourcing cities. Companies like Cognizant Technology Solutions, Wipro, Infosys, Robert Bosch GmbH, IBM, Tata Consultancy Services, Tata Elxsi, Dell, Cameron International, CSS Corp and KGISL are functioning in the city. Software exports stood at ₹1710.66 Crores (77.1 billion) for the financial year 2009-10 up to 90% from the previous year.

1.9 NASSCOM

The **National Association of Software and Services Companies** (NASSCOM) is a trade association of Indian Information Technology (IT) and Business Process Outsourcing (BPO) industry. Established in 1988, NASSCOM is a non-profit organisation.

NASSCOM is a global trade body with over 1500 members, of which over 250 companies are from the United States, UK, EU, Japan and China. NASSCOM's member

companies are in the business of software development, software services, software products, IT-enabled/BPO services and e-commerce.

NASSCOM facilitates business and trade in software and services and encourages the advancement of research in software technology. It is registered under the Indian Societies Act, 1860.

NASSCOM is headquartered in New Delhi, India, with regional offices in the cities of Mumbai, Chennai, Hyderabad, Bangalore, Pune, and Kolkata.

NASSCOM organizes the India Leadership Forum. It gives a platform for the developing companies to network and present their products. Some of the notable events such as NASSCOM product conclave, Developer road show, Engineering summits, developer Conferences etc.

Membership

Members of NASSCOM are Indian Companies in varied businesses such as software development, software services, and IT-enabled/BPO services. NASSCOM role has primarily been to make sure that service quality and enforcement of Intellectual Property Rights have been properly implemented in the Indian software and BPO industry. As of June 2007, more than 1,110 information technology companies in India were members of NASSCOM, which included domestic software/ITES companies along with multinationals operating within India. NASSCOM has a Mentorship Programme for the mid-sized companies. This is a six-month engagement, which will help the organisation to develop a better assessment of their strengths and weaknesses.

NASSCOM in Coimbatore

The Indian IT-BPO industry has witnessed sustainable growth; the country today has emerged as the preferred outsourcing destination and offers an unmatched advantage of cost competitiveness, innovation and quality. The growth of the IT sector in India has also outlined and brought into prominence cities with great potential. Exponential growth, coupled with zealous businesses expanding in Coimbatore, has catapulted the city as the growing hub of IT-BPO industry in India. Coimbatore's strategic location amid the cluster of other IT destinations of Salem, Trichy and Madurai, have made it a foremost choice for multiple industrial centers and an environment also conducive to IT entrepreneurs. Coimbatore is the second largest location of Tamil Nadu and one of the seven where the Government wants to develop the IT-BPO sector.

With maturing of the industry, it is imperative to expand the geographical spread of IT-BPO growth to enable more balanced economic development of the country, lower migration across cities, and reduce the burden on the stretched infrastructure in the current hubs. A recent study by NASSCOM assessed a total of 50 locations across the country for their potential and attractiveness for IT-BPO sector and also provides a directional roadmap for development of each location.

NASSCOM has promoted Coimbatore as a preferred IT-BPO destination, this will act as a platform for the industry, government and the academia in the region to congregate and discuss issues, share best practices and build strategies for ensuring that Coimbatore gets its rightful place in the galaxy of leader cities for IT-BPO business.

DESCRIPTION OF CONCEPTS USED IN THE STUDY

The following key terms have been defined with the support of the literature to serve the purpose of the study:

Occupational Stress

Stress that happens due to a person's employment is termed occupational stress. According to Cooper & Bright (2001), the most widespread definitions of occupational stress may be classified into three types. The first type of definition is stimulus based. It considers stress as an environmental based stimulus, forced upon the person. The second type of definition is response based. It defines stress as an individual's psychological or physiological response to the situational forces. The third definition of stress applies an interactive approach often called the stressor-strain approach.

Keeping in view all the above definitions, for the purpose of this study, occupational stress is defined as the harmful emotional (that is anxiety and depression), physical (that is insomnia, headaches, and infections), and behavioral responses (that is job dissatisfaction, low commitment and poor work performance) that occurs when work necessities do not match the capabilities, possessions and needs of the worker. The present study treated occupational stress as an independent variable that could influence the psychological empowerment and job satisfaction.

Psychological Empowerment

The focus of the present study is on psychological empowerment as a multifaceted concept that represents the relationship between an employee and his/her employer. The definition of psychological empowerment adopted is that of Spreitzer, (1995) the fundamental personal beliefs that employees have about their role in relation to the employing organization. The beliefs are organized into four dimensions: meaning, self-determination, competence, and impact.

This approach is relevant to the current research as like in Spreitzer and Quinn, (2001) psychological empowerment at work is developed within an individual; it is not granted by superior or institution. In order to further explore the scenery and forms of psychological empowerment of IT employees, the present study treated it as a dependent variable that could be inclined by occupational stress.

Spreitzer defined psychological empowerment as a motivational construct manifested in four dimensions: meaning, competence, self-determination and impact. Spreitzer employed his validated psychological empowerment measurement models to test the relationship among the four dimensions of psychological empowerment and employee satisfaction. Although job satisfaction was associated most powerfully with the meaning dimension, the self-determination and competence dimensions exhibited a marginal influence on job satisfaction, and the impact dimension had no effect on job satisfaction.

Job Satisfaction

Job satisfaction is “a pleasurable or positive emotional state” that is “a function of the perceived relationship between what one wants from a job and what one perceives it is offering” (Locke, 1976, p. 1300). The job characteristics model (Hackman & Oldham, 1980) proposes that critical psychological states such as experienced meaningfulness, feelings of responsibility, and knowledge of work results in influencing job satisfaction. Although Thomas and Velthouse (1990) and Conger and Kanungo (1988) did not explicitly include job satisfaction in their models of empowerment, Thomas and Tymon (1994) argued that empowerment is more likely to manifest at higher levels of job satisfaction. They further argued that assessments of empowerment generate intrinsic rewards and thus should be positively related to job satisfaction.

1.10 SIGNIFICANCE OF THE STUDY

Studies on occupational stress, psychological empowerment and job satisfaction have been at length carried out by the past researchers mainly in the western countries. Due to lack of studies addressing the issue of IT employees’ occupational stress, psychological empowerment and job satisfaction in Coimbatore, it is questionable whether western findings can be applied in the non-western context, like India. For instance, people in the western countries have an individualistic direction toward job whereas people in the South Asian countries in general have a collective direction. Therefore, more studies are needed to erase the doubt on the applicability of western studies in the Indian context. The present study is unique as it is an attempt to describe the relationship between

occupational stress, psychological empowerment and job satisfaction in the context of IT in Coimbatore.

1.11 LIMITATIONS

Data for the study was collected from the employees of IT industry in Coimbatore and so the results cannot be generalized to other geographical areas. The respondents may have completed the questionnaires during a part of the year that was overwhelming. The time in which the respondent completed the questionnaires may have influenced their perceived stress level.

1.12 RESEARCH METHODOLOGY

This section describes the research methodology and the process of data collection needed to empirically test the conceptual framework developed in the previous chapter. This study explores the relationship between Occupational stress, psychological empowerment and job satisfaction in the IT sector. To ensure the accuracy of results it is therefore important to choose an appropriate research methodology.

BRIEF OVERVIEW OF THE RESEARCH OBJECTIVES

The objective of this empirical study was to examine the relationship between occupational stress, psychological empowerment, and job satisfaction among the employees of IT sector in Coimbatore. The literature review failed to provide any viable data about the nature and level of occupational stress and its relationship with psychological empowerment and job satisfaction of IT employees in Coimbatore.

Therefore, this study attempts to help fill this vacuum by providing additional information that might be of interest to the researchers, IT managers, psychologists, and career counselors. The specific objectives of this study are:

1. To study the relationship between occupational stress, psychological empowerment, and job satisfaction among the employees of IT industry.
2. To find out the level of occupational stress among the employees of IT industry.
3. To find out the level of psychological empowerment among the employees of IT industry.
4. To find out the level of job satisfaction among the employees of IT industry.

5. To analyze the effect of various demographic variables such as age, gender, education, experience, marital status, and monthly income on occupational stress, psychological empowerment and job satisfaction among the employees of IT industry.

RESEARCH QUESTIONS

To achieve the specific research objectives, following are the key research questions:

1. What is the relationship between occupational stress, psychological empowerment, and job satisfaction among the employees of IT industry?
2. What is the level of occupational stress among the employees of IT industry?
3. What is the level of psychological empowerment among the employees of IT industry?
4. What is the level of job satisfaction among the employees of IT industry?
5. What is the influence of demographic factors (age, gender, education, experience, marital status, monthly income) on occupational stress, psychological empowerment and job satisfaction of the IT employees in Coimbatore?

RESEARCH HYPOTHESES

Hypotheses are important and indispensable tools of scientific research. They are tentative answers to research problems. They are expressed in the form of a relation between independent and dependent variables. The following null hypotheses were formulated to achieve the research objectives.

H1- Occupational stress will not vary significantly with variation in demographic factors like age (H1a), gender (H1b), education (H1c), experience (H1d), marital status (H1e), and monthly income (H1f) among the employees of IT industry.

H2- Psychological empowerment will not vary significantly with variation in demographic factors like age (H2a), gender (H2b), education (H2c), experience (H2d), marital status (H2e), and monthly income (H2f) among the employees of IT industry.

H3- Job satisfaction will not vary significantly with variation in demographic factors like age (H3a), gender (H3b), education (H3c), experience (H3d), marital status (H3e), and monthly income (H3f) among the employees of IT industry.

H4- There will not be any correlation between job satisfaction and occupational stress (H4a); job satisfaction and psychological empowerment (H4b); and occupational stress and psychological empowerment (H4c).

H5- Occupational stress (H5a) and psychological empowerment (H5b) will not affect job satisfaction among the employees of IT industry.

RESEARCH DESIGN

The aim of a research design is to provide an intended and prepared way of achieving the research objectives and to augment validity and reliability. The present study is a descriptive correlational study that seeks to explore the relationship between Occupational stress, psychological empowerment, and job satisfaction. This type of study requires a research that does an in-depth investigation and description of phenomena, and systematically classifies the variables of a construct and describes the attributes as accurately and precisely as possible. In order to attain the aim of the research design, it should address the serious questions including the unit of analysis and the method of data collection. These components are therefore discussed in the following section.

Unit of Analysis

In this study, the unit of analysis was subgroups of IT employees based on age, gender, education, year of experience, marital status, and monthly income. The participants' identity was kept confidential and their privacy was strictly maintained in the study.

RESEARCH METHODOLOGY AND JUSTIFICATION

Research method refers to the means of bringing together and examining empirical proof. To make sure validity and reliability a research should make use of both quantitative and qualitative methods where it comes into appropriate view (Allan, 1998). In the following sub-sections, both the qualitative and quantitative approaches are briefly evaluated:

The Qualitative Approach

Qualitative methods are more effective for seeking a thorough description within a limited area, but they are not appropriate for detection of co-variance between variables, in difference to quantitative methods (Thompson, 2003). The qualitative research method may be helpful for understanding the relationship Occupational stress, psychological empowerment and job satisfaction if the purpose of the research was to study the impact of this relationship on few individuals over a period of time in any one particular organisation.

Qualitative methods provide less clarification of variance statistical terms than quantitative methods, they can give way data from which process theories and rich explanations of how and why procedure and outcome crop up can be developed (Marcus and Robey 1988) taking all of the above into account it was decided to adopt an approach for this research which can be called the qualitative method.

The Quantitative Approach

According to Garber (1999), “Quantitative research methods put importance on the making of detailed and generalizable statistical conclusion. The data composed by using the quantitative techniques are likely to be numerical and are open to explanation by use of statistics: thus the data are said to be quantitative and there is certain impartiality about actuality, which is quantifiable”.

Quantitative methodologies, however, have been criticized for their lack of notice to procedure aspects, for frequently meeting data only from the top of an organization, and for their failure to find significant relationships (King, 1990).

OPERATIONAL DEFINITION OF VARIABLES

The main aim of this research was to examine the relationship between Occupational stress, psychological empowerment and job satisfaction in the IT industry. The operational definitions of the study variables, description and justification of the use of the measurement instruments are discussed below:

Occupational Stress

Stress that happens due to a person’s employment is termed occupational stress. According to Cooper & Bright (2001), the most widespread definitions of occupational

stress may be classified into three types. The first type of definition is stimulus based. It considers stress as an environmental based stimulus, forced upon the person. The second type of definition is response based. It defines stress as an individual's psychological or physiological response to the situational forces. The third definition of stress applies an interactive approach often called the stressor-strain approach.

Keeping in view all the above definitions, for the purpose of this study, occupational stress is defined as the harmful emotional (that is anxiety and depression), physical (that is insomnia, headaches, and infections), and behavioral responses (that is job dissatisfaction, low commitment and poor work performance) that occurs when work necessities do not match the capabilities, possessions and needs of the worker. The present study treated occupational stress as an independent variable that could influence the organizational commitment.

For the purpose of the present study the operational definition of stress is that: Occupational Stress refers to intrinsic and extrinsic stressors of IT employees which are related to their job including; stress associated with various work roles; personal strains due to physiological, psychological and behavioral processes that occur under the influence of stress and disrupt the normal functioning of IT employees.

Occupational Stress Scale

The Occupational stress scale developed by Srivastava and Singh (1984) was used for assessing stress among the respondents. The respondents were asked to rate each of the 15 items on the following 5-point Likert scale:

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree

Responses were scored as follows:

Strongly agree = 5, agree=4, neutral=3, disagree=2, strongly disagree=1

Psychological Empowerment

Psychological empowerment focuses on intrinsic motivation rather than on the managerial practices used to increase employees' levels of authority (Giacalone et al., 2005). Psychological empowerment refers to a set of psychological states like meaning, impact, self determination, competence that are essential for individuals to feel a sense of control over their work as a result of being empowered by a supervisor.

Psychological Empowerment Scale

The psychological empowerment instrument developed by Spreitzer (1995; 1996) was used to assess empowerment among the respondents. The respondents were asked to rate each of the 16 items on the following 5-point Likert scale:

1. Strongly agree
2. Agree
3. Neutral
4. Disagree
5. Strongly disagree

Responses were scored as follows:

Strongly agree = 5, agree=4, neutral=3, disagree=2, strongly disagree=1

Job Satisfaction

Job satisfaction has been linked to productivity, motivation, absenteeism/tardiness, accidents, mental/physical health, and general life satisfaction (Landy, 1978).

Job satisfaction is significant because a person's attitude and beliefs may affect his or her behaviour. Attitudes and beliefs may cause a person to work harder, or, the opposite may occur, and he or she may work less. Job satisfaction also affects a person's general well being for the reason that people spend a good part of the day at work. Consequently, if a

person is dissatisfied with their work, this could lead to dissatisfaction in other areas of their life.

Job Satisfaction Scale

The Job satisfaction, instrument developed by weiss et al. (1967) was used to measure an employee satisfaction with his or her job .The respondents were asked to rate each of the 19 items on the following 5-point Likert scale:

1. Highly satisfied
2. Satisfied
3. Neutral
4. Dissatisfied
5. Highly dissatisfied

Responses were scored as follows:

Highly satisfied = 5, Satisfied =4, Neutral =3, Dissatisfied =2, Highly dissatisfied =1

Demographic Variables

Information Technology employees include individuals working at any level, performing any type of work assignment in the IT sector. The demographic variables of age, gender, marital status, educational, experience, and monthly income were selected for the present study.

SAMPLING PROCESS

Sampling is a fundamental method of inferring information about an entire population instead of measuring every member of the population. Developing the proper sampling technique can greatly affect the authenticity of the results.

Sampling Population

The population of the study included employees from selected IT companies in Coimbatore. Since it would be almost impossible to reach all the employees of ITs all over Coimbatore, it was, therefore, necessary to sample the population. As per The National Association of Software and Services Companies (NASSCOM) 10 IT companies are existing in Coimbatore out of which four IT companies were chosen using lottery method. The total populations of these four IT companies are 600 employees. The researcher had distributed the questionnaires for all the 600 employees in the targeted population. But for the final study the researcher had considered only 549 questionnaires, due to non compliance of the questions, 51 questionnaires were discarded. Therefore the final sample size for this study is 549.

DATA COLLECTION

For data collection, the respondents were approached in their job settings and were briefed about the nature and purpose of the research. The respondents were assured of the confidentiality of the results. After their willingness, stress, psychological

empowerment and job satisfaction scale questionnaires were handed over to them to complete the scales in one session. A soft copy of the research questionnaire was also provided to some of the respondents on request. Also to internally circulate the research questionnaires in some organizations, the web administrators of their organizations were contacted with the soft copy of the questionnaires in simple MS word, which was circulated among the staff members via e-mail.

Method of data collection

- ✓ **Primary data:** The primary source of the study includes the opinion of the respondents which was collected through administering the structured questionnaires.
- ✓ **Secondary data:** The secondary sources were collected from journals, websites, and magazines.

PILOT STUDY

Pilot study was conducted with a sample of thirty respondents and the reliability and validity for the same were tested. The responses were collected and analyzed and due modifications were done in the instruments as indicated by the study. The instruments were tested for reliability and found to be satisfactory.

Table 1.2

Reliability Scores of Variables

Variables	Items	Alpha
Occupational stress	15	0.7427
Psychological Empowerment	16	0.7012
Job Satisfaction	19	0.8060

Source: Primary data

STATISTICAL TECHNIQUES

The statistical package for social sciences (SPSS-16th Edition) was used to conduct the analysis of the collected data. Various statistical techniques were employed to examine the data such as mean and standard deviation, correlation analysis, regression analysis, percentile analysis and analysis of variance. As these techniques are appropriate to test the internal consistency, construct validity, average, dispersion, determination of cut off scores, variance and relationship among different variables.

Tools and techniques used for data analysis

The data collected through questionnaires were analyzed using Percentage analysis, Mean and Standard Deviation, One way Analysis of Variance (ANOVA), t-test, Correlation and Regression done through SPSS.

- ✓ **Percentage analysis:** Percentage analysis is the method to represent raw structure of data as a percentage for better understanding of collected data, this was done for the demographic factors of the respondents.
- ✓ **Descriptive statistics:** The Descriptive procedure displays univariate summary statistics for several variables in a single table and calculates standardized values (z scores), this was done for the variables relating to HRM practices and organizational commitment.
- ✓ **t-test:** Independent sample t-test was used to test the equality of means among different demographic groups.
- ✓ **One way Analysis of Variance:** In statistics, analysis of variance (ANOVA) is a collection of statistical models, and their associated procedures, in which the observed variance in a particular variable is partitioned into components attributable to different sources of variation. In its simplest form, ANOVA provides a statistical test of whether or not the means of several groups are all equal, and therefore generalizes t-test to more than two groups. Doing multiple two-sample t-tests would result in an increased chance of committing Type I error. For this reason, ANOVAs are useful in comparing two, three, or more means.
- ✓ **Correlation:** Correlation refers to any of a broad class of statistical relationships involving dependence. Correlation can refer to any departure of two or more random variables from independence, but technically it refers to any of several more specialized types of relationship between mean values. There are several correlation coefficients, often denoted ρ or r , measuring the degree of correlation. The most common of these is the Pearson correlation coefficient, which is sensitive only to a linear relationship between two variables (which may exist even if one is a nonlinear

function of the other). Other correlation coefficients have been developed to be more robust than the Pearson correlation – that is, more sensitive to nonlinear relationships.

- ✓ **Regression:** Regression analysis is a statistical process for estimating the relationship among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between dependent variables and one or more independent variables.

CONCLUSION

This chapter presented the research methodology used in this study and its justification. It illustrates research design of the study, the unit of analysis and operational definition of Occupational stress, psychological empowerment, job satisfaction and demographic variables included in the study, details about research instruments including Likert scale used for data collection and the procedure of data collection and data analysis. The next chapter presents results of the empirical research, results related to the research hypothesis and a summary of the results.

1.13 CHAPTER SCHEME

Overview of Chapters

Chapter one deals with the Introduction of the study. Introduction with a note on theoretical framework on the three components of the study namely, Occupational stress, Psychological empowerment and Job satisfaction, need for the study, statement of the problem, significance of the study, objective of the study, research methodology, limitation is explained in part I of the chapter and part II of the chapter focuses on the Information technology industry and the NASSCOM members of IT industry.

Chapter Two presents the review of literature. This chapter gives review of selected studies on Occupational stress, psychological empowerment and job satisfaction in detail. It deals with reviews of various authors who have dealt with similar studies associated to the current topic of the study.

Chapter Three elaborates on the analysis and interpretation. The data analysis and interpretation helps in providing a meaningful insight into understanding the objective of the research study.

Chapter Four enumerates the discussion of the study. The chapter explains the detailed discussions made in the study on organisational and operational stressors in stress followed by psychological empowerment and job satisfaction in informational technology employees, Coimbatore.

Chapter Five recapitulates the findings, suggestions, research for future and concludes.