

## **Organizational Stress Vs Managerial Effectiveness (Lower Level Managers) Locus of Control as a Moderator**

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### **Abstract**

*This study examines the relationship between organizational stress and managerial effectiveness locus of control as moderator. Interview technic were used to find the effect of stress on managerial effectiveness .The result indicates employees feel stress due to HR policies and this stress effect the managerial effectiveness.*

**Key words:** Stress, managerial effectiveness, Locus of control

### **INTRODUCTION**

Stress is a common occurring and costly problem in today's workplace. Problems at work are more strongly inter link with health complaints than are any other life stressor more so than even financial problems or family problems. Stress on individual generate strain on organization as a whole and organization experiences stress such as funding changes, loss of programming, down sizing, mergers and mostly strain individual coping skill. The National Institute for Occupational Safety and Health (NIOSH) defines job stress as the: harmful physical and emotional responses that occur when the requirements of the job do not match the capabilities, resources, or needs of the worker. In 1966 Katz and Kahn and Rizzo, House and Lirtzman (1970) present role stress theory when employees experience role ambiguity and role conflict.

Components of role stress—role ambiguity and role conflict are also referred to as role stressors. Locus of control concept is psychological concept. It is developed by Julian Ratter in 1950s. Locus of control has two types of Loci, internal Loci, and external loci. This concept represents that how person decision making ability is influenced by internal and external loci. One who believes that outcomes control in their life (internal locus of control) another depends on fate, luck, chance (external locus of control). One who adapt external locus of control they feel stress and depression. Mostly women are adapting external locus of control more as compared to men. Sometimes Locus of Control is seen as a stable, underlying personality construct but this may be misleading, since the theory and research indicates that that locus of control is largely learned. There is evidence that, at least to some extent, LOC is a response to circumstances. Human being always like a change in this universe but speed of change creates a challenges for organization. Competitive people always adapt changing environment not only efficiently also effectively. Managerial stress always is important area of research it is always used in different perspective some time it used for organizational characteristics and some time it is used with manager personality characteristic.

### **Background**

Today's Pakistani organization is facing new challenges in corporate sector due to global changes in big world, this scenario managerial level employee especially top and middle level is taking competitive disadvantage but low level managers (supervisors) are facing stress.

### **1-Organizational stress**

Stress at work place is a critical problem for employees and employers (shalini Srivastava, 2009). It is commonly known as a negative term. Most of people are thought to cause something bad it is form of distress .When employees feel stress that they got sick from stress at work employer pays this cost. Researchers that have done studies about stress at work place have demonstrated it as direct and indirect cost. Matten and ivancevich (1987). It developed variables related to organizational stress. Ivancevich and Matten (1980) is provided a model of organization stress and major causes of work stress. Stress effect on employees and employer. A study had done on Impact of stress on employer and it perspective of employees in their article. "Promoting Health in the Workplace" Elkin and Rosh (1990) this studied showed causes of bad health due to stress at work place.Chines manager's feels high level of stress that those are working at strategic level. Recent studies on Chinese managers found they feel high job stress of type A personalities (1993).

#### **1.1-Role of stress**

Ten different roles of organizational stress these are recognized as Inter role distance, Role of overload Role stagnation, Role of expectation conflict, Role of Erosion, Role of isolation, personal inadequacy, Self role distance, Role of ambiguity, Role of resource inadequacy, Udai Pareek (1983). Stress at work place is linked to major causes of stress, work itself can be stressful. It is recognized in stress specifically overload, Defrock and Ivancevich,(1998), Spark and cooper, (1999), Tayler et al, (2005) One of the major role of work stress described just like role base factor such as lack of power, role of ambiguity and role of conflict (Burke; 1998; Nelson and burke, (2000).Role of ambiguity happened when employees are uncertain about duties and action necessary their jobs,Wallker *et al*,(1975). Prior researches recommended role of ambiguity is indeed negative correlation with the job satisfaction, job involvement, performance tension cause to leave the job and job performance variables (Rizzo, House, Lirtzman1970;Van sell, Brief ,& Schuler 1981;Fisher& Gitelson 1983;Jackson,& Schuler 1985;Singh 1998).Four dimension of role of ambiguity in which ambiguity) what thing should be done in what order (Behavior ambiguity) How I can act various situations, Sawyer edimension (1992) singh veerbeke and Rhoads (1996).

Role of isolation survey that generated report at demographic sheet which includes elements of perceived organization support, feeling of isolation and role stress New Jersey in April, (2005) and Washington D.C. in August (2005.) A literature review on "loneliness and isolation and its effect" it describe "the exceedingly unpleasant and discharge of the need for human intimacy for interpersonal intimacy" West Kellner and Moore West (1986). Role of overload shows absence of bulk quantity resources to perform inadequately. Role of work over load (Defrocks and ivancevich 1998, spark and cooper 1999, Taylor et al, 2005). Role of over load is created when employee is expected to do more then time permitted. Over load is the workload which is always outside the one's capacity (French and Caplan 1972; Pincherle 1972).A recent study identifies the stress as the reason of over load).

If the organization does not appreciate their employee for hard work then employee feels stress and tension he intends to leave organization. (Stamper & Johlke 2003) Organization role stress has negative relationship with managerial effectiveness. It identified the relationship organizational role stress and managerial effectiveness internal locus of control as moderate variable, he used internal locus of control as moderator, Shalini Shrivastava (2009).

## 12-Locus of control

Locus of control concept is a psychological concept. It was developed by Julian Ratter in 1950s. There are two types of locus of control one is internal locus of control and another is external locus of control. This concept represents that how persons decision making ability is influenced, who believes that he can control outcomes in his own life (internal locus of control) another is dependent on fate, luck, chance (external locus of control). If people are getting lost for their effort they may feel stress and depression. Mostly women adapt external locus of control as compared to men, Janes and page, (1986); Linder, (1986); Doherty and Baldwin (1985) and Roddin, (1974). External locus of control study is important mainly in Asia where people mostly believe on fate and chance for their success, Dr.Nadeem Bhatti *et al*, (2010)

### 2.1-Internal and external locus of control

Internal locus of control refers to (personal control, self determination), mostly men tends to believed more in internal locus of control as compared to the women. People working at strategic level tend to believe on internal locus of control. Internal locus of control protects the person against unquestioning compliance authority (Lefcourt, 1982). Internal loci believer people make independent judgment and have control of behavior of others. Most of studies have been conducted on locus of control and its relationship with organizational stress and job satisfaction and organizational commitment (Marks, 1977). Some studies were conducted on the relationship with locus of control, job stress (Rahim, 1966, Deniels and Guppy, 1992) job satisfaction and job performance (judge, Frez, Bono, and Thoresen, (2003). Apart from personality locus of control measure internal Vs external reinforcement (Rotter, 1966).

Several researchers have suggested locus of control act significant predictor of job satisfaction and job performance, judge, Frez, Bonon, and thoresen, (2003), Humid (1994) suggested individual vs. collective society Chinese are mostly external locus of control influenced more by external locus of control than individual society just like New Zealand. Twenty four different researches found that the people of Taiwan mostly believe on external locus of control they have sixth highest score of countries studies (Specter et al, 2001).

### 3. Managerial effectiveness

Managerial effectiveness is a key for success in business of any organization. Most of researches on managerial effectiveness focused on personal attribute of individual and its effect on job performance. A survey of New Zealand found the impact of sixteen environmental variables in which four are management Development variables and two variables show the personal ability for effective managers and eight factor show management effectiveness (Page and inkson, 2003). Human being always like changes in this environment but speed of change creates a challenges for them. Competitive people always adapt changing environment not only effectively also efficiently. Managerial stress always is important area of research, it is always used in multidimensional context some time it is used for organizational characteristics and some times it is used with manager personality characteristics, Shalini Shrivastava, (2009). Most of studies describe three dimension model which includes task oriented behavior, relation oriented behavior and participative leadership Katz, maccoby & Morse ,1950 Katz, maccoby, Gurin, & Floor ,1951 ;Katz and kahn,1952. Some of studies define effective leadership behavior dimension for managerial practices, Mintz ,(1973) stog Dill ,(1974) ;Morse & wagner,(1978);Luthon and lackwood ,(1984). Yukl, (2002) establish effective managerial behavior. A studies in India describe the relationship stress and organization, job leadership, communication and personal factors, Payn, (1975); Watson and Clark, (1984). A study of different managerial level shows that how stress affects junior and middle level managers and cause stress on them, Gemmil and Heisler (1972); Singh (1990). Mott (1971) identified effectiveness as three dimension i.e. productivity, adaptability, flexibility. A study in 1999 by Jain describes three factors of effectiveness functional effectiveness, interpersonal effectiveness and personal effectiveness Most of researcher target in their research on top level managers and middle level managers and particular moderate effects on internal locus of control they are neglected on external locus of control .External locus of control is very important for managerial decision making.

Assessment of literature review reveals that previous researches give some questions: does organizational stress negatively relate with managerial effectiveness: do the internal and external locus of control moderate effect of organization role stress on managerial effectiveness. Our study will solve these questions.

**Research theory and model**

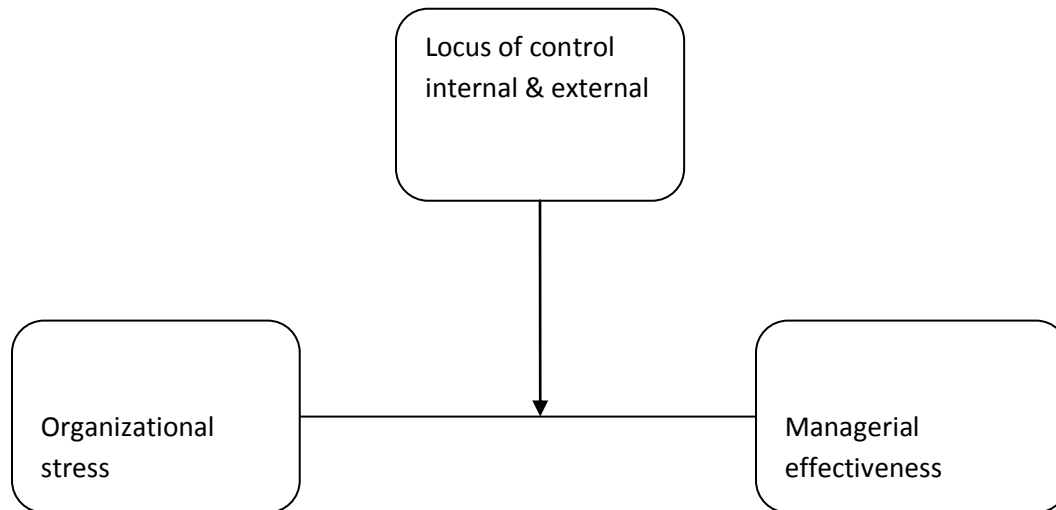
After assessment of literature review we developed some research question

H1- Organization stress is negatively related with managerial effectiveness?

H2- The internal locus of control moderate effect of organization role stress on managerial effectiveness?

H3- The external locus of control moderate effect of organization role stress on managerial effectiveness?

**Organizational Stress Vs Managerial Effectiveness**



Quantitative and qualitative research methods can be distinguished. According to Merriam (1998) Quality or quantity methods researchers can control. Yin. (2003) both quantitative methods or statistics and numerical data based on where most results are truly felt as hard scientific data, distinguishes deal with research. quality social sciences where Jesus idea, and human behavior as in research with soft data is about.

The goal was not discover the relationship between organizational stress and managerial effectiveness and also check the lower level managers how they adapt the locus of control. For this purpose consequently individual semi structured interviews was chosen. The interview was conducted of all through face to face in the three manufacturing industries in Faisalabad. Interviews were conducted with in detail and outline the issues on the basis of fifteen questions were put through a comprehensive review of the literature, the interview questions that focus on three main areas: 1) Organizational stress, (2) managerial effectiveness, (3) locus of control

**Discussion and Practical Application**

The answer of the first hypothesis regarding organizational stress and managerial effectiveness. Interview items focused on role of over load, role of ambiguity, role of conflict, role of isolation. and managerial effectiveness responses about work load Role of over load is created when employee is expected to do more then time permitted. (French and Caplan 1972; Pincherle 1972) 65% of interviewees acknowledge their middle level managers transfer their worker to supervisor due to this problem they have over work. Due to over work they can not fulfill their work in duty hours then they try to fulfil their work in time due to excessive work but low time they feel stress. Due to this stress they do not perform their work effectively and ultimate they loose their effectiveness in their work, High level of stress it consequences in low productivity and effectiveness (Meneze, 2005).This cause can be removed if HR department defined proper duties of all employees and stickly implemented define duties. If the organization does not appreciate their employee for hard work then employee feels stress and tension he intends to leave organization.

(Stamper & Johlke 2003) When asked this question to interviewees they response different KS SONs supervisors response their employer gave some incentive when they hard work but other two companies supervisors response their employer do not appreciate their employees at hard work .due to this they admitted feel stress and due to stress they reduce productivity and effectiveness.This cause can be removed if HR policies proper implementing in the organization and need to increase the motivations .One of the major role stress lack of power, (Burke; 1998; Nelson and burke, 2000) if asked this question to supervisor they response Ks sons supervisor response they have not power to fulfil their responsibilities but middle level (production managers) transfer their work but they do not share their power due to this supervisors face the difficulties and they feel stress due to this stress they loose organizational productivity and effectiveness.

Other two companies supervisors responses they have power but uncertain about their duties due to this they can not perform better and feel stress another major reason of stress organization support, feeling of isolation and role stress New Jersey in April, (2005). All interviews acknowledged organization do not support if they can not perform their duties very well organization show did not know but if they work better they appreciate these things create stress among supervisor and they lack their performance and affect the organizational productivity. Basically there is lack of training activities among supervisor there is need to developed HR policies and need to increase the motivation among employees otherwise their performance will be effected.

For checking second hypothesis. People working at strategic level tend to believe on internal locus of control. Internal locus of control protects the person against unquestioning compliance authority (Lefcourt, 1982).when asked the question to supervisors that they use internal locus of control for decision making are not 80% supervisors show response they do not believe on internal locus of control. due to cause they feel stress because they have not confidence their decision making this fact effect the organization productivity and their effectiveness.Previous researchese suggested that internal locus of control important forecaster of job satisfaction and job performance (Judge, Erez, Bono and Thoresen, 2003).

There is need to training of supervisor for improvement of decision making process. If the HR department arranges proper training of supervisor they can improve their decision making skills. Our third hypothesis is external locus of control moderate the effect of organization stress and managerial effectiveness when asked the interviewees they response more then 80 % they believe on external locus of control in decision making .Previous researches suggested mostly Asian are external loci believer (Dr.Nadeem Bhatti et al, 2010) they believed on fate, chance due to this fact they feel stess and effect their productivity and effectiveness. As per analysis show mostly supervisor feel stress because they believe on external locus of control It means they are not confident about their decision making HR department can be removed this stress if he arrange the some psychological training for employees .Training gave the results in the shape of supervisor can improve confidence their decision making.This exploratory study illustrated a some HR problems show literature review.and offer some suggestions of Human resource department in the organization to adopt and proper implementation of human resource system and traing of employees at work place.

### ***Conclusion***

This study can be concluded organizational stress dimension is associated with managerial effectiveness. As expected, the supervisors have been internally and externally controlled were higher on the effectiveness of public administration. For effective lower level managers, it is very essential lower level managers should try to reduce tensions because of the experience .Results of this study Are in fact important for those working in human resources. This study also indicates that it is possible to determine potential of existing staff of higher management positions based on location and control beliefs based on plans to develop a career. This study may help administrators and decision makers create an enjoyable work to reduce Side effects and increase the productivity of lower level managers. By a better understanding of the current situation, managers can develop coping strategies to reduce the role of stress.

There should be more social support and organizational and improve the resources and the possibility of extending Cooperative relationship between managers and the development of appropriate adaptation strategies and other possibly appropriate interventions are possible.

### **Future Research recommendations**

This is an exploratory study it is beneficial for those employees who are working in Human resource department and those are making a strategies and also can give benefit of common man for decision making .Future researcher can extend this research if they are focus on labor and this same research can be tested on services sector .

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