A Study on the Stress of BPO Employees in Ahmadabad

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Abstract: As a result of globalization, the Indian economy has been growing rapidly since 1990s. Due to which particularly, the services sector has undergone a high growth rate, especially in the information technology enabled services (ITES) and business process outsourcing (BPO) sectors. So, the employers in this organization are increasing day by day. And there is a need for every employee to understand the nature of their work in the particular organisation and act accordingly. But, in this attempt the employee undergoes a lot of troubles, which in turn leads to increased stress and nervousness. Stress is not an illness- it is a state. In human, stress generally describes a positive state or a negative state that can impact the person's physical and mental condition. And therefore, the employees are struggling a lot to work under such increased pressure and hectic situation. This paper deals with the work stress and Job performance evaluation of employees of BPO sector in Ahmadabad city.

I. INTRODUCTION

Current environment is the business environment and the rapid growth of the BPO sector over the past few years has resulted in remarkable changes in the lives of its young workforce. The employment in the BPO sector has had a tremendous impact on the youngster's lives. Unlike other sectors, the BPO sectors provide opportunities for employment at a young age with higher income and quick promotions. Thus majority of the youngsters prefer to do a job in BPO. But surprisingly, they don't remain in the BPO sector for a long time. There are various reasons for this, which includes 35 % sleep disorder, 26 % eye-sight problem and 20 % digestive disorder, illness and increased stress level and many BPO employees have had to relocate to the outsourcing hubs and have to live independently. Strict deadlines and targets, repetitive tasks, such as attending telephonic calls more than 100 times a shift have resulted in increased stress and absenteeism. A number of employees are also experiencing physical and emotional problems such as depression, panic etc. Thus, with this increased stress levels, the employees cannot deliver their full-fledged work and also cannot cope up with the working environment. Therefore, stress is becoming inevitable now-a-days in BPO organizations and ultimately it is resulting in the physical, mental and emotional exhaustion of the employees and also reducing the individual accomplishment levels. This is due to the process attrition, in which highly committed and motivated individuals starts losing their spirit.

II. LITERATURE REVIEW

A brief review of the studies made in this area in the Indian context is presented here. Based on a sample survey of BPO employees[1] (n=475), it was reported that more than 64 % of the employees under the study felt that the appraisal system in BPOs was transparent and slightly fewer than 59% felt that it was good and more than 65% gave thumps up for the incentives and felt that the efforts were recognized at the time of appraisal.

Based on a sample survey of BPO employees [2] (n=544) across the country, it was found that the satisfaction levels of ITES employees was 83% and it was reported that BPO is a sector which applies metrics in every facet of marketing and this metrics and pressure have become the causes of the stress.

Based on a sample survey of 277 call centre employees [3], it was opined that the performance of the employees was linked with the incentives and the yearly increments. And the act of linking performance of the employees with their incentives resulted in continuous stress of the employees.

In a Survey [4], it was the observed that the performance appraisal in BPO sector, in which the employees were given ratings based on their performance, was many a times given without any proper preparation for the session. As this rating determines whether the employee is eligible for promotion or not, this increased the stress levels of the employees. And it was opined that sometimes, these sorts of activities may demotivates the employees.

In the year 2002 [5], a senior human resources executive opined that an employee mostly fails to know what is expected from him and finds it difficult to understand what the performance parameters are, in general. And it was suggested that, in order to overcome this problem, the performance management system must be clearly elucidated to all the employees.

A performance appraisal is a regular periodic and predefined process which determines the performance of a particular employee and his productivity in contact with the predefined organizational aims and objectives. In 2008, a study on the performance appraisal system being practiced by the foreign MNC BPO sectors operating in India indicated that, not all the employees of the firm were satisfied with the appraisal system. And if one wants to be free from stress, he has to be clear with the performance management system of the organization and it was also opined that, every manager should be clearly trained to give accurate feedback of his team members and also to coach them and train them in the respective areas. As per the reports [14], sample of studies has been conducted on the impact of stress on job performance and job satisfaction among the BPO sector employees and it was studied[15] that working for a long duration of time, repetitive tasks, and strict targets increased the stress among the employees and it was opined that during such situations the employees can reduce their stress and pressure by talking to their close friends and family members and have a change.

III. INFLUENCE/IMPACT OF THE BPO SECTOR

In business, outsourcing is the delegation of the business process to a third party. It is the authority given by an organization to another external organization to perform certain tasks. BPO is generally classified into two categories namely back office and front office. The former type includes the internal business functions and the later includes the customer related services. Analysis says that India remains a major destination for outsourcing and it is also found that the GDP may grow for the next decade. So it can be said that presently, BPO sector is growing at a fast pace and number of employees keeps on increasing. "We live in a period of outsourcing" is a statement that clearly defines that, the process of outsourcing has now emerged as an established business strategy. And this strategy is predominantly used in BPO sector. Thus business process outsourcing refers to the providing the authority of the entire business firm to some other organizations, majorly in low cost areas and the service may be a external firm i.e. a third party or self-owned company. In general, they opt for the process of relocation in order to meet the increased value of shareholder. BPO sector provide their services in various fields like Inventory management, order processing, data entry, receivables and payables, accounting, etc.

Organizations do not work in separate. They work within the main system of society. Business runs by taking people, capital, and resources as inputs and gives goods and services as output. And these outputs improve the lifestyle of the people and have an impact on the life of people. And we cannot ignore this effect, as it is obvious that businesses of various operations and size has an effect on the society. Business process outsourcing is the process of long term delegation of non-core functional activities of the business in which experts do the activities with less cost and more efficiency. Similar to the industrial revolution of 17th century, the BPO revolution also started showing its effect on the lives of the people. The companies implementing the strategy of business process outsourcing experiences a number of advantages such as:

A. Social Influence of the BPO sector

Before understanding the social impact of BPO industry, let us take an initial step to understand why India is considered as one of the most preferred location for Business process outsourcing i.e. the most preferred offshore centre.

i. Advantages of India

When compared to US and Europe, the products and services are generally cheaper in India.Whereas the manpower is definitely cheap in India when compared to US or Europe or any other developed nation, but it doesn't mean that the manufacturing or service cost will also be very cheap.A company in India generally spends about US \$400-\$1000 per month on an employee based on his skill. And this is surely cheaper in comparison with an equal level employee in a developed nation.

ii. Pros of Outsourcing to India

There are many advantages of outsourcing to India such as cheaper manpower, highly skilled labour and also cheaper land rates.

iii. Cons of Outsourcing to India

The fuel expenses, electricity costs, telecom and Internet charges are also high. When compared to other nations, the infrastructure expenses is also very high as the infrastructure is not up to the mark and thus the organizations have to fulfil their requirements such as generators etc.

B. Growth of BPO Industry in India

As of 2013, around 3.0 million people work in outsourcing sector and an annual revenue of $14 billion is achieved. And a GDP of 2% is achieved. And due to the lack of skills of the employees under BPO sector, there is a hike in the wages for about 18-20%. The Business Process Outsourcing industry started growing at a fast pace over the year 2013 and nearly 600,000 people are working for this organization. In the financial year 2013, the export revenue grew by 12-15 % while the domestic revenues grew by 14-17%. The Indian Business process outsourcing industry crossed a magical figure of $ 140 billion in terms of revenue. It is also improving its global market. The BPO sector in India is now expected to grow at around 12-15% in the next term. The growth of BPO sector in Indian economy is not only due to the less and affordable costs but also because of the security that India provides in terms of IP security.

There are various catalysts that aided in the growth of business process outsourcing in India in the mid 1999s. And the growth of BPO sector laid a path for the growth software service providers in India. And the reputation of availability of software service providers, along with considerable English speaking workers at low costs resulted in the formation of back office services and call centres. And the variation in time due to which Indian employees work when the U.S sleeps also became an added advantage. The continuous efforts of the MNCs in trying to re- build the current business processes for minimising the cost also laid a path for various others to outsource to India. Many MNCs were ready to capitalize on a very high difference in the salary cost between similarly trained employees in India and the United States. These MNCs also reported that the process of shifting the work location from their native could be handled by little disruption. The steps undertaken for providing of telecommunication at considerably lower rates and the ability of digitizing the documents including the usage of standard software in corporate information systems also played a major role.

Table 1 provides an overview of the BPO section in India. At present, the $14 billion sector contributes for only 30% of the total IT industrial outcome. During the year 2007-2013, the average growth rate was about 65. It was a considerable growth rate and it significantly contributed to the exports and also accompanying the employment opportunities and this in turn increased the probability for this sector to play a major role for the development of the nation.

Table 1: Overview of BPO sector in India

Revenue Year	Offshore BPO Revenue	Indian BPO Revenue	Total BPO Market
2002	1,300	1.201	110,297
2003	1,925	1,359	121,658
2004	2,997	1,896	137,697
2005	5,698	3,268	143,614
2006	11,598	7,569	157,954
2007	24,987	13,698	170,648
2008	48,354	19,325	181,689
2009	56,786	26,752	189,369
2010	72,537	32,143	195,469
2011	81,495	38,327	200,197
2012	90,150	44,964	220,597
2013	98,967	51,694	230,597

Table 2: Growth rate of software and BPO sectors in Ahmedabad

Year	Software (Exports Sector)	Software (Domestic Sector)	BPO	Total
2000-01	20	21	15	56
2001-02	25	30	19	74
2002-03	30	34	24	88
2003-04	36	39	29	104
2004-05	40	42	35	117
2005-06	45	49	39	133
2006-07	49	52	46	147
2007-08	52	58	51	161
2008-09	67	69	59	195
2009-10	71	76	66	213
2010-11	76	82	72	230
2011-12	80	89	79	248
2012-13	87	93	86	266

Table 3: The revenue of IT and BPO sectors in USD billion

Year-wise	Export	Domestic	% of GDP
2008	42	23	6.45 %
2009	49	24	6.78 %
2010	52	25	6.50 %
2011	60	30	7.15 %
2012	71	32	7.59 %
2013	76	35	7.95 %

Table I gives the offshore BPO revenue, Indian BPO revenue and the total market potential of the world BPO sector. Table II shows the growth rate of software and BPO sectors in Ahmedabad. Table III gives the revenue of IT and BPO sectors in USD billion. The BPO sector in Ahmedabad reached 59 percentage growths in revenue. The demand for Indian BPO sector services has been growing rapidly at an annual rate of 60. The BPO sector in India is providing greater employment opportunities to Indian youngsters and this number is continuously increasing every year.70% of Ahmedabad's BPO industry's revenue comes from Information centres, 20% of the revenue is from data entry and the remaining 10% is from the data technology.

IV.   STRESS IN BPO SECTOR

In general, we use the term 'Stress' when we are over loaded and pressurised to such an extent that we start thinking whether we can overcome the tension, solve the problems and handle the hectic situation in a proper manner. Anything in a limit is good. But if it crosses the limit, there arises the problem. In the similar way, having some stress is good for our well-being because without stress life seems to be boring. But when the level of stress increases and affects our physical and mental condition, it is very problematic. Basically, stress arises out of pressure. And the agent that causes the stress is known as a 'stressor'. In simple definition, stress is the emotional, mental and physical strain caused by

pressure caused by the outside world.This stress in turn causes fear, annoyance, and results in inability to concentrate on a particular task. And also results in a variety of physical troubles such as headache and increased heartbeats.

Stress is not only limited to certain location. It is a wide and globally existing issue. It exists in human beings and also animals. Non- living things such as metals have particular stress value and beyond the stress limit it deforms and failure occur. The same effect takes place even in human. And employees working in BPO sectorhave many work related pressures and tensions and it results in high stress. There are many people who feel that stress is a simple concept and can be understood easily and also think that they and can overcome it. But many a times, they fail in doing that. In general, BPO has a name for it: BOSS- Burnout Stress Syndrome. And it can be seen commonly in womenemployees working in BPO sector. BUT due to the changes in technology and regulation of BPO sector, the demand for women employees increased. Thus, stress among these employees is an important matter to discuss and there is a need to take proper steps to eradicate this problem. The following are few causes of stress.

A.   Impact of the Work Timing

One of the greatest advantages of the Indian BPO sector is the natural time difference with the US and UK due to geographical location and this makes the Indian BPO sector remain as a dominant player in the field. Thus the employees of BPO sector have to work at night times. And this results in 'Insomnia', which results in health related issues and cause of stress.

B. Impact of Nature of Work

Working in BPO sector mainly involves is performing monotonous works such as repetitive telephonic conversations. This will cause stress for sure. So, in order to overcome this problem some small steps such as hiring experienced and retired persons who have patience are to be employed and the job should be done in shift basis.

C. Stress due to fewer Holidays

It is sometimes asked that even an IT sector employee has lots of tensions and workload, then why only BPO sector employees have a complaint. The reason behind this is, even though IT employees have heavy workloads and deadlines and they work for long durations, they have time for relaxing such as tea breaks, chatting with fellow employees etc. But, none of the above things are possible for a BPO sector employee because any BPO sector employee hardly gets free time due to the fact that their job involves a lot of training time.

D. Impact of pressure due metric based performance measurement

In call centres, everything rums on the basis of metrics. The performance of the employees is measured and ratings are given to each employee based on their performance. And this rating decides his eligibility for promotion. Thus, the metric- driven system in BPO organizations increases the tension among the employees regarding their salary, incentives, promotion and also future existence in the company. But, with experience, the employee gets habituated to the pressure and develops himself and it is useful for their future career. Thus, it can be considered as long run advantage.

E. Stress due to Travel Time

BPO sector is a huge sector and most of the call centres require large manpower to support the huge work. In order to achieve this, they need lot of space for office and as the cost of land is high in cities when compared to land in outskirts, they setup their offices in outskirts. Hence, as most of the call centres are on the outskirts, employees need to travel a lot of distance and also need to travel for a long duration of time every day, they feel exhausted and this in turn induces stress in them.

F. Stress due to large Volume of Calls

Though the overall workload is high, the volume of call is especially very high and it has become one of the major causes of stress. In most of the call centres, the employees hardly find time gap between two calls.

G. Impact of Overtime Working

Though the companies provide incentives to the employees working overtime, it is one of the major causes of stress. In the initial stages, fresher's get attracted to the incentives and starts working for overtime to earn money but in a due

time, they feel stressed out. Overtime besides long working hours, long distance travelling and more travel time becomes impotent combination and causes heavy stress for the employees.

The following Table IV shows the stress among the employees of BPO sector in Ahmedabad city.Seven possible causes of the stress are listed below, namely Salary, Nature of Work, Colleagues, Work place and environment, late night shifts, Work load and strict targets.

Table 4: Reasons for Stress in BPO Sector

Reasons for stress in BPO Sector	Agree	Disagree	Neutral
Salary	110	29	38
Nature of Work	165	24	19
Colleagues	85	28	36
Work Place	145	26	43
Late Night Shift	190	55	44
Work Load	145	50	52
Targets	125	10	95

Results reported that 190 employees opined that late night shift is the major cause of stress and they accepted that they have to work during the late night hours too. Thus if the employees were not provided with favourable work conditions, the level of stress will raise to a greater extent.

Regarding the nature of the work, it was reported that 165 employees opined that an employee scan perform his job effectively if he is clear with the organization's information and interest. If he is not in a position of understanding that, it increases the stress.

On the other hand, 145 employees felt that the nature of work and job task is not the causes of stress but the work load is the primary cause of stress. Since, in every BPO sector, individual employees will be give a targets to achieve. If the employee achieves the target it is okay but if he fails to achieve the target, then the stress increases.

And 85 workers opined that unskilful colleagues were a possible reason of stress. They feltthat if the employees are egoistic, diplomatic and political in nature, then it is difficult to handle them and to cope up with the work environment. Thus every employee hopes for a friendly and understanding colleague to be stress free.

About 110 employees opined that salary is a variable that affects stress. Employees work for money to take care of their families; they feel low when the salary packageis not up to the mark. Thus hike in the salary level boots up the employee and causes stress when it is reduced. So, in order to satisfy the employees, they must be offered with a salary package which can meet their social and psychological needs.

During the study, it was revealed that 125 employees opined that strict targets fixed by the company for individual employees is the major cause of stress because it is very difficult for an employee to achieve day to day targets and as his incentives and promotion depends on his performance in terms of achieving targets, it causes stress.

H. Status of Women In the IT & BPO Sectors in Ahmadabad

It is said that 'Nature has given women an excessive amount of power, the law offers them too little', thus in the modern world, women employees do not compromise in terms of career. Especially, the BPO sector provided a greater opportunity for women employees as they are expected to be multi-tasking and also known for patience which is very important in BPO sector jobs.

Earlier according to The Factories Act, 1948, under section 66, the working of women employees in night shifts was banned. But as the days passed, the high court passed an interim order allowing deployment of women in the night shift. On August 2005, the factories Amendment bill was introduced which stated that all the women employees should be given safety as well as protection.

As a token of equality, the employers are expected to provide equal opportunities for both men and women employees. And women employees should be ensured with protection to their dignity, safety and honour and they should also be provided with the transport facility. Most of the BPO sectors prefer female employees due to their patience, multi-tasking and pleasant voice with which they interact with the customers. Thus the changes in terms of technology and regulation regarding BPO sectors created demand for women employees. Statistics shows that

- A. 50% of women employees work in BPO industries.
- B. 30% of women employees work in IT companies.
- C. 23% women employees work in private companies.

The following Table V is a report of the study of the BPO sector employees in Ahmedabad city. From the table, it is very obvious that Women employees in the BPO sector face lots of pressure than the male employees and thus women employees have more stress when compared to male employees. The study was based on various factors causing stress such as salary, Nature of Work, Work place and Environment, Colleagues, Target, Work load, Late Night Shift.

Table 5: Stress in Men and Women Employees in BPO Sector in Ahmedabad- A Comparison

Problems	Men		Women	
	Agree	Strongly Agree	Agree	Strongly Agree
Salary	145	49	150	55
Nature of Work	100	50	155	70
Work Place & Environment	110	70	120	46
Late Night Shift	95	48	160	80
Colleagues	80	28	155	60
Target	75	20	98	30
Workload	100	40	140	19

The following chart shows the comparison of Stress between Men and Women Employees in BPO Sector in Ahmadabad
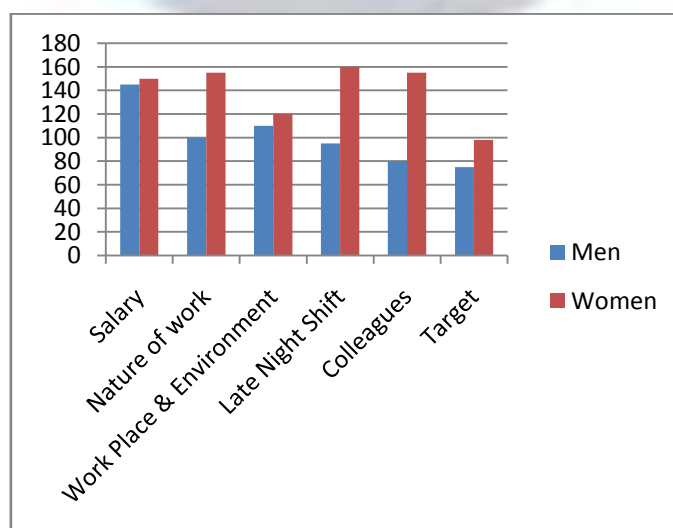
From the above figure, it can be clearly observed that women get extremely stressed out more when compared to men.

V.   ACHIEVING HIGH PERFORMANCE IN BPO:

Achieving high performance is job in BPO sector depends on the following factors.

- End-End approaching
- Collaboration with government
- Domain expertise
- Modification of the current organization
- Value beyond the cost

Table 6: Work Stress for BPO Sector employees of Different Age Groups in Ahmadabad

Problem	Response in %					
	Age (20-30) yrs		Age (30-40) yrs		Age Above 40 yrs	
	Yes	No	Yes	No	Yes	No
Are you satisfied with your salary?	56	45	30	62	45	50
Have you ever experienced stress?	30	68	76	30	69	29
Have you ever taken Any drugs to overcome stress?	30	79	53	46	50	68
Do you have any stress due to the uncertainty of the Job?	40	56	30	75	60	28
Do you have a nice relationship with your higher authorities?	50	54	39	62	48	56
Are you working in night shift basis?	75	20	39	70	55	48
Are you comfortable with night Shifts?	70	30	50	58	80	19
Have you ever been harassed by your Colleagues?	28	36	50	55	80	16

The above Table VI is the report of the survey conducted on employees of different age groups to determine the level of stress in them related to their professional life, in terms of salary, night shifts, relationship with co-employees etc. And among all the various factors of stress, employees among the age group 25-30 opined that late night shift is the major cause of stress in them.

CONCLUSIONS

Work Stress in an organization can be measured by using various factors. And depending on this, the stress levels of individual employees can be determined. In today's competitive world, every organization is in need of skilful employees who can provide their service 24X7 (24 hours in seven days). But, any employee working for long duration of hours will be exhausted and if the work environment in not favourable to them, then they will be annoyed, pressurized and this builds up tension resulting in stress. And therefore the productivity of employees starts decreasing. Thus, productivity of the employee depends on his performance, and he can perform well if the working conditions are not hectic.

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