

Exploring the Causal, Contextual, and Intervening Conditions of Organizational Anxiety in Iranian State-Owned Banks and Its Consequences for Job Burnout and Employee Silence

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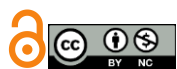
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ABSTRACT

Objective: This study aimed to explore the causal, contextual, and intervening conditions shaping organizational anxiety in Iranian state-owned banks and to examine its consequences for employee job burnout and organizational silence.

Methods and Materials: The study employed an exploratory mixed-methods design informed by the grounded theory approach of Strauss and Corbin. In the qualitative phase, data were collected through semi-structured interviews with knowledgeable experts and banking professionals and were analyzed through open, axial, and selective coding to identify the components of the paradigmatic model. The reliability of the qualitative coding was assessed through interview reliability procedures. In the quantitative phase, a questionnaire derived from the qualitative findings was administered to employees of Iranian state-owned banks. Instrument validity was evaluated using quantitative content validity indices, while internal consistency was assessed using Cronbach's alpha. The normality of the data was examined using the Kolmogorov-Smirnov test. The proposed structural model was subsequently tested through partial least squares structural equation modeling using PLS software, while SPSS was used for preliminary statistical analyses.

Findings: The inferential findings supported the proposed paradigmatic model and indicated that organizational anxiety in state-owned banks is a multidimensional phenomenon influenced by interacting structural, managerial, political, economic, and occupational pressures. Causal conditions significantly contributed to the emergence of organizational anxiety, whereas contextual and intervening conditions strengthened or weakened the effects of these pressures. Organizational anxiety exerted significant positive effects on job burnout and employee silence. The model further indicated that employees exposed to persistent organizational anxiety were more likely to experience emotional exhaustion, reduced occupational effectiveness, defensive withdrawal, reluctance to express concerns, and avoidance of participation in organizational decision-making. Overall, the structural model demonstrated acceptable explanatory and predictive validity.

Conclusion: Organizational anxiety in Iranian state-owned banks should be understood as a systemic organizational condition rather than merely an individual psychological response. Its development is embedded in governance structures, environmental uncertainty, managerial practices, and workplace relationships, and

it can generate serious consequences for employee well-being and organizational communication. Redesigning governance mechanisms, reducing political and administrative pressures, strengthening managerial support, improving procedural transparency, and establishing safe channels for employee voice may reduce organizational anxiety, job burnout, and defensive silence.

Keywords: *Organizational Anxiety; Job Burnout; Defensive Silence; State-Owned Banks; Grounded Theory; Structural Equation Modeling*

1 Introduction

Organizations are not merely formal arrangements of roles, procedures, technologies, and authority relationships; they are also social and psychological systems in which emotions, perceptions, uncertainties, and collective interpretations shape employee behavior and organizational outcomes. Although traditional management theories have often emphasized rationality, efficiency, coordination, and control, contemporary organizational research increasingly recognizes that organizations may develop enduring emotional climates that influence decision-making, communication, cooperation, and employee well-being. Anxiety is one of the most consequential of these emotional states. At the individual level, anxiety may arise from uncertainty, perceived threat, lack of control, ambiguity, and anticipation of adverse events. At the organizational level, however, anxiety can become collective, persistent, and embedded in structures, routines, managerial practices, and interpersonal relationships. In such circumstances, anxiety is no longer limited to the psychological experience of particular employees but becomes a defining characteristic of the organization itself, affecting how information is interpreted, how decisions are made, and how members respond to internal and external pressures (Biran & Biran, 2020; Robbins, 2020).

The concept of the anxious organization refers to an organizational condition in which uncertainty, fear, instability, and threat become normalized and continuously reproduced through formal structures and informal interactions. In an anxious organization, employees and managers may perceive the environment as unpredictable, punitive, politically charged, or beyond their control. Such perceptions can produce excessive caution, defensive behavior, avoidance of responsibility, reduced willingness to communicate, and heightened sensitivity to managerial decisions. Organizational anxiety may therefore be understood as a systemic phenomenon generated through the interaction of environmental turbulence, organizational structures, leadership practices, institutional pressures, and employee interpretations. Rather than being a temporary reaction to a specific crisis, it may evolve into a sustained organizational climate in which individuals continuously

anticipate negative consequences and adjust their behavior accordingly (Bahramzadeh & Jalaei, 2026; Biran & Biran, 2020).

The emergence of organizational anxiety is particularly likely in public-sector organizations because these institutions operate under multiple and sometimes contradictory expectations. Public organizations are expected to pursue efficiency, accountability, social justice, political responsiveness, legal compliance, and public service simultaneously. Their managers often face extensive regulations, centralized decision-making, formalized procedures, limited managerial discretion, political intervention, and complex accountability structures. These features may increase uncertainty and restrict the organization's capacity to respond flexibly to environmental change. Public-sector employees may also experience role ambiguity when administrative, political, and professional expectations conflict with one another. From the perspective of public administration, excessive centralization, bureaucratic rigidity, unclear accountability, and political influence can undermine rational decision-making and create conditions in which anxiety becomes embedded in the organizational system (Alvani, 2020).

State-owned banks represent a particularly important context for examining this phenomenon. Banks are inherently exposed to financial risk, regulatory pressure, economic volatility, customer expectations, technological change, and reputational concerns. State-owned banks experience these pressures while also fulfilling public-policy obligations and responding to governmental, supervisory, and political institutions. Unlike purely commercial banks, they may be required to provide mandated loans, finance public projects, support specific sectors, implement government economic policies, or operate under interest-rate and credit-allocation requirements that do not fully correspond to market conditions. Consequently, their managers and employees may be caught between economic efficiency and political or social obligations. The coexistence of commercial, developmental, political, and administrative objectives can create strategic ambiguity and intensify organizational anxiety, particularly when the organization lacks sufficient autonomy, resources, or

institutional support to reconcile these competing demands (Baghernajad et al., 2023; Hosseini & Tadbiri, 2023).

The Iranian state-owned banking system provides an especially relevant setting for investigating organizational anxiety. This system operates in an environment characterized by economic instability, inflationary pressures, international restrictions, exchange-rate volatility, resource constraints, extensive regulation, and significant governmental involvement. These conditions may increase the unpredictability of organizational decisions and expose bank employees to continuous operational and psychological pressures. At the same time, state-owned banks are expected to contribute to national economic objectives, implement government directives, comply with supervisory requirements, maintain public trust, and meet the financial needs of diverse stakeholders. When these expectations are inconsistent or exceed organizational capacity, employees may perceive that performance standards are unclear, outcomes are uncontrollable, and managerial decisions are subject to external influence. Such conditions provide fertile ground for the formation of an anxious organizational climate (Bahramzadeh & Jalaei, 2026; Hosseini & Tadbiri, 2023).

Political pressure constitutes one of the potential causal conditions of organizational anxiety in state-owned banks. Political intervention may affect resource allocation, managerial appointments, lending priorities, performance evaluation, and supervisory practices. When employees perceive that decisions are shaped by political relationships rather than professional criteria, their sense of procedural fairness and organizational predictability may decline. Frequent changes in senior management may further reinforce instability by altering priorities, policies, and expectations before previous initiatives have been fully implemented. Nonmerit-based appointments may also weaken confidence in leadership and create uncertainty concerning promotion, evaluation, and job security. In such environments, employees may conclude that professional competence is less influential than political affiliation or personal connections, thereby increasing feelings of helplessness and distrust (Alvani, 2020; Yazdi et al., 2023).

Regulatory complexity and bureaucratic rigidity may likewise contribute to organizational anxiety. State-owned banks often operate through extensive directives, approval procedures, reporting obligations, and supervisory controls. While regulation is necessary to ensure financial stability and accountability, excessive or contradictory regulation can create confusion, delay decisions, and expose employees to

conflicting performance demands. Employees may be required to comply with formal rules while simultaneously achieving targets that are difficult to meet under those same constraints. The resulting tension between compliance and performance can generate role conflict and fear of error. When the consequences of mistakes are perceived as severe but the rules governing correct action are unclear or unstable, employees may adopt defensive routines, avoid innovative decisions, and transfer responsibility upward through the hierarchy (Alvani, 2020; Robbins, 2020).

The contextual conditions surrounding organizational anxiety are equally important because causal pressures do not operate in isolation. Organizational culture, evaluation systems, communication patterns, stakeholder relationships, and perceptions of justice can either intensify or mitigate the effects of environmental and structural pressures. A culture characterized by openness, trust, support, and psychological safety may allow employees to discuss problems, seek assistance, and collectively interpret uncertainty. Conversely, a culture of fear and silence can magnify anxiety by preventing employees from expressing concerns or challenging problematic decisions. Research on fear management in financial organizations has shown that organizational fear is associated with managerial behavior, perceived threats, communication restrictions, and defensive employee responses, underscoring the importance of organizational context in shaping how employees experience and manage anxiety (Yazdi et al., 2023).

Organizational silence is among the most significant contextual conditions and consequences associated with the anxious organization. Organizational silence refers to the intentional withholding of information, opinions, concerns, or suggestions that may be relevant to organizational functioning. Employees may remain silent because they believe speaking is ineffective, because they fear retaliation, or because they seek to protect themselves or colleagues. In state-owned banks, silence may gradually become an institutionalized norm when employees repeatedly observe that expressing concerns leads to punishment, marginalization, damaged career prospects, or no meaningful organizational response. Once silence becomes normalized, employees may no longer require an explicit threat to withhold their views; they learn that remaining silent is the safest and most rational behavioral option (Abbaspour et al., 2024; Nazaripour et al., 2026).

Different forms of silence may emerge under conditions of organizational anxiety. Acquiescent silence reflects resignation and the belief that speaking will not change

existing conditions. Defensive silence arises from fear and self-protection, whereas vigilant or protective forms of silence may involve withholding information because employees continuously monitor potential risks associated with disclosure. In highly anxious settings, defensive silence is especially important because employees may anticipate that expressing criticism or reporting problems will expose them to interpersonal, managerial, or occupational harm. Evidence from state-owned banks indicates that perceived job insecurity and self-censorship play important roles in the formation of defensive silence, suggesting that silence is not merely an absence of communication but an adaptive response to perceived organizational threat (Nazaripour et al., 2026).

Defensive silence can have serious consequences for organizational learning and governance. Banks depend on timely and accurate information to manage risk, detect errors, prevent misconduct, and improve service quality. When employees conceal problems, avoid reporting unethical behavior, or refrain from offering corrective suggestions, decision-makers receive incomplete or distorted information. This can increase operational risk and allow organizational failures to persist. Defensive silence may also weaken employee participation, reduce innovation, and reinforce centralized decision-making because managers become increasingly isolated from frontline knowledge. A model developed for employees of state-owned banks has demonstrated that defensive silence emerges through interconnected antecedent and consequent conditions, highlighting its systemic rather than purely individual nature (Abbaspour et al., 2024).

Organizational anxiety may also produce psychological distress through employees' exposure to incivility, hostility, uncertainty, and interpersonal tension. In banking environments, employees frequently interact with supervisors, colleagues, and customers under time pressure and performance demands. Witnessing or experiencing workplace incivility can signal that the organizational environment is unsafe and that disrespectful conduct may occur without effective intervention. Such experiences may intensify psychological distress, particularly when employees lack supportive resources or perceive that management is unwilling to address harmful behavior. Research involving bank employees has shown that witnessing incivility can contribute to psychological distress, demonstrating that anxiety-related outcomes can emerge not only from direct mistreatment but also from

observing threatening interpersonal dynamics within the workplace (Aftab et al., 2024).

One of the most damaging consequences of prolonged organizational anxiety is job burnout. Job burnout is a chronic occupational response characterized by emotional exhaustion, depersonalization or cynicism, and reduced personal accomplishment. Emotional exhaustion reflects the depletion of psychological and emotional resources; depersonalization involves detached, negative, or impersonal attitudes toward clients and colleagues; and reduced personal accomplishment refers to diminished feelings of competence and effectiveness. In an anxious organization, employees must continuously monitor threats, manage conflicting expectations, suppress concerns, and adapt to unstable demands. This persistent expenditure of emotional and cognitive resources may gradually lead to burnout (Alipour & Rezaei, 2021; Robbins, 2020).

The relationship between organizational anxiety and burnout may be reinforced by low control, unfair evaluation, job insecurity, political interference, and insufficient managerial support. When employees perceive that outcomes are disconnected from effort and merit, motivation may decline and emotional exhaustion may increase. Similarly, repeated exposure to unattainable expectations or contradictory directives can create a sense of ineffectiveness. Employees may initially respond by working harder or attempting to satisfy multiple authorities, but when these efforts do not produce predictable outcomes, they may develop cynicism and psychological withdrawal. In this way, burnout becomes both an individual health problem and an organizational response to dysfunctional structures and pressures (Alipour & Rezaei, 2021; Sharifzadeh et al., 2019).

Organizational silence and job burnout are also mutually reinforcing. Burned-out employees may lack the energy and motivation required to participate actively in organizational discussions, challenge ineffective practices, or propose improvements. Silence may therefore become a means of conserving depleted psychological resources. Conversely, employees who repeatedly suppress their opinions may experience frustration, moral distress, and reduced professional efficacy, thereby increasing burnout. Studies conducted in the banking sector have indicated that organizational silence may mediate the relationship between burnout and important organizational outcomes, including turnover intention and the quality of organizational decision-making (Alipour & Rezaei, 2021; Sharifzadeh et al., 2019). This suggests that the consequences of anxiety cannot be

understood by examining burnout and silence separately; rather, they should be viewed as interconnected elements within a broader organizational process.

The continuation of anxiety, burnout, and silence may ultimately impair organizational resilience. Organizational resilience refers to the capacity to anticipate, absorb, adapt to, and recover from disruption while maintaining essential functions. For banks, resilience is critical because financial organizations must respond rapidly to economic shocks, regulatory changes, technological disruptions, and crises of public confidence. Yet resilience depends on reliable communication, employee engagement, decentralized problem-solving, institutional learning, and trust. An organization in which employees are exhausted, fearful, and silent may have limited capacity to detect emerging threats or respond creatively to change. Research on organizational resilience in the Iranian banking industry has emphasized the importance of structural, managerial, human, and environmental capabilities in maintaining organizational continuity and adaptability (Baghernajad et al., 2023; Hosseini & Tadbiri, 2023).

From this perspective, organizational anxiety and organizational resilience may represent opposing dynamics. Resilient organizations recognize uncertainty but mobilize resources, communication, and collective learning to manage it. Anxious organizations, by contrast, may respond to uncertainty through greater control, centralization, secrecy, blame, and defensive behavior. These responses can temporarily create an appearance of order while weakening the organization's adaptive capacity. The social management of uncertainty is therefore crucial: when uncertainty is handled through open dialogue and shared responsibility, it may stimulate learning; when it is managed through avoidance and fear, it can become self-reinforcing and contribute to the reproduction of organizational anxiety (Biran & Biran, 2020).

Despite the growing literature on organizational fear, employee silence, burnout, psychological distress, and resilience, significant conceptual and empirical gaps remain. Much of the existing research has examined these variables independently or through linear relationships. Organizational fear has often been treated as an employee-level perception, burnout as an occupational health outcome, silence as a communication behavior, and resilience as an organizational capability. However, these phenomena may be interconnected within a broader systemic configuration. The anxious organization concept offers a framework for integrating these dimensions by focusing on how causal,

contextual, and intervening conditions interact to produce a persistent organizational state and consequential employee responses (Bahramzadeh & Jalaei, 2026).

A further gap concerns the contextual specificity of existing models. The dynamics of organizational anxiety in Iranian state-owned banks cannot be fully understood through frameworks developed primarily in private-sector or Western organizational settings. State ownership, institutional complexity, political influence, sanctions, chronic inflation, governmental lending obligations, conflicting stakeholder demands, and bureaucratic controls create a distinctive organizational environment. These factors may alter both the origins of organizational anxiety and the ways employees respond to it. A contextually grounded investigation is therefore required to identify the mechanisms through which anxiety is formed, intensified, and translated into burnout and silence.

Methodologically, grounded theory is especially appropriate for this purpose because it allows concepts and relationships to emerge from the experiences of individuals who possess direct knowledge of the phenomenon. Rather than imposing a predetermined model, this approach can reveal how managers, banking experts, and academic specialists interpret the structures, pressures, and behavioral consequences associated with organizational anxiety. It can also distinguish causal conditions from contextual and intervening conditions and connect them to the central phenomenon, organizational strategies, and outcomes. Such an analysis is necessary for developing a coherent explanatory model that reflects the institutional realities of Iran's state-owned banking system.

Understanding these relationships has substantial theoretical and practical importance. Theoretically, it can extend organizational behavior and public administration research by conceptualizing anxiety as an organizational-level condition rather than merely an individual emotional response. It can also clarify the relationships among political pressure, bureaucratic structures, economic instability, silence, burnout, and resilience. Practically, identifying the most influential causal, contextual, and intervening factors can help policymakers and banking executives design targeted interventions. These may include reducing contradictory regulations, strengthening merit-based appointments, improving performance evaluation, protecting employee voice, enhancing managerial support, increasing supervisory independence, and creating mechanisms through which employees can report concerns without fear.

Accordingly, the aim of this study was to explore the causal, contextual, and intervening conditions of organizational anxiety in Iranian state-owned banks and to identify its consequences for employee job burnout and organizational silence.

2 Methods and Materials

In the present study, the results of quantitative content validity, Cronbach's alpha, and the reliability of the qualitative interviews were first reported. Subsequently, SPSS software and descriptive statistics were used to describe the respondents' demographic characteristics and the main research variables. In the next stage, the Kolmogorov–Smirnov test was applied to assess the normality of the data distribution. Finally, the study was conducted using the systematic grounded theory method based on the approach proposed by Strauss and Corbin (1998). Grounded theory is an exploratory, systematic, and data-driven method designed to generate a middle-range theory concerning the phenomenon under investigation (Thornberg et al., 2023). This method is appropriate when the phenomenon under study is complex and multidimensional and requires an in-depth and context-specific understanding. Given the complexity of the concept of the “anxious organization” and the absence of a mature and contextually grounded theoretical framework in this field, the selection of this approach was entirely appropriate.

The target population of the study consisted of all middle- and senior-level managers, expert professionals working in banks, and university faculty members who possessed extensive knowledge of and practical experience with Iran's state-owned banking system. Participants were selected through purposive sampling using a theoretical sampling strategy. Under this method, sampling continues until

theoretical saturation is achieved, meaning that no new information emerges from subsequent interviews and the concepts have been sufficiently developed. Ultimately, theoretical saturation was reached after 22 semi-structured interviews. The participants included 12 senior managers and experts from state-owned banks—Bank Melli Iran, Bank Sepah, Bank Keshavarzi, and Post Bank Iran—and 10 university faculty members specializing in public administration and human resource management.

The principal data collection instrument was the semi-structured interview. The interview guide was developed according to the dimensions of the paradigmatic model, including causal conditions, the central phenomenon, contextual conditions, intervening conditions, strategies, and consequences. The questions were designed in a broad and exploratory manner, enabling participants to freely express their experiences and perceptions.

3 Findings and Results

Based on the findings obtained from the qualitative data analysis—comprising 22 semi-structured interviews analyzed through a grounded theory approach—and considering the frequency of the extracted codes, including 134 initial codes, 24 concepts, and 12 main categories, the “type and intensity of influence” of each component could be analyzed. It should be noted that in qualitative grounded theory research, the “significance” of an effect is determined by theoretical saturation, code recurrence, and participant consensus rather than solely by numerical inferential statistics. Nevertheless, code frequencies may indicate the relative strength of each factor. The effectiveness of the components associated with each research question is presented below.

Table 1

Frequency Distribution of Participants

Variable	Category	Frequency	Percentage
Gender	Male	18	82%
	Female	4	18%
Work experience	Less than 10 years	5	23%
	10–20 years	10	45%
	More than 20 years	7	32%
Organization	Bank Sepah	6	27%
	Bank Melli Iran	4	18%
	Bank Keshavarzi	5	23%
	Post Bank Iran	3	14%
	University	4	18%

Table 2*Dimensions and Indicators of the First Research Question*

Category	Indicators	Concepts	Number of Codes	Percentage
Causal conditions	Political pressures regarding resource allocation	Requests from members of parliament for special credit facilities	24	38%
		Government pressure to finance the budget deficit	18	28%
		Mandated lending to specific sectors	12	19%
	Nonmerit-based appointments	Frequent changes in managers, typically within periods of less than two years	22	42%
		Appointments based on political connections	20	38%
	Restrictive regulations	Mandated interest rates inconsistent with market conditions	25	47%
		Numerous and contradictory directives	18	34%

All three components of the causal conditions had positive effects—that is, both generative and intensifying effects—on the phenomenon of the anxious organization. Among these components, restrictive regulations recorded the highest frequency, with 47% for one of their associated

concepts. None of these components had a negative or anxiety-reducing effect; in other words, none of the participants indicated that these factors reduced organizational anxiety.

Table 3*Dimensions and Indicators of the Second Research Question*

Category	Indicators	Concepts	Number of Codes	Percentage
Contextual factors	Culture of institutional silence	The implicit organizational norm of remaining silent	20	35%
		Institutionalized fear of the consequences of expressing opinions	18	32%
	Weaknesses in performance evaluation	Subjective and relationship-based evaluations	22	44%
		Lack of alignment between rewards and merit	18	36%
	Multiple stakeholders with conflicting interests	Conflict between government objectives and those of the Central Bank	15	36%
		Divergent expectations of parliament and the board of trustees	14	33%

The findings showed that three principal categories functioned as contextual factors that created and facilitated the conditions for organizational anxiety. The “culture of institutional silence,” as the first contextual factor, indicated that silence in state-owned banks had progressed beyond a temporary, fear-driven behavior and had become an institutionalized and implicit norm. Participants emphasized that “even in the absence of a direct threat, employees know that they should not speak.” This culture creates a context in which causal conditions are transformed into organizational anxiety with greater intensity.

The “weakness of the performance evaluation system and lack of transparency,” as the second contextual factor, had

institutionalized organizational injustice and communicated to employees that “effort is ineffective; personal connections are what matter.” This factor directly intensified perceptions of injustice and transformed defensive silence into a rational behavior and a viable survival strategy.

The “multiplicity of stakeholders with conflicting interests,” as the third contextual factor, had trapped state-owned banks amid contradictory demands imposed by governing institutions. This situation created “strategic confusion” and substantially diminished the organization’s capacity to respond coherently to external pressures.

Table 4*Dimensions and Indicators of the Third Research Question*

Category	Indicators	Concepts	Number of Codes	Percentage
Intervening conditions	International sanctions	Loss of access to the SWIFT network	16	40%
		Restrictions on foreign-exchange transactions	14	35%
	Chronic inflation	Decline in the real value of employees' salaries	20	45%
		Reduced repayment capacity among customers	14	32%
	Political influence over supervision	Weakening of inspectors' independence	18	46%
		Reduced capacity to disclose corruption	14	36%

No anxiety-reducing intervening factor, or negative moderating factor, was identified in this study. In other words, the participants did not identify any intervening factor that reduced the intensity of organizational anxiety. This finding is itself significant: within Iran's state-owned banking system, positive moderating factors are effectively

absent, while all external factors—including sanctions, inflation, and political influence—aggravate the situation. Chronic inflation, with a frequency of 45% for the concept of the “decline in the real value of salaries,” had the strongest intensifying effect.

Table 5*Dimensions and Indicators of the Fourth Research Question*

Category	Indicators	Concepts	Number of Codes	Percentage
Organizational consequences	Job burnout	Emotional exhaustion	36	100%
		Depersonalization	30	90%
		Reduced personal accomplishment	25	80%
	Employee silence	Defensive silence	43	100%
		Self-censorship	35	95%
		Acquiescent silence	22	70%

Both categories of consequences—job burnout and employee silence—were directly and positively affected by the phenomenon of the anxious organization. The effect on defensive silence was stronger than that on the other consequences. This important finding emphasizes that, above all, an anxious organization produces a silent organization.

The analyses indicated the following:

1. All identified components had positive, intensifying effects. None of the 12 main categories had a negative or anxiety-reducing effect. This finding suggests that Iran's state-owned banking system is trapped in a “vicious cycle of escalating anxiety” and that no positive moderating factor exists within the system.
2. The strongest factors, in order, were restrictive regulations as a causal condition, chronic inflation as an intervening condition, and the culture of institutional silence as a contextual condition.
3. The strongest consequence was defensive silence, which was identified as the most prominent and destructive consequence of the anxious

organization, with the highest absolute code frequency among all extracted codes.

4 Discussion

The present study explored the causal, contextual, and intervening conditions associated with organizational anxiety in Iranian state-owned banks and examined its consequences for job burnout and employee silence. The findings showed that organizational anxiety is a multidimensional and systemically generated phenomenon rather than a temporary psychological reaction among individual employees. The qualitative analysis yielded 134 initial codes, 24 concepts, and 12 main categories, demonstrating that organizational anxiety emerges through the interaction of political pressures, nonmerit-based managerial appointments, restrictive regulations, institutional silence, weaknesses in performance evaluation, conflicting stakeholder demands, international sanctions, chronic inflation, and political influence over supervisory mechanisms. The findings further indicated that these conditions intensify job burnout and employee silence, with

defensive silence emerging as the most prominent consequence. Overall, the results portray Iran's state-owned banking system as being caught in a self-reinforcing cycle in which structural pressures generate anxiety, contextual weaknesses intensify it, and external conditions prevent the organization from effectively moderating its adverse consequences.

The first major finding was that political pressures regarding resource allocation, nonmerit-based appointments, and restrictive regulations functioned as the principal causal conditions of organizational anxiety. All three factors had an intensifying effect, and none was identified as reducing anxiety. Among them, restrictive regulations had the strongest relative influence, particularly through mandated interest rates that were inconsistent with market conditions and through numerous, contradictory administrative directives. This finding suggests that organizational anxiety in state-owned banks originates partly from the discrepancy between formal obligations and operational realities. Employees and managers are required to comply with regulatory requirements while simultaneously meeting financial, social, and administrative expectations that may be difficult to reconcile. Such a condition produces role conflict, reduces managerial discretion, and increases the perceived risk of decision-making. From an organizational behavior perspective, ambiguity and lack of control are central antecedents of workplace anxiety because employees cannot accurately predict the consequences of their choices or determine which organizational demand should take priority (Robbins, 2020).

This result is also consistent with the principles of public administration, according to which excessive centralization, bureaucratic rigidity, overlapping authority, and political interference can weaken organizational rationality and administrative effectiveness (Alvani, 2020). In state-owned banks, regulations are not necessarily problematic merely because they restrict action; rather, anxiety arises when such regulations are inconsistent, frequently revised, or disconnected from market conditions. In these circumstances, managers may become hesitant to accept responsibility, employees may seek repeated authorization for routine decisions, and organizational processes may become increasingly defensive. The organization consequently shifts from proactive management to risk avoidance. This pattern reflects the characteristics of an anxious organization, in which formal controls are expanded to manage uncertainty but ultimately create further

uncertainty and psychological pressure (Biran & Biran, 2020).

Political pressure regarding resource allocation was another significant causal condition. Participants referred to governmental demands to finance budget deficits, mandated lending to specific sectors, and requests from political representatives for special credit facilities. These findings indicate that state-owned banks are frequently required to pursue policy objectives that may not align with their professional assessment of risk, profitability, or resource capacity. Such pressures create a conflict between banking rationality and political responsiveness. Previous research on organizational resilience in Iranian state-owned banks has similarly shown that institutional and environmental pressures affect the capacity of banks to maintain stability and adapt effectively to change (Baghernajad et al., 2023; Hosseini & Tadbiri, 2023). When political demands exceed organizational capacity or undermine professional decision-making, resilience is weakened and anxiety becomes more likely to spread across managerial levels.

The findings concerning nonmerit-based appointments and frequent managerial changes further clarify the organizational mechanisms through which anxiety is reproduced. Participants reported that appointments based on political relationships and management turnover occurring within periods of less than two years undermined organizational stability. Frequent managerial replacement can disrupt long-term planning, alter performance priorities, and create uncertainty regarding the continuity of policies and projects. Nonmerit-based appointments may additionally weaken trust in leadership and reinforce the perception that career advancement depends on external relationships rather than competence or performance. This finding aligns with research on organizational fear in financial institutions, which has emphasized that insecurity, managerial unpredictability, and unequal power relations can shape employees' defensive responses (Yazdi et al., 2023). When employees cannot predict how managers will behave or how decisions will be evaluated, silence and psychological withdrawal become rational protective strategies.

The second major finding concerned contextual conditions. The analysis identified the culture of institutional silence, weaknesses in performance evaluation, and multiple stakeholders with conflicting interests as the principal contextual factors that facilitated the transformation of structural pressures into organizational anxiety. The culture of institutional silence was particularly important because

participants described silence not merely as an occasional response to direct threat but as an unwritten organizational norm. Employees reportedly understood that speaking openly could carry negative consequences even when no explicit warning had been issued. This finding demonstrates that silence had become embedded in the organizational culture and was transmitted through observation, experience, and informal learning.

This result strongly corresponds with previous research on defensive silence in state-owned banks. Abbaspour et al. showed that defensive silence develops through a network of antecedent and consequent conditions and should therefore be regarded as a systemic organizational outcome rather than an isolated behavioral choice (Abbaspour et al., 2024). Similarly, Nazaripour et al. found that perceived job insecurity and employee self-censorship mediate the development of defensive silence in state-owned banks (Nazaripour et al., 2026). These studies support the present finding that employees remain silent because they anticipate negative professional, interpersonal, or occupational consequences. In such environments, silence becomes a learned survival mechanism. Employees may withhold concerns, avoid challenging decisions, and censor their own ideas in order to preserve job security and minimize exposure to conflict.

The role of institutional silence is particularly consequential because it simultaneously functions as a context for organizational anxiety and as one of its principal outcomes. When employees remain silent, decision-makers lose access to operational knowledge, early warnings, and critical feedback. Problems are therefore less likely to be identified and corrected, which increases uncertainty and reinforces managerial anxiety. Managers may respond by imposing further controls, while employees interpret these controls as additional evidence that speaking is unsafe. This circular relationship helps explain why organizational anxiety can become self-sustaining. It also supports Bahramzadeh and Jalaei's conceptualization of the anxious organization as a phenomenon whose consequences extend beyond individual distress to influence communication, trust, decision-making, and organizational functioning (Bahramzadeh & Jalaei, 2026).

Weaknesses in performance evaluation constituted the second contextual condition. Participants emphasized subjective and relationship-based evaluations and the failure to link rewards to merit. These practices institutionalize perceptions of injustice and reduce employees' belief that effort will lead to valued outcomes. When performance

assessment lacks transparency, employees cannot determine the criteria by which their work will be judged. This uncertainty may intensify anxiety and encourage defensive behavior. Employees may conclude that expressing concerns or investing additional effort has little value because outcomes depend primarily on personal relationships. Such perceptions can diminish organizational commitment and increase psychological disengagement. They can also transform silence from a passive reaction into a deliberate strategy for minimizing risk.

The third contextual factor was the presence of multiple stakeholders with conflicting expectations. State-owned banks must respond to the government, the central bank, parliament, boards of trustees, customers, and other regulatory institutions. Participants indicated that conflicts among these actors created strategic confusion and reduced the organization's ability to respond coherently to pressure. This finding is consistent with research on organizational resilience, which highlights the importance of coordination, strategic clarity, and institutional alignment in maintaining adaptive capacity (Baghernajad et al., 2023; Hosseini & Tadbiri, 2023). When stakeholders impose contradictory demands, organizational members face competing standards of success. The absence of a stable strategic direction increases the likelihood of inconsistent decisions and heightens employee perceptions of uncertainty.

The third major finding related to intervening conditions. International sanctions, chronic inflation, and political influence over supervision were all found to intensify organizational anxiety. Importantly, no anxiety-reducing intervening factor was identified. This absence is theoretically significant because intervening conditions would normally be expected to modify or buffer the effects of causal pressures. Instead, all identified external conditions aggravated the situation. The banking system therefore appears to lack effective institutional mechanisms capable of absorbing environmental shocks or protecting employees from their consequences.

International sanctions intensified organizational anxiety through the loss of access to international financial networks and restrictions on foreign-exchange transactions. These limitations increase operational complexity and constrain the capacity of banks to perform routine financial activities. Employees may face customer dissatisfaction, heightened compliance requirements, and pressure to achieve outcomes that are restricted by factors outside their control. Such conditions are consistent with the broader view that high-risk and rapidly changing environments generate collective

anxiety when organizations lack effective mechanisms for processing uncertainty (Biran & Biran, 2020). Rather than resolving uncertainty through dialogue and adaptive learning, organizations may respond by increasing control, secrecy, and defensive behavior, thereby deepening anxiety.

Chronic inflation emerged as the strongest intervening condition, particularly through the decline in the real value of employees' salaries. Inflation affects organizational anxiety through both personal and operational pathways. At the personal level, declining purchasing power increases financial insecurity and weakens employees' perception that organizational rewards are adequate. At the operational level, inflation reduces customers' repayment capacity, increases financial risk, and complicates planning and evaluation. These pressures can intensify emotional exhaustion and reduce employee motivation. The finding is compatible with research indicating that prolonged occupational stress in state-owned banks contributes to burnout and turnover intention, especially when organizational silence prevents employees from expressing their concerns or seeking support (Alipour & Rezaei, 2021).

Political influence over supervisory mechanisms also intensified anxiety by weakening inspectors' independence and reducing the likelihood that corruption or misconduct would be disclosed. Effective supervision is expected to reduce uncertainty by enforcing consistent standards and protecting organizational integrity. However, when supervision is perceived as politically influenced, it may have the opposite effect. Employees may fear that rules are applied selectively and that reporting misconduct could expose them to retaliation. This interpretation is supported by studies of workplace fear and defensive silence, which show that employees are more likely to censor themselves when they perceive that organizational power is unequal and protection mechanisms are unreliable (Nazaripour et al., 2026; Yazdi et al., 2023).

The fourth and most important set of findings concerned the consequences of organizational anxiety. Job burnout and employee silence were both directly intensified by the anxious organizational environment. The three dimensions of burnout—emotional exhaustion, depersonalization, and reduced personal accomplishment—were all identified, with emotional exhaustion appearing in all interviews. This suggests that prolonged exposure to conflicting demands, instability, restrictive regulations, and insufficient control depletes employees' psychological resources. Employees must continuously manage uncertainty while suppressing their reactions and attempting to satisfy incompatible

expectations. Over time, this process can produce exhaustion, emotional distancing, and reduced confidence in professional effectiveness.

These findings are consistent with research on burnout in state-owned banks, which has demonstrated that burnout is associated with turnover intention and that organizational silence can mediate this relationship (Alipour & Rezaei, 2021). They also align with evidence indicating that organizational silence plays a mediating role in the effect of burnout on organizational decision-making (Sharifzadeh et al., 2019). Together, these studies suggest that burnout does not remain confined to employee health; it also affects communication, judgment, participation, and decision quality. Employees who are emotionally exhausted may lack the energy to challenge ineffective practices, while those who feel ineffective may believe that voicing concerns will not produce meaningful change.

Employee silence, particularly defensive silence, emerged as the most severe consequence of organizational anxiety. Participants indicated that anxious organizations primarily produce silent employees. Defensive silence, self-censorship, and acquiescent silence were all reported, but defensive silence had the greatest intensity. This pattern demonstrates that employees are not silent because they have nothing to contribute; rather, they deliberately withhold information to protect themselves. The finding closely corresponds with evidence that witnessing incivility and threatening workplace interactions can generate psychological distress among bank employees (Aftab et al., 2024). Even indirect exposure to hostility or punishment can signal that the environment is unsafe, increasing the likelihood that employees will withdraw from open communication.

The prominence of defensive silence has serious implications for the functioning of state-owned banks. Banking organizations depend on accurate information, risk reporting, ethical disclosure, and timely communication. When employees conceal problems or avoid expressing disagreement, errors may remain undetected and poor decisions may continue unchallenged. Defensive silence therefore threatens organizational learning, accountability, and resilience. It also creates the appearance of agreement while concealing dissatisfaction and fear. In this sense, the anxious organization is not only psychologically harmful but also managerially inefficient and strategically vulnerable.

5 Conclusion

Overall, the findings support a cyclical model of organizational anxiety. Structural and political pressures generate uncertainty; contextual weaknesses such as institutional silence and unfair evaluation amplify it; external conditions such as inflation and sanctions further intensify it; and the resulting anxiety produces burnout and silence. These consequences then reduce communication, learning, and resilience, making the organization less capable of addressing the original pressures. The absence of any identified mitigating factor is especially concerning because it indicates that the system lacks internal mechanisms for interrupting this cycle. The results therefore extend previous research by integrating organizational fear, silence, burnout, and resilience within a single explanatory framework relevant to Iran's state-owned banking system.

This study had several limitations. First, the findings were based on interviews with 22 managers, banking experts, and university faculty members, and although theoretical saturation was achieved, the perspectives of frontline employees, customers, regulators, and representatives of other relevant institutions were not examined directly. Second, the study focused on selected Iranian state-owned banks, which may limit the transferability of the findings to private banks, specialized financial institutions, or banking systems in other countries. Third, because the data were based on participants' perceptions and retrospective accounts, the findings may have been affected by recall bias, self-censorship, or concerns about discussing politically and organizationally sensitive issues. Finally, the cross-sectional nature of the qualitative inquiry did not allow changes in organizational anxiety and its consequences to be assessed over time.

Future studies should test the proposed model quantitatively using large and diverse samples of employees from state-owned, private, and specialized banks. Longitudinal research is needed to examine how organizational anxiety develops over time and whether changes in leadership, economic conditions, or regulatory policies alter its intensity. Comparative studies across countries could identify which aspects of organizational anxiety are context-specific and which are common to public banking systems more broadly. Researchers should also examine potential mediators and moderators, including psychological safety, organizational justice, ethical leadership, perceived organizational support, employee resilience, job insecurity, and trust in management.

Intervention studies would be particularly valuable for determining whether improvements in communication, performance evaluation, supervisory independence, or employee voice can interrupt the cycle of anxiety, burnout, and silence.

Banking policymakers and senior executives should reduce contradictory directives, clarify institutional responsibilities, and align regulatory expectations with operational realities. Managerial appointments should be based on professional competence, relevant experience, and transparent criteria, while unnecessary leadership turnover should be minimized. Banks should establish fair and measurable performance evaluation systems that link rewards to competence and effort. Confidential and independent channels for reporting concerns should be created, and employees should be protected from retaliation when expressing professional disagreement or disclosing misconduct. Managers should receive training in supportive leadership, psychological safety, conflict management, and constructive communication. Employee assistance programs, burnout screening, counseling services, and financial support mechanisms should also be developed to reduce the psychological effects of chronic economic and organizational pressure. Finally, supervisory bodies should strengthen their independence and ensure that accountability procedures are applied consistently and transparently.

Authors' Contributions

All authors have contributed significantly to the research process and the development of the manuscript.

Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

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Declaration of Interest

The authors report no conflict of interest.

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Ethical Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were observed.

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