

## Stress@Work:

# The Business Case for Addressing Job Stress

**Job Stress Hurts Business** Workplace stress is very common, with a third of workers reporting that their work is very or extremely stressful. Stress is harmful for employees, and it also has a negative effect on the productivity and costs of organizations. Reducing workplace stressors can benefit organizations through improved retention, fewer days lost to sickness and absenteeism, fewer accidents, higher morale, improved work quality, and increased performance.

**Job stress matters to our health and our work.** When we feel stressed, our bodies respond by raising the concentration of stress hormones in our blood. When our bodies continually respond to constant demands or threats, coping mechanisms stay in overdrive, which can be damaging to health over time. Research shows that excessive job stress can lead to many long-term health problems including cardiovascular disease, diabetes, weakened immune function, high blood pressure, musculoskeletal disorders, substance abuse, depression and anxiety. Stressful working conditions can also impact health indirectly by limiting our ability or motivation to participate in other health promoting behaviors such as eating well and exercising.

**Good Stress vs. Bad Stress** Stress is not always bad. Stress in the form of a challenge energizes us psychologically and physically, and it motivates us to learn new skills and master our jobs. When a challenge is met, we feel relaxed and satisfied. This is good stress or *eustress*. However, sometimes a challenge is turned into job demands that cannot be met, and this is negative stress, or *distress*, which sets the stage for illness, injury, and job failure.

**The economic consequences of job stress are real** Workplace stress costs U.S. employers over \$300 billion per year in accidents, absenteeism, staff turnover, lower productivity, workers' compensation awards, and medical, legal, and insurance costs.

### Consider these Costs:

- 40% of job turnover is due to stress [1]
- Health care expenditures are nearly 50% greater for workers who report high levels of stress [2]
- Job stress is the source of more health complaints than financial or family problems [2]
- Replacing an average employee costs 120-200% of the salary of the position affected [3]
- The average cost of absenteeism in a large company is more than \$3.6 million/year [4]
- Depressive illness, a common side effect of job stress, is associated with nearly 10 annual sick days [5]
- 25% of heart disease cases could be prevented through improvements in job design and social support in the workplace [6]

**Health Effects of Job Stress** Research shows that people working with high job demands and low job control experience significantly higher rates of heart and cardiovascular disease, anxiety, depression, alcohol abuse, infectious diseases, back pain, and repetitive stress injuries. Stressful working conditions can also have an indirect impact on employee well-being by limiting the ability to make positive changes to lifestyle behaviors (for example, quitting smoking, eating healthier, or starting to exercise).

**The work environment plays a key role in job stress** Jobs with high demands and low control are among the most harmful workplace stressors. Additional work stressors include having little social support at work and having an imbalance between the jobs efforts and rewards. Work stress can also result from conflict between demands of work and home life.

**What You Can Do** Assess and intervene on multiple levels – organization, work groups, individuals – to have a substantial and positive impact on your business goals and your workforce. Prevention is essential if you want to improve productivity, quality, health care costs and morale. Follow these tips to create a healthy and productive work environment:

1. **Commit** to creating a healthy workplace, free from physical and psychological harm.
2. **Integrate** work environment issues with the company health and wellness program; expand your view of work policies, work organization, and job design as “health” issues.
3. **Engage** employees in stress related risk identification and problem solving.
4. **Support** continuous quality improvement of the work environment by providing a structure and budget for coordination and implementation of new initiatives.

For more information, tools, and factsheets to address work related stress, visit the University of Massachusetts Lowell Stress@Work website:

[www.uml.edu/centers/cph-new/job-stress/default.html](http://www.uml.edu/centers/cph-new/job-stress/default.html)

References:

- [1] Hoel, H., Sparks, K., & Cooper, C. (2001). The cost of Violence/Stress at work and the benefits of a violence/stress-free working environment. *Interntational Labour Organisation*.
- [2] National Institute for Occupational Safety and Health (NIOSH). Stress At Work Booklet. Publication No. 99-101.
- [3] Flash, What is the cost of employee turnover? Compensation & Benefits Review, Sept/Oct 1997: Article #8582, 1998
- [4] NIOSH. Costs of absenteeism, cited 2002, available from <http://hr.cch.com/default.asp>
- [5] Druss, B. G., Rosenheck, R. A., & Sledge, W. H. (2000). Health and disability costs of depressive illness in a major U.S. corporation. *American Journal of Psychiatry*, 157(8), 1274-1278.
- [6] Karasek, R.A., Theorell, T. (1990) *Healthy work. Stress, productivity and the reconstruction of working life*. New York NY: Basic Books.