

Abstract on:

“Negative Effects Resulting From Particular Types or Quantities of Stress in the Workplace” & “How Organizations Recognize and Address Workplace Stress”

Summary:

The effects of workplace stress costs employers an estimated \$100 billion dollars a year in lost productivity, medical costs, absenteeism and accidents. The effects on employees can also result in a myriad of negative effects such as cardiovascular disease, psychological disorders, eating disorders, insomnia, depression and substance abuse. To combat the effects of counter-productive workplace stress, more and more employers are becoming more proactive in promoting employees’ happiness and good health by implementing stress relief initiatives that help employees manage their time, personal lives and workplace stress.

“Negative Effects Resulting From Particular Types or Quantities of Stress in the Workplace”

This research study explores how excessive stress poses a threat to both organizations and employees by examining the symptoms of counter productive stress, the types and levels of stress found within organizations and the negative performance and economic consequences of workplace stress.

I. The Issue of Stress in the Workplace

The study begins by defining stress as a perception that can vary greatly between individuals and takes two forms: eustress and distress. Eustress is “good” stress that can be motivational and improve performance. Distress is the negative and most familiar form of stress that causes anxiety and agitation and costs employers billions of dollars per year. Workplace stress can be further broken down into two differing sources: situational and dispositional. Dispositional stress is caused by the characteristics of an employee’s personality traits and that person’s individual reaction to perceived stressors. Situational stress is derived from organizational sources and the types of stressors encountered within the workplace. It can take the form of task-related stress, such as work overload

or underutilization, and role-related stress, which is stress associated with employee role ambiguity, relationships with co-workers and poor person-environment fit. Thus, all of these various types of stress accumulate and add to overall stress levels in the work environment.

## II. Symptoms of Counter-Productive Workplace Stress

Stress causes health and physical problems, accounting for fifty percent of all absenteeism and contributing to the phenomenon of “presenteeism.” Absenteeism costs the employer in terms of both sick time paid and overtime paid to replace the employee. Presentees are people who are present at work in body but not in mind, and are typically those who make mistakes, jeopardize quality and have accidents. The result of these effects is decreased productivity and profit margins.

Some common health and physical stress symptoms include inability to sleep, fatigue, poor decision making, chronic ailments and illnesses, substance abuse, depression, anxiety and job burnout. The cost of drug and alcohol abuse in the workplace is estimated by the Bureau of National Affairs to be as high as \$100 billion dollars annually in lost productivity, medical costs, absenteeism and accidents. Furthermore, cases of depression, anxiety and job burnout result in a loss of approximately 200 million working days per year. The effects of these stress symptoms can result in increased health care costs, high turnover, and a negative impact on organization goals and morale.

## III. Types and Level of Stress and Where They May Be Found Within Organizations

According to the Holmes-Rahe Life Events Scale, which rates the levels of stress of major life events, workplace related events are among the most stressful. These can include firings, business readjustments, changes in financial status, retirement, vacations and trouble with the boss. The sources of stress vary among different careers. Foreign competition in the metals industry, foreign outsourcing in the technology industry, handling dangerous and heavy equipment in factories, and the globalization and deregulation of foreign economies can change the nature of work and bring workers under ever increasing pressure.

In this context, job design and execution and the degree to which workers participate in the decision-making process can result in stress. Lack of control, direction and training, new technologies and time pressures, ambiguity in work responsibilities and organizational reorganization are all stressors that can put demands on employees and create stress. Family and social lives can suffer, harassment and workplace violence can increase and debilitating and negative workplace climates can elevate workers' stress.

#### IV. Negative Performance and Economic Consequences

The American Institute of Stress estimates that job-related stress costs the United States industry \$300 billion annually in absenteeism costs, diminished productivity, employee turnover, workers' compensation and medical insurance. The National Institute for Occupational Safety and Health reports that health care expenditures are nearly fifty percent higher for workers who report high levels of stress. Ongoing medical costs, direct income loss, transport costs and losses related to lifestyle changes can result in counter-productive workplaces and significant financial loss to employees and employers.

Overall, stress causes extraordinary tangible and intangible financial costs to a company. These include erosion of goodwill, decreased quality, decreased customer satisfaction, decreased productivity, decreased profitability, decreased efficiency, inefficient, negligent or criminal employee activities and increased recruitment and training costs.

#### “How Organizations Recognize and Address Workplace Stress”

As employers are becoming increasingly proactive in the battle against workplace stress, organizations are implementing programs to help employees deal with the problem of counter-productive workplace stress. This study explores the efforts organizations are making to ensure the happiness and good health of their employees.

#### I. The Degree to Which Organizations Recognize the Issue of Counter-Productive Workplace Stress

High levels of stress come at a high cost to organizations as growing stress levels greatly affect employee productivity as well as the bottom line. A growing number of employers are realizing their role in helping to ease workplace stress as they realize that workplace stress is practically impossible to eliminate. Employers are responding by allowing employees' greater control over their jobs, permitting flexible scheduling and greater control in task prioritization, offering stress management seminars and physical fitness programs and providing for life management services such as on-site daycare and employee assistance programs. Employers are focusing more and more on both individual and organizational stress reduction.

## II. Efforts Undertaken by Organizations to Eliminate or Mitigate the Negative Effects of Counter-Productive Workplace Stress

It is reported that there are four kinds of programs effective in reducing stress: a.) supportive work and family policies, b.) effective management communication, c.) health insurance coverage for mental illness and chemical dependency and, d.) flexible scheduling of work hours. Employer responses are varied, but once the employer acknowledges it has a stress problem, the organization's size, complexity and resources will determine appropriate solutions and approaches. Stress reduction approaches have the goal of increasing employee productivity by helping them become physically and emotionally healthier.

Employee assistance programs (EAP's) provide information and assistance to employees who are dealing with personal or work problems. Wellness programs involve providing training to employees on healthy living and involve workshops on such topics as stress reduction, nutrition, exercise and weight-management. Absence control programs minimize employee stress by giving employees flexibility in time off. Some employers offer paid time off with the hopes that employees can deal with personal issues before they become a problem. Stress management programs train employees in stress reduction techniques such as meditation and time management. Some employers are providing "relaxation zones" that include low lighting, futons, vibrating relaxation chairs and plants and water elements. Organizational change is also being employed to improve working conditions. This concept considers the most direct way to reduce stress at work

by identifying stressful situations and designing strategies to reduce or eliminate identified stressors.

### III. The Role that the Human Resource Management Function Can or Should Play to Help Organizations Address this Issue.

The human resource management function in any organization can play an extremely significant role in addressing work-related stress. Healthy organizations tend to have clear policies and active methods in dealing with people that encourage respect for dignity, solicit regular feedback and recognition of performance and provide clear goals for employees that are in line with organizational goals. Other characteristics of healthy organizations include soliciting employee input into decision-making and career progression and administering consistent and fair management actions.

The first step in challenging workplace stress is to assess where an organization is “now” and where it needs to go. The human resource function should identify causes of stress, prioritize the severity of stressors, change systems to reduce or eliminate those stressors and monitor and evaluate levels of stress. Human resources should work to understand organizational culture and learning styles of employees. The human resource function therefore will play multiple roles, from coach and counselor to enforcer and provider of organizational interpersonal safety nets.

Human resources need to adapt its stress reduction approach to the stresses of the workplace and be flexible in its responses. For example, organizational change will require a retraining of employees to better equip them for the tasks and changes ahead. Helping employees to balance work and life activities through flexible scheduling is another approach to ease stress on employees. Issues of bad performance can be handled with positive feedback and job counseling to employees by human resources managers. Effective change management strategies such as supporting and encouraging communication between management levels can also help reduce stress. Control strategies such as workplace re-design, job task re-design and active communications support and performance feed back are all approaches that can be introduced and encouraged by the human resources function within organizations.

#### IV. Conclusions

For the human resources function to play an effective role in stress reduction and management, it is important that senior management recognize the importance of the human resources department as a business unit. Senior management in organizations should involve the human resource department in determining organizational strategies and plans. Addressing work-related stress can be challenging but also be a vehicle for positive change and provide for better, more productive relationships at work. The benefit for employees will be the knowledge and support they need to lead healthier lives while employers will benefit from lower operating costs and productive and creative workers.

## Acknowledgements

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“How Organizations Recognize and Address Workplace Stress”

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1-800-35-NIOSH; Outside the U.S.: 1-513-533-8328  
4676 Columbia Parkway Cincinnati, Ohio 45226-1998  
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