



Managing Employee Stress and Safety

A guide to minimizing stress-related cost
while maximizing employee productivity

MEMIC
Partners for Workplace SafetySM

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**A guide to minimizing stress-related cost
while maximizing employee productivity**

by

David Lee

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I.

THE CONNECTION BETWEEN STRESS AND SAFETY: KNOWING THIS CAN SAVE YOU SIGNIFICANT SAFETY DOLLARS

According to safety experts, unsafe behaviors are the leading contributor to accidents and injuries in the workplace. Research shows that unsafe behaviors play a far more significant role in workplace accidents and injuries than do unsafe environmental factors such as wet floors, unsafe equipment, etc. In fact, experts estimate that unsafe behaviors account for 80 percent of workplace accidents and injuries.

This means that safety initiatives cannot simply focus on making the physical surroundings more safe. Focusing solely on the physical environment will only solve 20 percent of the problem. To successfully address the problem of workplace safety requires addressing those factors that account for 80 percent of the problem: unsafe human behavior.

To change unsafe human behaviors requires understanding what leads to them in the first place. Although a multitude of factors influence human behavior – and therefore workplace safety – one of the leading causes of unsafe behaviors is stress. Because stress negatively affects how people think, act, and react, it makes employees more vulnerable to accidents and injuries.

By reducing employee stress, companies can significantly reduce the frequency of employee behaviors that lead to safety problems. By reducing employee stress, they can also reduce other stress-related costs such as absenteeism, turnover, reduced productivity, grievances, and litigation.

This booklet focuses on what employers can do to minimize employee stress, and therefore minimize one of the leading contributors to accidents and injuries. It is designed to help the reader understand more clearly the connection between stress and safety, and to provide practical solutions to this problem.

“Research shows that unsafe behaviors play a far more significant role in workplace accidents and injuries than do unsafe environmental factors...”

“When you reduce employee stress, you not only reduce safety-related expenses, you can also reduce costs associated with absenteeism, turnover, reduced productivity, grievances, and litigation.”

II. HOW MUCH DOES EMPLOYEE STRESS COST *YOUR* BUSINESS?

Is employee stress simply a minor problem that your company and your employees have to cope with, or is it a significant bottom line issue that impacts on your company's financial well-being? Research from a variety of sources shows the latter to be true; employee stress is a serious financial drain. It cannot be ignored by any employer wishing to stay competitive in today's marketplace. This section outlines some of the costs created by unmanaged employee stress.

Safety-Related Costs

- A study of 3,020 aircraft employees showed that employees who “hardly ever” enjoyed their job were 2.5 times more likely to report a back injury than those who reported “almost always” enjoying their job. ¹
- Insurance data indicates insurance claims for stress-related industrial accidents cost nearly twice as much as non-stress-related industrial accidents. ²
- Employees with low job satisfaction are 30 percent more likely to have multiple injuries than those with high satisfaction. Employees with a higher number of stressful life events were 25 percent more likely to have had more than one injury than those with a low number of stressful life events. ³

Overall Cost of Stress

- The total health and productivity cost of worker stress to American business is estimated at \$50 - \$150 billion annually. ⁴
- Forty percent of job turnover is due to stress. Experts estimate it costs approximately 150 percent of a position's salary to replace a worker. ⁵

Prevalence of Stress in the Workplace

- The 1985 National Health Interview Survey revealed that an estimated 11 million workers report health-endangering levels of mental stress at work. Only one other hazardous work condition - loud noise - was found to be more prevalent in the workplace. ⁶
- A Gallup Poll of 201 U.S. corporations revealed that 60 percent of all managers felt that stress-related illness was pervasive among their workers and decreased productivity at an estimated cost of 16 days of sick leave and \$8,000 per person per year. ⁷

An overwhelming body of research indicates that employee stress cannot be ignored by any employer wishing to stay competitive in today's marketplace.

Absenteeism and Other Health-Related Costs

- Workers with high stress were over two times more likely to be absent 5+ days a year.⁸
- Unscheduled absences by U.S. employees rose by nine percent in 1993, costing work organizations as much as \$750 per employee, according to a national survey.⁹
- A recent study at a manufacturing plant showed that employees who reported high levels of role conflict, physical environment stress, and overall work stress had significantly higher physician-excused absences.¹⁰
- Men with demanding jobs that give them little control have three times the risk of hypertension as their co-workers. Men with demanding jobs *with* control, however, show no ill effects.¹¹
- American women with heavy work loads and little job control are three times more likely to develop coronary heart disease than women with the same work load, but had more control.¹²

¹Bigos, S.J.; Battie, M.C.; Spengler, D.M.; Fisher, L.D.; Fordyce, W.E.; Hansonn, T.H.; Nachemson, A.L.; and Wortley, M.D.(1991). A prospective study of work perceptions and psychosocial factors affecting the report of back injury. *Spine*. 1, 1-7

²Perkins, A. (1994). Saving money by reducing stress. *Harvard Business Review*. 72(6):12.

³Webb, G. et al. (1994). The relationships between high-risk and problem drinking and the occurrence of work injuries and related absences. *Journal of Studies on Alcohol*. 55 (4), 441-442.

⁴Sauter, S.L.; Murphy, L.R.; and Hurrell, Jr., J.J. (1990). Prevention of work-related psychological disorders. *American Psychologist*. 45(10):1146-1153.

⁵Bureau of National Affairs.

⁶Shilling, S. and Brackbill, R.M. (1987). Occupational health and safety risks and potential health consequences perceived by U.S. workers. *Public Health Reports*. 102:36-46.

⁷The Gallup Organization

⁸Jacobson et al. (1996). *American Journal of Health Promotion*. 11(1).

⁹Moskal, B.S. (1994). Unscheduled absences by U.S. Employees: "Missing Persons," *Industry Week*. August 15: 22.

¹⁰Heaney, C.; Clemans, J. (1996). Occupational stress, physician-excused absences, and absences not excused by a physician. *American Journal of Health Promotion*. Vol. 10(2): 117-124.

¹¹Yandrick, Rudy and Freeman, Michael (General Editor) 1996. *Behavioral Risk Management: How to Avoid Preventable Losses from Mental Health Problems in the Workplace*. San Francisco, CA: Jossey-Bass Publishers.

¹²Rosen, The Healthy Company.

III.

WHAT HAPPENS WHEN ORGANIZATIONS REDUCE EMPLOYEE STRESS?

An Electronics Firm Cuts Workers' Compensation Claims by 30 Percent

At a Minnesota electronics manufacturer, management had employees complete a stress/general well-being inventory during a major downsizing. The survey showed high levels of worker stress. The company implemented a variety of programs to address this problem. The result: workers' compensation claims decreased by 30 percent.¹

A Manufacturing Company Reduces Workers' Compensation Claims by 56

Percent A Minnesota plastics manufacturer conducted an employee survey. The results portrayed a workforce that was bored and frustrated over the lack of communication and involvement they had in decision making in the company. Employee responses to the survey also showed a lack of commitment to company quality, safety and productivity.

The manufacturer implemented a task force in each department to address these issues, improved benefits, created a safety incentive program, and established a newsletter. The result: a 56 percent drop in workers' compensation claims.²

A Trucking Company Cuts Workers' Compensation Costs by 80 Percent and

Lost Workdays by 66 Percent A trucking company employing approximately 150 people was losing \$26,592 per month in workers' compensation costs over a 22-month period. Average lost workdays during this period equaled 166 days per month. After surveying their employees, the company implemented several programs, including a training program for managers on how to correct situations that were creating employee stress and a comprehensive Employee Assistance Program (EAP). A more stringent pre-employment program was also initiated. During the nine months following these interventions, the average cost of claims went from \$26,592 to \$4,510, and the average number of lost workdays went from 166 to 56 days per month.³

Hospital Cuts Workers' Compensation Claims by 80 Percent and the Cost of

Their Claims by 95 Percent Data from an employee survey was used by a Midwestern hospital that employed approximately 1,000 people, to reduce their risk exposure. Interventions based upon the results included a comprehensive in-house EAP, the addition of a stress management program to the hospital's back program, and an intensive problem-focused consultation to leaders of problem departments.

This translated into the following workers' compensation claim savings:

- Workers' compensation claims dropped from 3.1 claims per month to 0.6 per month.
- Average monthly cost of claims dropped from \$7,329 to \$324.
- Average total expected claims cost dropped from \$24,199 to \$2,577.

The authors of the study concluded that: "...the results suggest that while a one-time stress management program will have little, if any, effect on accident and injury occurrences, a more permanent, comprehensive, organization-wide program can have more substantial effects."⁴

¹Kohler, S. and Kamp, J. (1992). American Workers Under Pressure (Technical Report). St. Paul Fire and Marine Insurance Company. St. Paul, MN.

² Kohler, S. and Kamp, J. (1992). American Workers Under Pressure (Technical Report). St. Paul Fire and Marine Insurance Company. St. Paul, MN.

³Steffy, B.; Jones, J.; Murphy, L.; and Kunz, L. (1986). A Demonstration of the Impact of Stress Abatement Programs on Reducing Employees' Accidents and Their Costs. American Journal of Health Promotion. Fall, 25-29.

⁴ Steffy, B.; Jones, J.; Murphy, L.; and Kunz, L. (1986). A Demonstration of the Impact of Stress Abatement Programs on Reducing Employees Accidents and Their Costs. American Journal of Health Promotion. Fall, 25-32.

IV. WHAT CAUSES WORKPLACE STRESS?

By understanding the common sources of employee stress, management can begin the process of identifying potential trouble spots in their own company. To assist in this process, this section contains an overview of two major studies on the primary sources of employee stress and other research on what that influences employee morale – and therefore stress level. On page 24, you will find a tearout of a comprehensive checklist containing the sources of stress.

The Top 10 Factors Leading to Employee Stress

A survey of 1,299 employees from 37 organizations¹, identified ten factors as the most important contributors to employee stress. In order of importance, these were:

- Employees not being free to talk with one another
- Personal conflicts on the job
- Employees not being given enough control over their work
- Inadequate staffing or budget
- Management and employees not talking openly
- Management perceived as being unsupportive
- Below-average sick and vacation benefits
- Reduction in employee benefits
- Having to deal with bureaucratic red tape
- Lack of recognition or reward for doing a good job

Supervisor and Co-worker Issues – The Leading Source of Employee Stress

A 2½ year study² involving almost 28,000 employees in 215 organizations showed that poor teamwork and ineffective supervision were the two most important factors leading to employee stress, with poor teamwork issues having the strongest influence on job burnout, health problems, and performance problems.

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“Employees with the worst supervisors were twice as likely to feel burned out, and 50% more likely to have co-workers who were considering leaving the organization.”

When data on employees who felt “burned out” were divided into three categories of supervisors—best, moderate, worst – respondents with the worst supervisors were twice as likely to feel burned out and 2.5 times more likely to lose sleep due to job worries. Employees with the worst supervisors were also 50 percent more likely to have co-workers who were considering leaving the organization.

The overall conclusion of the study was that workplace stress was strongly related to burnout, health problems, and performance problems, such as: absenteeism, turnover, poor quality, accidents and errors.

Study Shows That Employees’ Top Priority Is Job Flexibility That Allows for Work-Life Balance A 1999 study by Boston College’s Center for Work and Family revealed that the number-one concern of employees today was finding a way to balance job and home life responsibilities. Since flexibility is such a critical concern for employees, having little flexibility on the job will be a significant source of stress. The more bureaucratic and rigid a company is about taking time off, determining work schedules, and so forth, the higher the stress level of its workforce.

Having One’s Supervisor Raise Their Voice or Be Verbally Abusive Is the #1 Pet Peeve of Employees According to a study conducted by America’s Research Group, the number-one pet peeve of employees was having a supervisor raise their voice or verbally abuse them in some way. Other pet peeves included being talked down to, constantly being pressured to hurry, and the boss playing favorites. Researchers in this study noted that most of the pet peeves cited by employees were directly related to unpleasant behavior by their supervisor.

¹ Employee Burnout: Causes and Cures. Minneapolis, MN: Northwestern Mutual Life, 1992.

² Kohler and Kamp. American Workers Under Pressure. Minneapolis, MN: St Paul Fire and Marine Insurance, 1992.

V. HOW STRESS AFFECTS THE BRAIN, AND HOW THIS AFFECTS EMPLOYEE PERFORMANCE

To truly appreciate how seriously stress affects employee safety, it's helpful to understand how stress affects the human brain. The bottom line is this: stress interferes with brain functioning because our brain's ability to function is directly related to our emotional state. When we're in a positive emotional state, our brain works best, enabling us to perform at our best.

When we're in a negative emotional state, such as feeling nervous, angry, depressed, or stressed out in any way, our brain works less effectively. This process was labeled Downshifting by Dr. Leslie Hart, an educator who studied student performance under varying emotional states. Dr. Hart's interest in how stress affects the brain arose from his observation that students' ability to think and learn decreased as their stress level increased.

Just as a car's speed and performance decrease if the driver downshifts from high gear to low gear, the brain's performance decreases when it downshifts. Dr. Hart's research, along with a great deal of other scientific research, shows that when people downshift, their intellectual, psychological, and behavioral responses deteriorate.

Because downshifting plays such an important role in how stress affects employee performance and vulnerability to accidents and injuries, it's important to understand how it gets acted out in the workplace. To help make sense of this concept, we will break downshifting down into its component parts and give descriptions and examples of each.

Intellectual Downshifting

When we downshift intellectually, our thinking becomes less creative, our problem-solving ability diminishes, and our overall ability to process information deteriorates. One symptom of intellectual downshifting is the "deer in the headlights" look people get when they experience information overload. In this overloaded state, their ability to think literally shuts down.

A common example of the combination of high stress and information overload leading to intellectual downshifting is the dreaded computer crash, followed by the even more dreaded call to a tech support hotline. In this stressed state, we have great difficulty understanding directions and processing information. If we're peppered with questions, and those questions include terms and jargon we know nothing about, our brain will likely shut down. In this downshifted state, nothing the other person says registers; it's almost like they are speaking a foreign language.

"The bottom line is this: stress interferes with brain functioning..."

"When we're stress- ed out, we have difficulty understanding directions and processing information."

“Sometimes a whole workforce can be psychologically downshifted if the organization has a negative emotional climate of fear or resentment. When this happens, the organization gets the worst out of their employees, rather than the best.”

Another example of intellectual downshifting is when we are nervous and blurt out something stupid or ask a nonsensical question. Yet another example of the information overload aspect of downshifting is when you’re driving with the radio on and either hit difficult traffic or get lost. Many people will shut off the radio at this point or ask their passengers to stop talking, so they can focus their attention on their driving. In this overloaded, stressed-out state, their brain can’t handle all the information coming in and still perform its job effectively.

Intellectual downshifting can cause serious safety problems. If an employee isn’t thinking clearly or sharply, they are far more likely to make poor decisions, including those involving taking appropriate safety precautions. In such an overloaded, downshifted state, they are less likely to think clearly about potential consequences or dangers.

Psychological Downshifting

“When we downshift psychologically, we become immature.”

Not only does a person’s emotional state affect their intellectual functioning, it also affects their psychological functioning. When we downshift psychologically, we become immature. We’ve all seen adults have temper tantrums or behave in childish ways when they were stressed out. Other examples of psychological downshifting are throwing or slamming things around, becoming defensive, acting rebelliously, and interacting with people in childish ways such as mocking, mimicking, and pouting.

Sometimes a whole workforce can be psychologically downshifted if the organization has a negative emotional climate of fear or resentment. One of the most common causes of such a situation is managers who are disrespectful and/or overcontrolling. When they act this way, their workers tend to act more like rebellious teenagers than adults. This creates many problems for the company. Psychologically downshifted employees are harder to manage, they don’t perform as well, and they are more likely to have accidents and injuries. Psychologically downshifted employees are at higher risk of accidents and injuries because, being in an adolescent mind-set, they are less likely to listen to safety precautions. They are also more likely to do just the opposite of what they are told, to prove that no one can tell them what to do, just like teenagers do.

Behavioral

When we downshift behaviorally, we become rigid and inflexible in our responses to problems and challenges. We also become more awkward and clumsy in our movements. One common

example of increased behavioral rigidity due to downshifting occurs when we're running late and can't find our car keys. In this frantic, stressed-out state, we often look for our car keys several times in the same location. We might reach into our pockets or peek under the same pile of papers several times, as if our keys will materialize on the next attempt.

When we downshift, we tend to repeat behaviors, even though they are not working. This makes workers more apt to break equipment, because they are more likely to continue to try to force a piece of equipment to move a certain way or do something it wasn't made to do. Rather than switching gears and doing something else, the downshifted worker is likely to continue trying to make the piece of equipment do what he wants it to do by using more force.

The increased behavioral rigidity caused by downshifting also increases the chances that employees will continue to engage in behaviors that will injure them. The downshifted employee is less likely to stop engaging in a physical activity that is causing them pain and start doing something else or seek help. Instead, they will likely doggedly continue the activity, despite signals that it is doing them harm.

Physical downshifting also increases one's risk of injury because it makes people more clumsy. When people are feeling rushed or pressured, they are more prone to bang into things. When nervous, people are more liable to drop or fumble objects. One way to understand how downshifting causes these problems is to think of stress as overloading the brain's circuits. Because the brain is so busy processing whatever is causing the person stress, it doesn't have that processing power available to deal with all the information required to produce effective hand and eye coordination or graceful body movements.

Thus, if a person is stressed out and their brain circuits overloaded, they become clumsy and awkward in their movements, making them vulnerable to accidents and injuries.

Other Consequences of Downshifting

Downshifting's impact on employee performance and the bottom line goes far beyond its impact on safety. Without going into detail, the following list indicates how costly a problem downshifting is in terms of its overall effects and influences on other than safety-related issues.

"Because behavioral inflexibility is a hallmark of downshifting, the downshifted employee is less likely to stop engaging in a physical activity that is causing them pain, increasing the chances of injury."

"Downshifting causes people to become clumsy, making them vulnerable to accidents and injuries. Downshifted employees are harder to manage, give poor service to customers, are less productive, and are more vulnerable to accidents and injuries."

When people downshift they are more likely to become:

- Fearful of, and resistant to, change
- Overreactive to minor hassles, inconveniences, and frustrations
- Immature
- Aggressive
- Defensive and paranoid
- Territorial
- Distrustful of anybody who is different from themselves- seeing the world in an “us versus them” way
- “Control Freaks”
- “Power hungry”
- Simplistic in their thinking
- Self-centered, interpersonally dense, and unable to empathize with others

The preceding list of characteristics is obviously not a formula for the ideal employee. Unfortunately, many organizations have some - if not the majority- of their employees who display these characteristics. Because their employees are stressed out and downshifted, the company gets the worst out of them, rather than the best.

Summary

When people become stressed, their brain downshifts. When in a downshifted state, their ability to function intellectually, psychologically, and behaviorally is all compromised. This makes them more vulnerable to accidents and injuries. Downshifting also causes a large number of other undesirable qualities and behaviors that lead to performance problems.

VI. HOW STRESS MAKES PEOPLE MORE VULNERABLE TO ACCIDENTS AND INJURIES

Many of the behaviors that lead to accidents and injuries can either be traced to stress or have stress as a significant contributor. In this section, we will identify some of the most common behaviors that lead to safety problems and describe how stress contributes to their occurrence. We will also identify other consequences of stress, and how they make employees more vulnerable to accidents and injuries.

Neglecting Safety Precautions

When people are stressed because of work overload or time pressures, they are more likely to ignore safety procedures or neglect the use of proper safety gear, believing they don't have time for either. Because stress compromises a person's ability to think clearly, stressed-out employees are more likely to act without thinking through the potential consequences of unsafe practices.

Rushing

The more stressed a person is because of work overload, the more likely they will feel rushed and try to move as quickly as possible through a task. This increases the chances of mistakes, fumbling or dropping objects, and ignoring warning signs that could prevent an accident.

Doing One's Job Without Adequate Instructions or Coaching

When employees feel overloaded and rushed, they are more likely to launch into a job without taking the time to seek out the information and coaching required to do the job safely.

Refusing Safety Feedback and Coaching

When stressed out, people feel "on guard" and become defensive. The defensive person sees helpful input and suggestions as attacks. This makes it difficult for them to absorb the feedback and coaching that could help them work more safely.

Becoming Clumsy

Research shows that stress interferes with the brain's ability to communicate with the body, resulting in compromised coordination. Thus, the stressed-out employee is more likely to have diminished hand and eye coordination, move clumsily, and bump into things.

"When people are stressed because of work overload or time pressures, they are more likely to ignore safety procedures or neglect the use of proper safety gear."

Developing Tight, Stiff Muscles

When people are stressed, they unconsciously tense up their muscles. If people are chronically stressed, this muscle tension becomes a habit, resulting in tight, stiff muscles. Stiff muscles, as any athlete knows, make a person far more susceptible to injuries. This stress-related problem is especially serious for workers who do manual labor or jobs requiring repetitive movements.

Having Difficulty Concentrating

When people are stressed out, they often have difficulty concentrating because they are focusing on the source of their stress rather than on the task at hand. People also have difficulty concentrating when stressed because stress can interfere with the mind's ability to focus. When this happens, the person's attention constantly flits from one thought or thing to another. This inability to concentrate on one's job is clearly very serious when the job is potentially dangerous or involves using heavy equipment.

Becoming Oblivious to One's Surroundings

While some people have difficulty concentrating when stressed, others become overly focused, developing "tunnel vision." This makes them far more vulnerable to accidents and injuries, because they "tune out" sights and sounds that could warn them of potential danger.

Insisting on Doing a Task One's Own Way, Even If That Way Is Potentially Harmful

One of the most serious causes of stress is feeling a lack of control over one's circumstances. In the workplace, employees feel a sense of powerlessness when they can't control the pace of their work or influence how their job is done. They also experience this in an environment where employee input is discouraged or ignored. When people don't believe they have positive control over their circumstances, they seek negative ways of exerting control in their lives. This can include insisting on doing things their way, even if their way could be dangerous. Stress can also lead to a rebellious, defiant attitude of "I'm going to do it my way, regardless of what you say!" because stress often makes people regress psychologically. In this regressed state, a normally responsible, reasonable adult can start responding like a rebellious teenager.

Becoming Irritable and Emotionally Volatile

When stressed out, people develop a "shorter fuse," making them more likely to break, "man-handle," or throw equipment. When people are angry, they are less likely to think through their actions, making them more vulnerable to accidents and injuries. Stressed-out people are also more likely to become violent.

"Stress causes tunnel vision and 'tunnel concentration,' decreasing the chances someone will notice sights and sounds that could warn them of potential danger."

"One of the most serious causes of stress is feeling a lack of control over one's circumstances. When employees don't feel control over their work life, they find ways of exerting negative control."

VII. HOW TO RECOGNIZE SYMPTOMS OF STRESS

Addressing employee stress requires first being able to recognize when a problem exists. Although nothing can take the place of an employee survey, understanding the common symptoms of stress can help management take corrective actions before serious problems emerge. The following list identifies some of the common observable symptoms of stress. Since no two people are alike, not everyone will have all symptoms or a particular type of symptom. Some people are more prone to angry outbursts, aggressive behaviors, and even violence when stressed out. Others tend to withdraw and become depressed.

Just as with the use of an EAP, it isn't a manager's job to diagnose whether an employee is stressed out, but to recognize some of the basic warning signs and refer that person to a professional.

Emotional Symptoms:

- Chronic anxiety, nervousness, and worrying
- Reduced frustration tolerance (i.e., a low "boiling point")
- Emotional outbursts
- Depression

Physical Symptoms:

- Decreased energy level
- Uncharacteristic clumsiness

Mental Symptoms:

- Difficulty concentrating
- Forgetfulness
- Difficulty thinking clearly
- Paranoia, defensiveness, and irrational fears

"Just as with the use of an EAP, it isn't a manager's job to diagnose whether an employee is stressed out, but to recognize some of the basic warning signs and refer that person to a professional."

VIII. STRESSED-OUT WORKERS OR HIGH ACHIEVERS — WHICH WILL IT BE?

Many managers and business owners mistakenly fear that reducing employee stress requires a reduction in productivity or the creation of a “country club” atmosphere, which in today’s marketplace could be fatal. Nothing could be further from the truth. In fact, the opposite is true.

When organizations manage in ways that bring out the best in people, they also reduce employee stress. That’s why most of *Fortune* magazine’s “100 Best Companies to Work for” are industry leaders and enjoy high employee productivity. Employees in these companies are both happy and extremely productive.

Thus, reducing employee stress isn’t a matter of reducing work load, it’s a matter of understanding how to create an organization where employees are motivated, committed, and excited about their work. When employees feel this way, they are able to perform at high levels and maintain a demanding work load without getting burnt out. This section outlines how you can create such an organization.

Identify the Major Sources of Employee Stress in Your Company

Conduct a survey to determine what your employees find most stressful about working at your company. Even a simple survey, like the one at the end of this booklet, can help you identify what actions will bring you the biggest return on your investment of time and resources.

Invest in Your Supervisors and Managers

Perhaps the most significant impact you can have on creating a high performance/low stress environment is to help your supervisors and managers learn how to bring out the best in their people. Here are a few of the actions you can take:

- Give managers a managerial style self-assessment, so they can get a clearer idea of their management style, its strengths and its weaknesses.
- Provide managers with training on how managerial behaviors influence employee performance, morale, and stress.
- Teach managers how to give clear directions, feedback, and performance appraisals.
- Hold managers accountable for disrespectful behavior.

“Many managers and business owners mistakenly fear that reducing employee stress requires a reduction in productivity or the creation of a ‘country club’ atmosphere.... In fact, the opposite is true.”

“When organizations manage in ways that bring out the best in people, they also reduce employee stress.”

“The key to maximizing productivity while minimizing stress is understanding the factors that influence whether someone working hard will feel stressed out and burnt out, or whether they will feel motivated, excited, and committed.”

Give Employees As Much Control Over Their Jobs As Possible

Research shows that control is *the biggest factor* in whether people feel stressed out or invigorated when facing a challenge. The more control people have over their work, the greater their job satisfaction, the higher their work quality, and the lower their stress level. Giving employees control includes giving them the power to make job-related decisions, the flexibility to organize their work in the way they find optimal, and the authority to make improvements in how their job is done. To make this viable, employees must be given the training, coaching, and information needed to make intelligent decisions.

Make Sure You're Hiring the Right People and Adequately Preparing Them for Their Jobs

Being ill-suited or poorly prepared for a job causes tremendous stress. Because the first few months on the job are often the most stressful, new employees are often the most vulnerable to accidents and injuries. For companies that have a “sink or swim” approach to new employees, these first few months are also a time of high turnover. To combat this high-risk period, make sure you are hiring people who can succeed at the jobs you are hiring them for. Also, make sure your orientation and training programs for new employees adequately prepare them for their jobs. If you get the right people and prepare them well, the first few months on the job will be far less stressful.

“If employees don't have the tools, technology, time, staff or training to do their jobs well, they are going to be stressed out and unable to work at their true potential.”

Make Sure Employees Have the Resources and Training to Do Their Jobs Well

When people feel inadequate, when they feel ill-equipped to handle a challenge, they get stressed out. If employees don't have the tools, technology, time, staff, or training to do their jobs well, they are going to be stressed out and unable to work at their true potential. Investing in these areas pays huge dividends both in terms of reduced stress-related costs and in increased productivity.

Communicate Clearly and Often about Everything

One of the greatest sources of employee stress is not knowing: not knowing about changes taking place in the company, not knowing their supervisor's job and performance expectations, and not knowing if they are doing a good job. Communicating clearly in these areas not only reduces employee stress, it also helps them do a far better job.

Talk With Your Employees About How They Make Your Company Great

People want to feel part of something great, and they want to feel that they are making a significant contribution to that greatness. When they feel this way, they not only become energized by challenges, they're also more able to endure difficulties without becoming burnt out. You can put this principle into action by making sure you always deliver a high-quality product or service, by talking with employees about the value your company provides to your customers, and explaining how their doing high-quality work makes it all possible.

Work with Your Employees to Make Their Jobs As Rewarding As Possible

Although not all jobs are equally rewarding and fulfilling, much can be done to make even the least desirable ones more enjoyable. The more opportunity employees have to make decisions, use their mind, and take responsibility, the more fulfilled they will be. If employees have worked for years in an environment where they were told what to do, it might take time for them to learn how to take a more responsible and active approach to their jobs.

Encourage Employees to Talk Freely and Support One Another

An "all work and no play" environment burns out people quickly. Having a workplace where co-workers can talk without worrying about getting into trouble is especially important in high-pressure jobs. Encouraging connections between co-workers also reduces stress, because having social support reduces the negative effects of stressful situations. According to a large body of scientific research, having supportive friends and family members is one of the most important factors influencing a person's ability to handle stress and major life crises without becoming physically or emotionally compromised.

Work with Employees on Creating Job Flexibility That Allows Greater Work-

Life Balance In view of studies showing that employees' number-one concern is creating work-life balance, the more you can address this issue, the less stressed your employees will be. Ask your employees for input on how you might add greater flexibility to their jobs which will ensure that they aren't wasting energy worrying about how to meet their non-work life demands or becoming burned out.

"When employees are proud of their company, and proud of their contribution to the company's success, they not only become energized by challenges, they're also more able to endure difficulties without becoming burnt out."

Implement an Employee Assistance Program

Having an EAP provides employees with an easily accessible way to find the resources that will help them solve the problems that are creating stress. Not only does an EAP provide employees with links to various helping resources, the mere fact of its existence gives them a place they can turn to, which in itself reduces employee stress. The benefit of an EAP extends beyond those employees who use the program's services. When a company institutes an EAP, it sends a clear message that the company cares about its employees. They can have a significant impact on morale and employee retention. Stevens Wellspring and MEMIC have formed a partnership to provide EAP services and products necessary to meet the needs of our customers. They can be contacted toll free at 1-877-707-9300 or by e-mail at rstevens@memic.com.

IX. TAKING THE FIRST STEP— FINDING OUT IF THERE'S A PROBLEM

After reading the material in this booklet, you are in one of three situations: you know you have a problem, you're not sure if you have a problem, or you believe you don't have a problem. Regardless of which situation you're in, you would be wise to give your employees the stress survey on page 23.

If you know you have a problem, you don't want to spend money on interventions that don't address the real causes of the problem. You want to first find out the causes, and then find help that specifically addresses them. If you're not sure you have a problem, you obviously want to find out if there is a problem, so you can begin taking steps that will save you money.

If you don't believe you have a problem, you might want to check to see if your perception is accurate. Experts in market and customer research, know that what we think people think about us is often far from the reality. The only way to truly know is to let them tell us. Since mistakenly assuming that everything is fine could cost you tens, if not hundreds, of thousands of dollars in accident- and injury-related expenses, it's worth the time to verify your assumption.

Conducting an Employee Stress Survey

To conduct the survey, make copies of the test on page 23 and give one to each employee. Explain that the results are anonymous. You can either compute the results in-house or contact your MEMIC representative on how to secure the services of an outside vendor (see the Getting Help section on the following page).

Getting a "Big Picture" View of Whether Employee Stress Is a Problem

You can use the survey to get an overall view of the stress level of your workforce. To do this, first compute the Average Score for each respondent, and then your workforce's Average Score. If you are computing the results in-house, to get an individual respondent's Average Score, add up the scores for each of the 30 items and divide that number by 30. This number would be the Average Score for that respondent. To get an overall view of your workforce's stress level, add up the Average Scores for each employee, and divide this score by the number of employees who responded to the survey. That number is your workforce's Average Score.

What Your Workforce's Average Score Means

You can use your workforce's Average Score as a guideline for deciding whether employee stress is a problem in your company. To help you do this, the following can be used as a guideline:

If your workforce's Average Score is from 4 to 5 – You are doing well. Stress is most likely not an issue for your workforce at large.

If your workforce's Average Score is from 3 to 3.9 – Employee stress could be an issue. If you are in this range, you might want to compute the average score for each item, to identify what areas might be a problem. For instance, let's say the overall Average Score for your workforce is 3.3. Because this could mean stress is a problem in your workforce, you decide to go deeper into the survey results to find out if there are specific items that pulled the score down.

To do this, you would look at the Average Score for each item. If you are doing this in-house, you would get these figures by adding up all the scores for a particular item, and divide them by the number of employees who turned in a survey. Let's say that in this example, you find out that five items had average scores of 2 or lower. You would focus on the issues addressed in those items and develop a plan to address them.

If your workforces' Average Score is below 3 – Employee stress is an issue at your company, and is probably costing you a significant amount of money. With a score in this range, you would definitely want to compute the average scores for each item, and work with a consultant to prioritize the issues and address them.

Getting Help

For assistance in addressing these issues, MEMIC has formed a partnership with Stevens Wellspring Group, an EAP firm, and David Lee to provide services for their clients who are experiencing stress-related workplace. *David Lee of Lee & Associates can be contacted at 207-929-3344 or by e-mail at david@HumanNatureAtWork.com. Stevens Wellspring Group, located at 100 Commercial Street in Portland, Maine, can be contacted at 1-877-707-9300 or by e-mail at rstevens@memic.com.*

EMPLOYEE STRESS SURVEY

Directions: This survey contains a list of statements for you to respond to. As you read each statement, ask yourself how well that statement applies to your organization and your experience as an employee there. Then, please respond to each statement using the following scale:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral or Don't Know
- 4 = Agree
- 5 = Strongly Agree

You do not have to total up the score, or find the average score. That will be done by someone else.

- _____ We have a positive work environment.
- _____ My co-workers and I work well as a team.
- _____ People in different departments work well together.
- _____ People in different departments provide good service to each other.
- _____ Employees are given enough control over their work.
- _____ Employees who serve customers have the power to please them.
- _____ I am proud of our company and the products and/or service we provide.
- _____ New employee orientation prepares people well for their jobs.
- _____ Employees receive adequate training to do their jobs well.
- _____ Employees receive adequate coaching and supervision.
- _____ I have the opportunity to learn new things and grow professionally in my job.
- _____ We have the proper equipment and technology to do our jobs well.
- _____ We have enough time to do our jobs well.
- _____ Our department has adequate budget and staff to do our jobs well.
- _____ Management and employees talk openly about work issues.
- _____ Employees are free to talk with each other as long as they are getting their work done.
- _____ Managers are supportive of employees.
- _____ My supervisor treats me with respect.
- _____ I know what is expected of me on the job.
- _____ I am able to perform my different job responsibilities without them conflicting with each other.
- _____ I am able to do my job without interference by bureaucratic red tape.
- _____ My supervisor gives me regular feedback about how I'm doing.
- _____ Employees are recognized and rewarded for doing a good job.
- _____ The organization cares about my opinions and input.
- _____ My company demonstrates a strong commitment to quality.
- _____ My manager lets me know how important I am to our organization's success.
- _____ Employees are kept up to date about what is going on in our company such as changes, new developments, etc.
- _____ Management shows concern about how to accommodate employees' home life demands and responsibilities.
- _____ Employees are given flexibility with their schedules to accommodate work and home demands.
- _____ If an employee has a personal or work-related problem, there is someone at our company they can talk to.

THE SOURCES OF STRESS: AN EMPLOYERS' CHECKLIST

Supervisor/Employee Relationship Issues

- Lack of recognition
- Lack of appreciation
- Little or no performance feedback
- Unclear job expectations
- Job monitoring done in a negative, punitive way
- "Bossy," controlling, or demeaning management style
- Micro-managing
- Interactions focused primarily on what employees do wrong rather than on what they do right
- Lack of professional respect

Communication Issues

- Employee expression of concerns are discouraged or ignored
- Employees not being involved in decision making
- Employee input neither asked for nor respected
- Organizational changes occur without adequate explanation of reasons, process, or likely outcomes
- Organization mission and vision not understood by employees
- No communication about how employees contribute to the organization's mission, vision, and financial viability

Job Design and Requirement Issues

- Lack of control over one's job, whether it be the pace, the process, or the outcome
- Responsibility without authority
- Conflicting job responsibilities
- Conflict between home and work demands
- Insufficient resources – tools, technology, time, or budget
- Inadequate training or supervision
- Information required to do a good job either unavailable or difficult to access
- Policies and customer-service standards prevent frontline employees from satisfying customers
- Little or no opportunity to use knowledge, skills, and intellectual ability on the job
- Boring, repetitious work
- Work that is fragmented, that has no sense of closure
- Inappropriate workload – whether too much or too little

Employee Hiring/Orientation Process

- Inadequate hiring process, resulting in poor employee/job or employee/organization fit
- Inadequate orientation process, resulting in employees being unprepared for their jobs
- No mentoring process for new employees, resulting in a "sink or swim" environment

Physical and Logistical Issues

- Unpleasant or unhealthy environment, such as excessive heat, cold, or noise; poor ventilation; cluttered space; poor lighting, etc.
- Potentially dangerous work conditions or job responsibilities
- Ergonomically unsound workstations
- Shift work
- Rotating shifts
- Mandatory overtime
- Inflexible work schedule

Compensation Issues

- Inadequate pay
- Inadequate benefits

Organizational Climate Issues

- Sexual harassment
- Verbal harassment
- Disrespectful behavior
- Acceptance of poor-quality work and customer service
- Poor relationships and service among different departments

General Organizational Issues

- Rapid change
- New technology
- Downsizings, mergers and acquisitions, and reorganizations
- Job uncertainty
- Excessive paperwork and other bureaucratic "red tape"
- Employees working in teams, without getting adequate training in communication and conflict-resolution skills
- Requiring employees to follow ineffective or illogical rules and procedures

Personal Issues

- Financial problems
- Marital and family problems
- Mental health issues
- Substance-abuse problems
- Child-care or elder-care challenges
- Stage of life and life crises issues
- Legal problems

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