

Employee Stress: Why HR Isn't Getting to The Heart of The Problem

HR Executive | Peter Cappelli | July 2, 2024

It has been hard to miss the many reports about rising stress in the workplace. Despite the fact that we also hear that the tight labor market in recent years has given employees more power to address their concerns, why is it that we have made so little progress in reducing employee stress?

The short answer is that what we have been doing doesn't help much.

The June issue of National Geographic has an extensive and readable overview of the science behind stress. We think of this as a human problem, but much of the research about it focuses on animals, who experience stress in much the same way. These studies reveal that stress comes from a demand for change that the animal cannot meet. The effects are arguably worse on babies when their mothers were and are stressed.

Studies on humans began accidentally with the famous Whitehall studies in the U.K., where civil servants at lower grade levels in the government were found to be sicker in many dimensions than those at higher, more executive levels, even though their lifestyles and healthcare were identical. Researchers concluded that lower-tier jobs gave workers less control over their lives and, therefore, less ability to adapt to changes and problems. The studies also began to identify the mechanisms through which stress causes health problems, including the release of hormones, cortisol in particular, which, over time, hurts virtually every health outcome.

Just before the pandemic, Jeff Pfeffer's book, *Dying for a Paycheck*, documented the many ways that management practices hurt employee health, particularly by driving up employee stress. During the pandemic, it was impossible to ignore how much additional stress people were under, not just from the risk of getting sick but also from the demands of life in that uncertain environment. One might argue most employers were both aware and sympathetic to the problem of employee stress and pushed the message down the organization that it should accommodate employee issues as best it could.

The pandemic is over, but employee stress isn't.

Employee stress continues to climb

There is some evidence from an ADP study that the number of employees who say they are experiencing record levels of stress backed down modestly since the peak of the pandemic. However, Gallup data shows that employee stress levels have still risen every year, and the rates are a lot higher in the U.S. than in any other region. For instance, a SHRM study found that 44% of U.S. employees report feeling "burned out," a manifestation of high stress.

Meanwhile, 57% of respondents in an American Psychology Association survey reported a series of negative health and behavioral outcomes from their work stress. Every type of employee behavior—from turnover risk to productivity to capacity for teamwork—is negatively affected by stress.

Why is employee stress still rising? Keep in mind that definition of stress: demands for change that require us to act differently in ways we cannot control. Constant restructuring, the risk of layoffs, ever-increasing demands for higher output—and the associated lack of employee control in dealing with all these changes—may be to blame.

If we were inclined to do something about employee stress, what could we do? Consider the possible responses to a different problem—say, a production job where the issue is a production process that is very hot to work near. Say as well that the managers know this is hard on employees working there, but they concluded that using a different process isn't feasible. They could reduce the heat that employees experience—more shielding, air conditioning, etc.—even if they can't change the underlying process. They could also help employees deal with the heat: lots of Gatorade, more break times, cooler break rooms and so forth. It is possible to do both, of course, but the former—reducing what employees actually experience—is obviously the better outcome.

What we have been doing about stress is giving employees more Gatorade: access to stress management classes or chair yoga, more support for psychological treatment and so forth. All of the practices in a recent International Foundation of Employee Benefit Plans survey of employer wellness programs directed at stress are about helping employees deal with it—in other words, treating the symptoms. They are not about protecting employees from stress, let alone dealing with the underlying causes.

Empathy, information and control: a recipe for managing employee stress

If we wanted to truly address employee stress, what would we do? Let's not kid ourselves: The goal of taking care of employees is secondary to overall organizational goals, especially in for-profit organizations. HR can't expect leaders to say, "Avoid mergers because they stress out employees." What we can do, however, is make them aware of the additional costs to employees from some of their strategies.

Here's an example: Business leaders frequently float restructuring ideas or plans for the future because investors might like them, but the likelihood of them actually being carried out is, at best, uncertain. Would we do this as often as we do if we understood the cost in terms of employee stress? When a company announces its intention to look for a buyer for a business, all the workers in that business are immediately traumatized, and work falls off as they start looking for jobs elsewhere. But the announcement may be just be a signal to investors—sometimes just to one investor—that we recognize the need for improvement.

Then there is the question of whether we can protect employees from stress, which is the equivalent of putting up shielding. I was in the R&D division of a company years ago, the day it

announced to investors that it was not going to hit its quarterly estimates. Everyone was panicked about what that meant, despite the fact that the work of this division was about what the company would be doing years from then. There was literally nothing they could do about the current performance. Leaders could have chilled them out about the announcement, but they did not. In fact, one got the sense that the leaders wanted everyone to be as upset about this situation as they were.

Next is the issue of information. As with the example above, employees do want leaders to shield us from a lot of problems that we cannot help address, but we also want them to tell us what is going on when problems are known. Telling employees what we don't know is also crucial. Otherwise, we make up explanations, and they are almost always more worrisome than the reality.

Finally, we come to the issue of control: The more control we have about the need for change, the less stressed we are about it. Are there things we can do and plan for now?

A good example where these are rolled together is from PwC, which announced its plan for dealing with generative AI possibilities. It began by saying that it wasn't sure yet how gen AI will affect the organization, but it was willing to promise that, however it played out, employees whose jobs were at risk and who were willing to be retrained and move to new roles would be guaranteed a position. That's how we reduce employees stress from a situation that will demand change where we cannot yet know how to respond—the definition of stress.