

The 2023 State of Employee Stress

Why employers need to understand - and combat stress in the workplace

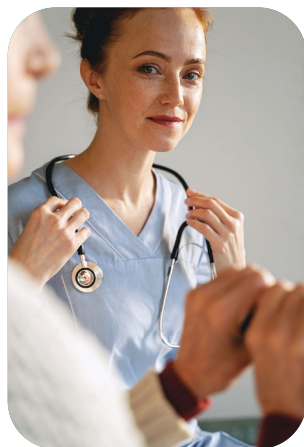




Table of Contents

Introduction	3
Setting The Stage - Trends in Employee Stress	6
Peer Sentiments	9
Three Actionable Ways To Help Right Now	11
Conclusion	13
Appendix	14

Introduction

If you run into a co-worker at the office and ask them how they're doing, you'll usually get a one-word answer like "fine" or "good." But an honest reply—and just as brief—might also be "stressed."

Stress is not a new phenomenon; **some 55% of Americans reported daily stress in a 2018 Gallup poll!**¹ But this problem has been supercharged over the past several years, translating into an increase in burnout rates, turnover and quiet quitting.²

Chronic stress has extensive negative effects on physical and mental health. According to the 2022 Stress in America survey³ from the American Psychological Association (APA), more than a quarter of Americans say that their stress levels are high enough that they feel they can't properly function. Those rates are even higher among adults 18-34 and Latino and Black respondents.

As you also know from personal experience, stress doesn't stay confined to one area of a person's life. **People bring their everyday stress into the workplace, and the workplace itself is the largest source of stress for Americans, surpassing even personal financial pressures, says the APA.**⁴ Unsurprisingly, that has negative effects on employee health, job satisfaction, and productivity.





Research at Stanford in 2015⁵ estimated that work-related stress results in an additional \$190 billion in healthcare costs per year. Statistics compiled by the American Institute for Stress (AIS) show one in six workers has quit a job over workplace stress.⁶ Recent trends you've likely heard a lot about—the Great Resignation, “quiet quitting,” and more—can be directly traced to stress, especially at the workplace.⁷

The rise in self-reported levels of stress has also caught the attention of public health officials. **Both the World Health Organization⁸ and U.S. Preventive Services Task Force⁹ recently called for more action to address mental health at work**, including for employers to screen workers for conditions like anxiety, and management training to improve communication and awareness.

The catch is that, according to the AIS stats, a third of workers don't feel comfortable sharing how stressed they are¹⁰ because of a perceived lack of interest or willingness to help by their employer.

¹ <https://news.gallup.com/poll/249098/americans-stress-worry-anger-intensified-2018.aspx>

² <https://www.apa.org/news/press/releases/stress/2022/concerned-future-inflation>

³ <https://www.apa.org/news/press/releases/stress/2022/concerned-future-inflation>

⁴ <https://www.apa.org/news/press/releases/stress/2021/decision-making-october-2021.pdf>

⁵ <https://hbr.org/2019/12/burnout-is-about-your-workplace-not-your-people>

⁶ <https://www.stress.org/42-worrying-workplace-stress-statistics>

⁷ <https://www.stress.org/employers-heres-what-you-need-to-know-about-quiet-quitting>

⁸ <https://www.who.int/news-room/fact-sheets/detail/mental-health-at-work>

⁹ <https://uspreventiveservicestaskforce.org/uspstf/draft-recommendation/anxiety-adults-screening>

¹⁰ <https://www.stress.org/42-worrying-workplace-stress-statistics>

Employees may fear being criticized for raising concern over their stress levels, and that perceived stigmatization not only makes them less likely to speak up, but it also compounds their stress. That sounds like a difficult problem for an HR pro to solve, right? Well, it doesn't have to be.

Employers are in a uniquely powerful position to help reduce employee stress. The right approach can help employees combat their stressors, whether in-office or remote workers and can also demonstrate the care employers have surrounding employee health. Employers who invest in the right approach can also measure success more effectively and accurately.

How do you do that? By offering effective wellness benefits programs that can help workers manage mental health issues, including stress, burnout, anxiety, and more. These are programs employees consistently say matter to them; according to a 2018 survey,¹¹ **78% of employees are more likely to stay in a role with an attractive benefits package.** In a separate survey¹², **40% of respondents say companies that tailor benefits to their needs are more attractive.** Access to these programs also signals to workers that their companies care about their well-being.

¹¹ <https://www.wtwco.com/en-US/insights/2018/08/employee-and-employer-satisfaction-with-group-benefit-marketplaces-survey-results>

¹² <https://www.rogersgray.com/2015/03/27/voluntary-benefits-help-to-promote-job-satisfaction>

To craft a great benefits package, employers need the right insights, so we at Pivot commissioned research to learn more about workplace stress. We're a behavioral change company focused on tackling real-world wellness issues and creating solutions with long-lasting results. Because stress manifests in so many ways, there are a few more pressing concerns.

It's why we wanted to understand the causes of workplace stress, its effects, and insights on how to effectively combat it for the good of both employees and employers. This report outlines several key findings. It also includes three actionable steps your company can take to reduce stress in the workplace.



78%
of employees are more likely to stay in a role with an attractive benefits package.



40%
of respondents say companies that tailor benefits to their needs are more attractive.



Setting The Stage

Trends in Employee Stress

This ever-increasing level of stress likely does not come as a surprise to human resources professionals. Even if you can't pinpoint the exact causes, it's easy to imagine how stress affects your organization, and in particular how it seems to spread from person to person, affecting whole departments or companies.

But what are those factors? Stress in the workplace shows itself in four areas, all of which impact employee health and happiness, while at the same time hindering your organization from functioning to its fullest potential.



Retention

If an employee dealing with workplace stress doesn't see a way to manage and reduce it (or see that their employer is willing to help them), then often, the employee's top solution is to find a new job. **Retention has become an acute issue since the pandemic, with 86% of executives in one recent survey¹³ saying it was a concern - and a major one at that.** Perhaps not coincidentally, the same percentage of executives reported elevated levels of stress in at least some of their employees.

Burnout

Prolonged stress leads directly to burnout, which the WHO defines as an occupational phenomenon characterized by exhaustion, reduced efficacy, and negative feelings about work.¹⁴ Burnout's primary cause? "Chronic workplace stress that has not been successfully managed," says the WHO. Some professions, like healthcare, are more prone to burnout, but no industry is immune. **The APA's 2021 Work and Well-being Survey found 60% of workers are negatively impacted by work-related stress -- including lack of interest, motivation, or energy and lack of effort at work.**¹⁵

Christina Maslach, a psychology professor at the University of California, Berkeley, and one of the foremost experts on burnout told Harvard Business Review¹⁶ that it's important to recognize **burnout is structural: a problem at the organizational - not individual - level.** Burnout lurks; because it's not outwardly visible and manifests in various ways depending on the person, it's easily missed. Treating burnout as a personal condition risks misclassifying the issue, which makes it harder to successfully address.

Employee Satisfaction

Related to, but not identical to burnout, job satisfaction is heavily influenced by workplace stress, according to numerous studies.¹⁷ Stress leads to poor decision-making, a lack of focus, and strained workplace relationships, all of which decrease employee satisfaction.¹⁸



Stress leads to poor decision-making, a lack of focus, and strained workplace relationships.

¹³ <https://www.cbia.com/news/hr-safety/survey-employee-stress-retention-challenges/>

¹⁴ <https://www.who.int/news/item/28-05-2019-burnout-an-occupational-phenomenon-international-classification-of-diseases>

¹⁵ <https://www.apa.org/monitor/2022/01/special-burnout-stress#:~:text=Nearly%203%20in%205%20employees,a%2038%25%20increase%20since%202019>

¹⁶ <https://hbr.org/2019/12/burnout-is-about-your-workplace-not-your-people>

¹⁷ <https://www.emerald.com/insight/content/doi/10.1108/02683940310459565/full/html>

¹⁸ <https://www.emerald.com/insight/content/doi/10.1108/17410401011052869/full/html>

¹⁹ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2699785#:~:text=Bad%20stress%20or%20distress%20contributes,Ongori%20and%20Agolla%2C%202008

²⁰ <https://journals.sagepub.com/doi/full/10.1177/0091026020912516>

Productivity and Engagement

As you might expect, productivity and engagement also take a hit from increased stress. **A 2015 review of studies found that occupational stress leads to reduced workplace engagement** – as little as 17% of employees are ‘truly’ engaged according to one study authors reviewed.¹⁹ A 2015 study of data from the European Working Conditions Survey²⁰ looked at the link between engagement and key elements of what is called basic needs satisfaction. These are:



Autonomy
a sense of control



Competence
a sense of self-confidence and effectiveness



Relatedness
a sense of connection to others

The authors found a strong correlation between these three factors and workplace engagement, with relatedness being particularly important to reducing stress. And that’s where your organization comes in. As the authors write, while autonomy and competence are individual, “relatedness needs are based on support from others” in the workplace, including management.

Peer Sentiments

Proper support is essential to reducing employee stress. But what does that look like? Pivot's latest survey examined a wide range of views from HR professionals on stress, workplace benefits programs, and what is most effective. Three widely held sentiments emerged in our findings.



Employers Care About Employees - And Not Just At Work

Conscientious employers do care about employee well-being for their own sake, and understand the role that wellness benefits play in enhancing overall health and well-being. **Almost half of all respondents said they review their benefits programs annually**, and two-thirds say the primary reason for that assessment is to look for new wellness options for benefits packages.

While workers sometimes say that their employer only cares about stress if it affects their productivity, HR pros told us a different story; **more than two-thirds say they want to help employees manage stress both inside and outside the workplace**. The right benefits program can be key to closing that gap.



Remote Workers Fight Stress Too, But It Hides Behind Good Performance

Workforce location (remote vs. in-office) can create blind spots for companies trying to monitor and manage employee stress. **Companies with half or more of their staff working remotely were far less likely to note impacts on core metrics like productivity and retention**. As several studies have shown, remote work can be just as productive as in-office for some workers and industries.²¹

Data we collected on issues like burnout, employee satisfaction, and sick time among remote employees show, stress is still a persistent problem in a remote-work environment. The upside? Since companies offer stress-related wellness benefits in part to improve job satisfaction and increase employee retention, businesses that monitor those factors can use the data to avoid an “out of sight, out of mind” mentality about employee stress in remote work.

²¹ <https://www.sciencedirect.com/science/article/pii/S0090261621000449>
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8247534/>
https://bfi.uchicago.edu/wp-content/uploads/2020/12/BFI_WP_2020174.pdf
<https://www.greatplacetowork.com/resources/blog/remote-work-productivity-study-finds-surprising-reality-2-year-study>

3

Existing Wellness Programs Don't Effectively Address Stress

Even though most HR teams diligently try to measure the effectiveness of their stress and resilience program offerings, they struggle to do so for structural reasons. First, wellness solutions take a wide variety of forms, which defies simple and easy measurement. Second, many wellness programs only indirectly address stress, so there may be few concrete metrics that measure success. Only 45% of respondents said their company's stress and resilience program made it easy for them to track ROI.

Third, not all programs are easy for employees to access, which can affect participation. **Finally, only a quarter of our respondents said their company's stress and resilience program had a low administrative burden.**



Three Actionable Ways To Help Right Now



Understand that many existing employee wellness programs aren't meeting the needs of everyday stress.

Stress is not a clinical diagnosis as much as it is the body's response to pressures: physical, mental, and emotional. It sits in a gray area between high acuity, western medicine and concepts like mindfulness, which means it's not a simple, straightforward problem to address.

Stress is complicated and layered. It results from work, financial pressure, family dynamics, and health concerns, among other sources. And it exists alongside - and interacts with - related conditions like anxiety, depression, burnout, and more. It's also highly individualized: no two people respond the same to pressure and may need different levels of support. Stress is part of everyday life and part of the lifelong process of mental well-being.

With negative impacts of everyday stress on the rise, only offering solutions to support individuals with high acuity issues means you aren't supporting the full needs of your organization. To reverse the negative trends impacting your business, you need the right program in place to support, and build confidence to respond to everyday stress, organization-wide.



**2**

Learn where the pressure points are that are causing your employees stress.

You can't help employees if you don't really know what's wrong and what stresses them. The best way to understand? By listening. Because stress is a response to pressure, you can only find it indirectly, manifesting as burnout, anxiety, or even social tension in the workplace.

Stress hides, easily mistaken for personal failings or an unfulfilling corporate culture. Effective listening requires asking the right questions and being prepared to offer and stand behind the right program that provides insight, coaching, and tools to help employees to respond to everyday stress in a healthy way.

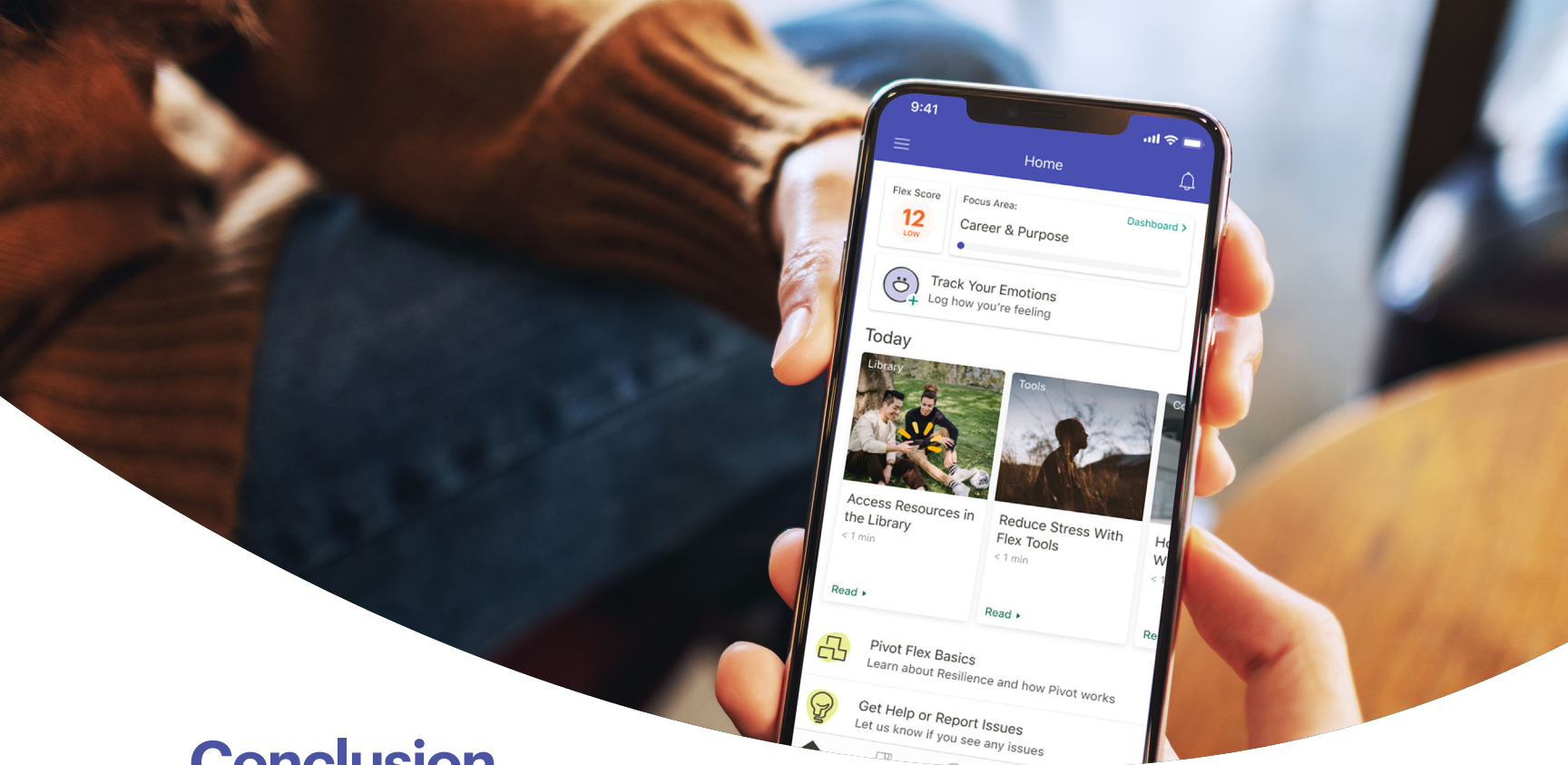
3

Invest in a world-class solution that guides your efforts to help employees manage everyday stress.

Since many existing programs don't directly address everyday stress, this might seem easier said than done. But there are new and emerging solutions that do exist and are different from what's currently on the market.

A good mental well-being program focuses on tangible changes and the ebbs and flows of everyday life, not just extremes. also incorporates meaningful ways to track progress and support, like holistic and near-immediate one-on-one coaching services. services. Unlike high acuity programs, to manage everyday stress, most individuals just need additional support and guidance from a trusted partner, like a health coach.

Add in additional resources, including a supportive community and access to tools that help tackle feelings of stress, will help make the process feel less daunting. Finally, package it all in an effective app that's easy and intuitive for employees to use and efficient for HR departments to administer. Effectively helping your employees respond to everyday stress has a positive, measurable impact on company culture. The right program not only works, but it also offers concrete evidence of success in terms of return on investment, giving you the confidence that you have the right tools in place.



Conclusion

Stress in the workplace isn't exactly a new phenomenon. But its steady rise, and how it can sneakily manifest as other issues, can mask how persistent and widespread the problem is. It has real, negative effects on employee health and happiness, as well as key business metrics like retention, productivity, and eventually even profitability.

Employees want their company's help in managing stress. They also want to know that their employer cares about their well-being in a way that extends beyond the bottom line. **The good news is that HR pros agree, with almost two-thirds of survey respondents stating that offering a stress and resilience wellness program is a top priority.**

But especially at a time when HR departments are being asked to do more with less, it's crucial to find the right solution: one that is easy for employees to access and use, offers effective stress-management tools, and helps busy HR pros with tasks like administration, marketing, and tracking ROI.

That's where Pivot comes in. Our expertise is in helping businesses and their employees to live healthier, more fulfilling lives through solutions like Pivot Breathe, our world-class tobacco cessation program, and Pivot Flex, our new stress and resilience solution.

We have the behavioral change experience, tools, and resources to help employees stay healthy, productive, and engaged in the face of everyday stress, and we're the ideal partner to help make it happen.

Want to learn more? **Get in touch today!**

www.pivot.co | info@pivot.co | 650.249.3959

Methodology

Participants



Appendix

Research Methodology and Participants

Human resources (HR) professionals were invited to participate in an online survey. Working with survey partner Dimensional Research, we asked a variety of questions on topics like stress and resilience programs offered by employers, views on employee stress in the workplace, and satisfaction with available programs. The survey was fielded July 14-21, 2022.

A total of 360 qualified HR professionals completed the survey. All participants work for companies with 1,000 or more employees and offer at least one wellness program to employees in the United States.