

EXECUTIVE BRIEFING

Survey: Stress and economical turmoil

A PeopleNRG Publication



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Introduction

PeopleNRG is committed to developing thought provoking studies for executives across industries. The *PeopleNRG Executive Briefing combines research and expert opinions from the market* to address themes that top business agendas.

This edition focuses on stress as a source of both energy and at the same time potential drag of company resources. Organizations and leaders actively managing stress experience benefits such as: increased productivity, satisfied customers and motivated employees.

This document will address the following topics:

- Stress Management – still relevant?
- Understanding the sources of stress
- Effects of stress on organizations
- Managing Stress

It is based on a decade of practical work in this field and on a global research study conducted by PeopleNRG from January 28 to February 15, 2009.

About the Authors

Lawrence Polsky

is an expert on stress and emotional intelligence who has worked with leaders around the world on how to improve their performance during stressful times. His post graduate work was on emotions and their impact on relationships and communication, conducted at the Institute of Human Development under the direction of Dr. Wilson Tilley. Mr. Polsky has a Masters in Organization Development with NTL Institute, the USA's leading program on experiential learning.

Antoine Gerschel

's experience includes both corporate (primarily in the pharmaceutical industry) and startup (technology companies) leadership responsibilities. He has first-hand experience working around the globe, extensively in The Americas, Europe and Asia. An extraordinary executive coach, Antoine approaches human problems with a powerful mix of business perspective and sensitivity to human factors. Stress, how to identify it (... not ignore it!) and how to address its consequences is a recurring theme in his coaching assignments.

About PeopleNRG

PeopleNRG is an international management consultancy specialized in leadership, change management and team development. We work with companies to successfully implement change and to address the many people issues associated with mergers, reorganizations and the consequences of an increasing globalization of business.

Stress Management – still relevant?

In our consulting practice we have noticed an increased interest for stress management classes. This is certainly no coincidence.

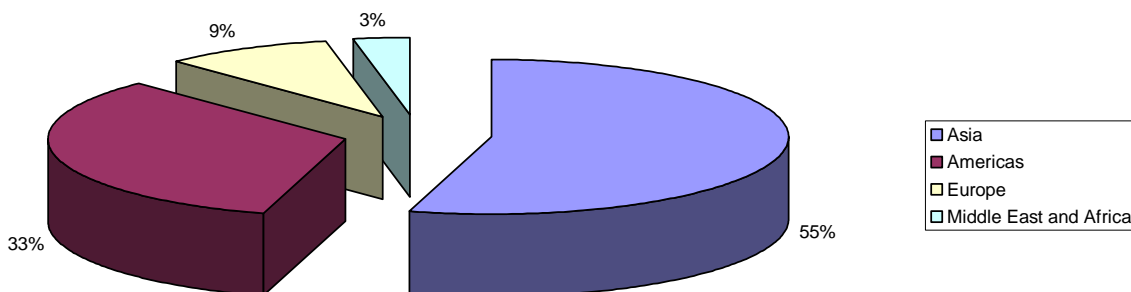
With the current economical meltdown and its influence on individuals, many of us have become more “stressed.” The fear of losing one’s job, concerns about the economies impact on our company and ourselves are prevalent. At the same time companies are slashing costs which means less work overall, more unemployment, and all too often, much more work and much more pressure for those who “survive” and keep their job.

The Research

To validate some of our assumptions about the existence of and causes of stress at work, we launched a very brief stress survey at the end of January 2009. We were very pleased with the number of answers and reactions we got to our survey: 780 people from around the globe!

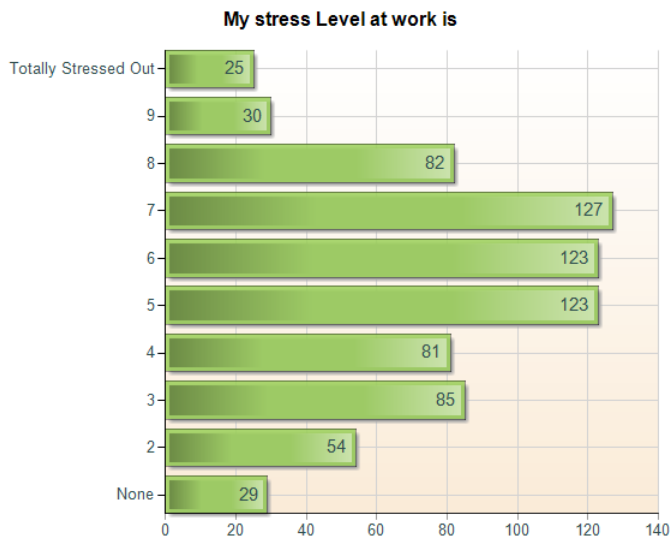
Demographics of the Responses

Thanks to one of our partner organizations in India we had the majority of our respondents in Asia (55%) of which the vast majority in India, 33% or the respondents in the Americas (of which the large majority in the USA), 9% respondents in Europe, and the remaining 3% in the Middle East and Africa.



Overall Stress Level

The first question asked was about the overall stress level. The majority of respondents were in the 5-7 range. This is less than we had expected.



Some explanations for this result are:

- It may be good news! Our employees still have energy in their batteries! They are able and willing to step up to the plate.
- Demographics of participants (Asia and Africa/Middle East seem to be less stressed).
- We're not tracking an absolute reading (every person has his/her own rating of "stress"), trend readings will be interesting when we repeat the survey.

USA has a higher stress level

Looking at the data with a regional focus, Asia and the Middle East and Africa have a slightly lower average, Europe is more evenly distributed across the scale, and the Americas are more stressed: 46% of the Americans are at a stress level between 7 and 10! This may be due to the fact that the current global crisis started in the USA and has been more rampant there so far.

Understanding the Sources of Stress

Top 3 causes of stress on job

We asked participants for their top stressors in our survey and got differentiated ranking according to geography. The number one stressor is: ***The pressure to create results!***

This is not surprising and in line with our observation that – in the current economical downturn – people who survive in their jobs have more and more on their desks (to compensate for some of the employees who have been let go or who have not been replaced due to the grim economic outlook). And in the cases where there were no layoffs, people feel the pressure to create results to minimize the likelihood that they will be laid off.

The regional “top three” as an overview

Asia

Lack of clarity about my organization's direction	16%
Not earning enough money	15.5%
Pressure to create results	15%

Americas

Pressure to create results	18.5%
Too much work	16%
Not earning enough money	14%

Europe

Pressure to create results	18.5%
Too much work	18%
Lack of clarity about my organization's direction	14.5%

Middle East

Lack of clarity about my organization's direction	18%
Not earning enough money	18%
Pressure to create results	18%

There are very interesting regional differences

- The importance of earning enough (primarily in Asia, the Americas and Africa / Middle East – less in Europe)
- The lack of clarity of the direction of the organization (Asia, Europe, and Middle East / Africa – less in the Americas)
- Too much work (primarily the Americas and Europe)

Fear of layoffs was not in the top three amongst our respondents.

Additional comments and observations

Workload is a major problem because:

- Lots of initiatives
- Understaffed
- Staff doesn't have necessary skills, so leaders have to compensate for it
- "Unfunded mandates"
- Pace of work – very short timelines

Relationships – There is little time to build relationships and get to know each other because of workload. This oftentimes is very counterproductive.

Communication – Lots of goals/targets. People running in so many directions that communication suffers. They may miss goals, miss opportunities for collaboration and bump into each other along their separate paths.

Trust – is suffering. Turnover and the loss of valued relationships, the lack of clarity triggered by the amount of changes, more people "fighting for the same or a smaller piece of pie," are factors contributing to this loss of trust.

Other stress factors affecting results – There are many other stress factors which are gaining strength: Some mentioned in the survey and observed in our consulting practice are: "increased politics," community pressure, lack of accountability, lack of teamwork and resistance to change.

Effects of Stress on Individuals and Organizations

We can't live without stress. In its positive form it is a healthy pressure to succeed. It is also a healthy reaction to prepare our body for a fight or flight. However, all too often stress becomes "negative" through putting our body into what would be the equivalent of a constant emergency.



Have you ever noticed how

- Your muscles tighten
- Your breathing shortens
- Your heart rate increases
- Your adrenaline flows

These are all automatic physical responses to stress. They help in real emergencies, but become a problem when triggered too often by constant work requests or other occurrences such as frustrations in traffic, family tensions, etc.

You probably have all experienced feelings of backache, muscle tension, nervous stomach, breathing problems, fatigue, irritability, or anxiousness. Or you may have observed colleagues, family members, or friends who become more and more impatient, easily angry, forgetful, are drinking too much, taking drugs, over or under eating, over or under sleeping, etc. These symptoms can be the result of stress.

The effects of stress on organizations are numerous and invariably result in less productivity.

- We are all very familiar with the "burned out" syndrome. Our productivity suffers from constant overload.
- Being pulled into too many directions leads to less attention to the task at hand, which may lead to costly mistakes, reworks and the like. Frequently there is no time to properly plan or to properly train people, resulting in delays and/or lesser product or service quality.
- Decision making suffers due to the lack of time to research alternatives or to have a healthy discussion before jumping to conclusions or making decisions.
- Stress takes a toll on our relationships, as it can create conflicts, impatience, miscommunication, and outbursts which in turn contaminate the work climate.

This eventually results in physical pain, sickness or just plain absenteeism. The end result is lower productivity, less innovation, lesser product and service quality, more complaints, and more "employee issues".

Managing Stress

Based on the results of our survey, we should start with asking ourselves about our “pressure to create results.”

We have to start with reflecting on what’s currently on our desk.

- What defines our current workload?
- Is everything we are working on important or just urgent?
- How should/could we prioritize?

The ability to efficiently set priorities is an important part of any solution.

Furthermore, we use the “BREATHE” acronym in our coaching and training to capture seven main activities to reduce stress:

- **B**reathing before Responding
- **R**elaxing your Body
- **E**ating Properly
- **A**sking for What you Want (including learning how to Say No professionally)
- **T**hinking Clearly (and managing fear)
- **H**umor & **H**appiness
- **E**xercising

Conclusion

Stress has the potential of jeopardizing business success. The good news is that – until now – we have not observed a dramatically high stress level with the exception of in the USA. However, we have generally observed a lot of pressure to create results, work overload, “too much on my desk,” etc. Other things employees have been struggling with are a lack of organizational direction (where is the journey going?), not making enough money on one side but also the fear of losing one’s job on the other side.

The potentially detrimental impact of stress can be managed. With this in mind the first skill to learn and practice is the ability to constructively say “no” and the ability to plan and set priorities. Furthermore there are a lot of techniques to avoid or mitigate the negative stress impact on our body and general mood. One of them is to focus on all aspects of “BREATHE” (breathe, relax, eat properly, ask for what you want, think clearly, humor & happiness, and exercise).

To learn more about PeopleNRG’s stress management workshops, webinars and executive coaching, please consult our website (www.peoplenrg.com), send us an email (info@peoplenrg.com) or give us a call (+1.609.333.0653).

Book References

Here are a few books you may want to look into out of a huge number of books on the market. The ones mentioned below are the one we like because of their "ease of use," inspiration and clear advice:

Stress Free for Good, Dr. Fred Luskin & Dr. Kenneth R Pelletier, 2005

The Dream Manager, Mathew Kelly, 2007

Guide to a Joyful, Healthy Life, Gary Null, Ph.D., 2000

Happier, Tal Ben-Shahar, Ph.D., 2007

Liberating Greatness, Hal Williamson with Sharon Eakes, 2006

Performance Under Pressure, Heidi Wenk Sormaz, Ph.D. 2003

The Relaxation Response, Herbert Benson, MD, 1975

The Relaxation and Stress Reduction Workbook, 6th Edition, New Harbinger Publications, 2008

ZenLP: The Power to Relax, Murli Menon, 2005