PEOPLE AT THEIR BEST

Stress in the Workplace
A Comparative Study of the Australian Workforce
February 2020

Background

In the most recent employee surveys we have conducted, the percentage of the workforce who have explicitly reported that they are experiencing worry and anxiety is around 25%. This finding is indicated by the number of employees who disagree or strongly disagree with the statement, **"I rarely get anxious or lose sleep worrying about work"**.

Across the same surveys, those employees who agreed or strongly agreed with the same statement, thus indicating an absence of worry and anxiety was 55%, a healthy majority. This means, however, that some 20% of the employees we surveyed, neither agreed nor disagreed with the statement and it is unclear to what extent they are experiencing worry and anxiety about their work. (Such employees selected 'neutral' in a standard 5-point rating scale).

According to qualitative data (verbatim comments) we have collected, the 25% of employees who are experiencing anxiety and worry about their work, perceive that they must work long hours to handle excessive workloads and meet deadlines, in particular, what they perceive to be unrealistic deadlines. Further, some employees report that their mental health issues stem from carrying the lion's share of work to compensate for what they perceive to be colleagues who do not pull their weight.

At this point, it should be noted however, that a heavy workload is not necessarily a precursor to anxiety and worry if employees feel that their leaders support and understand their challenges and if employees feel appreciated for their effort and commitment.

Benchmarking Difficulties

Across the globe, the majority of research and reporting focuses on people suffering from mental illness, rather than work related stress. Such data, however, is still important because of its impact on Australian workplaces, even if the trigger or cause is not work and the work environment. For this reason, we have included more generalized mental health research findings below.

Another difficulty is that of benchmarking. *People At their Best* gauges employees' health at work by posing the statement: **"I rarely get anxious or lose sleep worrying about work"** and making inferences based on the numbers of employees who disagree or strongly disagree with this statement.

The reality is that unless organisations use the exact same statement (which they do not), any comparisons will be difficult. Not only is it the specificity of the above statement, the reality is that most organisations do not specifically examine 'worry' and 'anxiety' arising from work.

Instructive here, is the Gallup Q12 Employee Engagement Index, perhaps the most widely used employee survey. In this example, the Gallup survey does not specifically ask a question about stress or anxiety or worry born of work demands (See Appendix-1). Likewise, the Aon Hewitt Employee Engagement Model does not specifically address mental health at work (see Appendix-2).

Further, global people surveys conducted by professional services firms rarely choose to explicitly examine worry and anxiety at work.

A Picture of the Australian Workforce

What follows is an overview of the prevalence of work-related stress in Australian workforces.

What we know, with a high degree of certainty, are the numbers of people suffering from mental health issues in the Australian population. For example, on 31 October 2019, the **Australian Productivity Commission** released its **Mental Health Draft Report** which found the following:

- Nearly 50% of Australian adults will meet the criteria for mental illness at some point in their lives
- Suicide remains the leading cause of death for Australians aged 15 to 44, with approximately 65,300 suicide attempts each year
- Mental ill-health and suicide cost the Australian economy $43 – $51 billion per year, plus $130 billion for diminished health and reduced life expectancy

Further, from the **Australian Bureau of Statistics, 2017-18 National Health Survey** we know:

- Just over 20% of Australians have a mental illness
- 13% of adults experience high or very high levels of psychological distress

To move on to the prevalence of 'work-related' stress in the Australian workforce we note the following studies and relevant key findings:

A Future That Works - 2017 Snapshot of the Australian Workplace - Published June 2018
(Survey of 1,005 Australian workers conducted by Reventure)

- 27% of workers are very / extremely stressed about work
- Only 27% of workers are 'not at all stressed' about work (73% of workers did not report this – in fact, when asked, 73% of workers said that 'work' causes them to feel stress)
- 85% of workers believed it was the employers' responsibility to create an environment that addressed stress in the workplace
- The elements that employees believe have the most negative impact on wellbeing in the workplace are unrealistic workload expectations (48%), job insecurity (41%) and low team morale (38%)

Indicators of a Thriving Workplace - 2019 National Report - Published November 2019
(Study of 10,000 Australians conducted by Superfriend)

- Half of all Australian workers have experienced a mental illness and 43% of those say their workplace caused it
- Approximately $543 million of workers' compensation was paid to 7200 Australians for work-related mental health conditions
- Australians working in healthcare experienced the highest levels of stress of any industry, followed closely by the public administration sector
- A major factor in workplaces with low levels of wellbeing is stress. Workers who are stressed on a regular basis are routinely unhappy with higher turnover being the result (about 70% do not plan to stay with their employer)
- Poor mental health at work cost the economy $17 billion a year – a big chunk of the overall $51 billion cost of mental illness and suicide
- Superfriend's 2018 National Report (Indicators of a Thriving Workplace Survey), found 25% of people experienced high levels of stress in their current job.
- Superfriend's 2017 National Report (Indicators of a Thriving Workplace Survey), found 38% of working Australians identify work as a source of stress (they experience ongoing levels of stress in their current jobs)

It is important to note, that according to Superfriend, in thriving workplaces only 20% of employees were stressed each week. Conversely, 'high and conflicting work demands with low job control' is estimated to double the risk of depression. Further, work related stress is considered a major risk factor for depression and anxiety and Superfriend defines 'work stress' as stress caused by not having the right resources or capability to match the expectations of the job. Lastly, according to Superfriend, a quarter of workers report time pressure as being the most common work-life strain and this is certainly consistent with the employee surveys we have conducted, where employees frequently report 'time' as a resource they do not have enough of.

Safe Work Australia - National Data Set for Compensation-based Statistics - 2012–13 to 2016–17

- 7,140 Australians were compensated for work-related mental health conditions
- The main causes of serious mental health condition claims were:
  - o Work pressure at 21%
  - o Work related harassment or bullying at 20%

Comcare Compendium of WHS and Workers' Compensation Statistics, 6th Edition – March 2015

- Stress related workers' compensation claims increased by 400% in the previous 10-years
- Mental stress claims accounted for 37% of total claim costs, with an average total cost per claim of $342,000

Global Human Capital Trends - Engaging the 21st Century Workforce – Published 2014

(Survey of 2,500 business conducted by Deloitte)

- 43% of respondents ranked highly on questions relating to tiredness and fatigue
- 35% of respondents worked late into evenings
- 24% of respondents exhibited stress symptoms
- 30% of respondents experienced worry

Overall Generalised Comparison

As explored at the outset of this document, 25% of employees we have surveyed, explicitly report work related anxiety and worry. While this figure is highlighted, it must be noted that a further 20% of employees did not report that they **"rarely get anxious or lose sleep worrying about work."** This means that while 55% of our data-base can be said to be relatively free of work-related anxiety and worry, 45% of employees, cannot.

Additionally, it is worth noting that all results are a product of the statements posed or the questions asked, that is, if we simply asked: 'Is your work causing you to feel stress?' the results would have likely been higher than the 25% to 45% range we have already identified in relation to the prevalence of work-related anxiety and worry.

What we can say is that the prevalence of 'stress' in the Australian workforce is probably somewhere between 21% and 73% with most research findings being between 24% and 38%.

Once more, it must be noted that these employees responded to statements and questions about whether their work causes them to feel stressed and not about anxiety and worry.

Overall, this means that the organisations we have surveyed are performing about the same as the average Australian workplace but it is worth restating that in thriving workplaces, only 20% of employees are routinely stressed.

It is also worth noting that the wellbeing of any organisation goes to the organisation's Employee Value Proposition. For this reason alone, being 'about the same' as other organisations, when it comes to the prevalence of workplace stress, is not a result most organisations would be satisfied with.

For these reasons, tracking the prevalence of anxiety and worry, or more generally, workplace stress, via well-constructed employee surveys is critical and whether one considers Australian workplaces or the population more generally, there is much more work to do to prevent both widespread organisational and personal suffering.

Attachment-3 sets out steps to improve employee mental health.

Appendix 1 - The Gallup Q12 Employee Engagement Index

Based on more than 30 years of research and more than 17 million employees, Gallup claims these 12 core statements best predict employee and workgroup performance and best link to business outcomes. The Twelve Questions are:

1. Do you know what is expected of you at work?
2. Do you have the materials and equipment to do your work right?
3. At work, do you have the opportunity to do what you do best every day?
4. In the last seven days, have you received recognition or praise for doing good work?
5. Does your supervisor, or someone at work, seem to care about you as a person?
6. Is there someone at work who encourages your development?
7. At work, do your opinions seem to count?
8. Does the mission/purpose of your company make you feel your job is important?
9. Are your associates (fellow employees) committed to doing quality work?
10. Do you have a best friend at work?
11. In the last six months, has someone at work talked to you about your progress?
12. In the last year, have you had opportunities to learn and grow?

Appendix 2 – The Aon Hewitt Employee Engagement Model
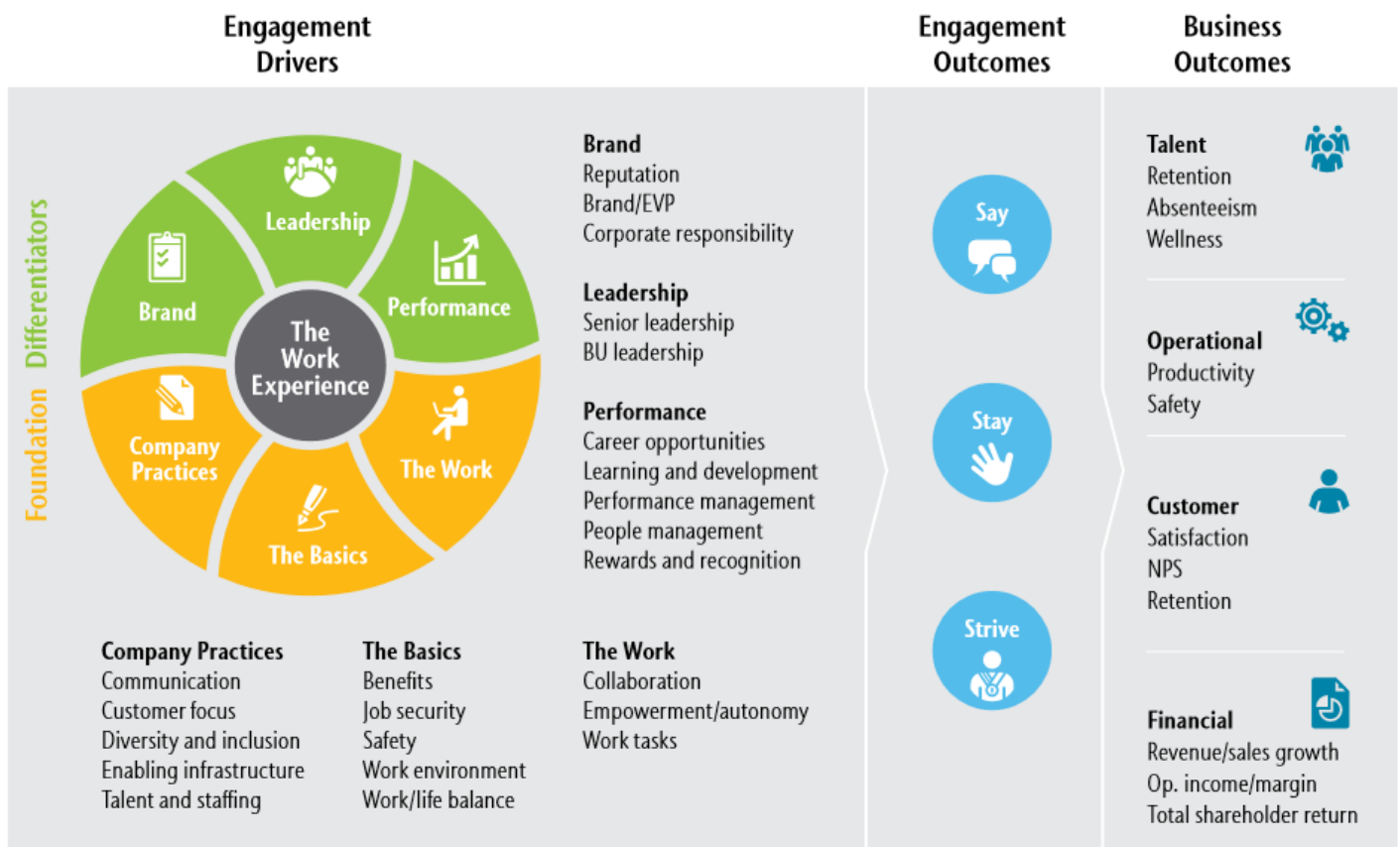
Employee engagement and workforce perceptions data in this report come from Aon Hewitt's five-year rolling Employee Research Database and represent the views of over 7 million employees across more than 6,000 companies in 68 industries and 155 countries.

11 WAYS TO IMPROVE WORKER WELLBEING

These 11 activities are based on the 40 scientifically-validated indicators shown to improve worker wellbeing. Implementing even **one** of these actions can make a huge difference to worker mental health.

1 Actively provide professional development opportunities

2 Recognise people who do good work and reward them appropriately

3 Let people see the mental health policy, strategy or action plan in action

4 Implement effective policies and practices against workplace bullying and harassment

5 Make it easy for everyone to access confidential counselling or support services

6 Develop good return to work policies and practices for people who have had time off work with mental health conditions

7 Make sure that all leaders regularly participate in mental health and wellbeing training by making it an organisation-wide policy

8 Put clear structures in place so that decision making is transparent

9 Develop policies to ensure that changes are managed in clear, supportive and positive ways

10 Provide access to mental health and wellbeing education (i.e. information, training)

11 Help people to practice good work/family/life integration

Image taken from Superfriend, Indicators of a Thriving Workplace - 2019 National Report

It is our genuine hope that this comparative study contributes to our mission of building purpose driven organisations and helping organisations to grow their internal capability to match their external ambition – helping all organisations to be their best is what drives us.

We encourage you to contact us to explore these findings further.

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