Stress and Well-Being at Work

LEARNING OBJECTIVES

After reading this chapter, you should be able to do the following:

1. Define stress, distress, and strain.
2. Compare four different approaches to stress.
3. Explain the psychophysiology of the stress response.
4. Identify work and nonwork causes of stress.
5. Describe the benefits of eustress and the costs of distress.
6. Discuss individual differences in the stress-strain relationship.
7. Distinguish the primary, secondary, and tertiary stages of preventive stress management.
8. Discuss organizational and individual methods of preventive stress management.
An Economic Downturn and a Problem of Corruption

During the prolonged recession that began in 2008, IKEA ran into the dual stressors of decreasing product demand that came from the economic downturn and of unpredictability in the Russian market. Every business encounters challenge and hard times. These are rarely the defining events of the business, as in IKEA’s case. Rather, the defining nature of the business is how it responds to the stress and challenge of difficulties or hard time.

From its founding in 1951, Sweden’s IKEA has enjoyed steady growth and expansion to a workforce of roughly 120,000. The company was unable to sustain its growth in the face of the severe economic downturn, and, further, IKEA had to engage in its largest cutback ever by releasing about 5,000 personnel to maintain the company’s overall health.

IKEA faced two stressors simultaneously, as mentioned. In addition to the economic downturn, the company ran into the problem of corruption in Russia. This lack of integrity in business transactions and exchanges creates unpredictability for any business, as IKEA quickly learned. The public
stance on the Russian issue by IKEA’s eighty-three-year-old founder Ingvar Kamprad was particularly notable because IKEA is clearly an international business that operates stores in dozens of countries. To his credit, Russian President Demitri A. Medvedev acknowledged that corruption is a national problem and that curbing official corruption is one of the goals of his tenure. While official corruption did not become a personal source of stress for IKEA’s Mr. Kamprad, it did for some of his executives and employees when Russian officials engaged in shakedowns and bribe-taking.

If the Russian president can solve the official corruption problem in his country, that certainly removes an acute source of stress for IKEA in its Russian operations. Further, it opens the opportunity in Russia for growth and expansion. In the short term, the best strategy may be the one taken, which is to defend its own corporate integrity and the well-being of its executives and employees. How about the economic downturn? That larger source of stress for the company requires a much different kind of coping response for not as well-defined a problem. A long, successful history does not guarantee a bright future for any business, as we have seen in previous corporate icons who have failed in other industries. How will minimalist retailer IKEA cope with this economic challenge?

Stress is an important topic in organizational behavior, in part due to the increase in competitive pressures that take a toll on workers and managers alike. Poor leadership, work–family conflicts, and sexual harassment are among the leading causes of work stress. This chapter has five major sections, each addressing one aspect of stress. The first section examines the question “What is stress?” The discussion includes four approaches to the stress response. The second section reviews the demands and stressors that trigger the stress response at work. The third section examines the performance and health benefits of stress and the individual and organizational forms of distress. The fourth section considers individual difference factors, such as gender and personality hardiness, that help moderate the stress–distress relationship. The fifth section presents a framework for preventive stress management and reviews a wide range of individual and organizational stress management methods.

WHAT IS STRESS?

Stress is one of the most creatively ambiguous words in the English language, with as many interpretations as there are people who use the word. In some languages, the term stress has a variety of meanings, and Spanish does not even have a direct translation of it. Even the stress experts do not agree on its definition. Stress carries a negative connotation for some people, as though it were something to be avoided. This is unfortunate, because stress is a great asset in managing legitimate emergencies and achieving peak performance. Stress, or the stress response, is the unconscious preparation to fight or flee that a person experiences when faced with any demand. A stressor, or demand, is the person or event that triggers the stress response. Distress is the adverse psychological, physical, behavioral, and organizational consequences that may arise as a result of stressful events.

stress
The unconscious preparation to fight or flee that a person experiences when faced with any demand

stressor
The person or event that triggers the stress response.

distress
The adverse psychological, physical, behavioral, and organizational consequences that may arise as a result of stressful events.

strain
Distress.
CHAPTER 7
STRESS AND WELL-BEING AT WORK

You 7.1

The Frazzle Factor

Read each of the following statements and rate yourself on a scale of 0–3, giving the answer that best describes how you generally feel (3 points for always, 2 points for often, 1 point for sometimes, and 0 points for never). Answer as honestly as you can, and do not spend too much time on any one statement.

Am I Overstressed?

_____ 1. I have to make important snap judgments and decisions.
_____ 2. I am not consulted about what happens on my job or in my classes.
_____ 3. I feel I am underpaid.
_____ 4. I feel that no matter how hard I work, the system will mess it up.
_____ 5. I do not get along with some of my coworkers or fellow students.
_____ 6. I do not trust my superiors at work or my professors at school.
_____ 7. The paperwork burden on my job or in school is getting to me.
_____ 8. I feel people outside the job or the university do not respect what I do.

Am I Angry?

_____ 1. I feel that people around me make too many irritating mistakes.
_____ 2. I feel annoyed because I do good work or perform well in school, but no one appreciates it.
_____ 3. When people make me angry, I tell them off.
_____ 4. When I am angry, I say things I know will hurt people.
_____ 5. I lose my temper easily.
_____ 6. I feel like striking out at someone who angers me.
_____ 7. When a coworker or fellow student makes a mistake, I tell him or her about it.
_____ 8. I cannot stand being criticized in public.

Scoring

To find your level of anger and potential for aggressive behavior, add your scores from both quiz parts.

40–48: The red flag is waving, and you had better pay attention. You are in the danger zone. You need guidance from a counselor or mental health professional, and you should be getting it now.

30–39: The yellow flag is up. Your stress and anger levels are too high, and you are feeling increasingly hostile. You are still in control, but it would not take much to trigger a violent flare of temper.

10–29: Relax, you are in the broad normal range. Like most people, you get angry occasionally, but usually with some justification. Sometimes you take overt action, but you are not likely to be unreasonably or excessively aggressive.

0–9: Congratulations! You are in great shape. Your stress and anger are well under control, giving you a laid-back personality not prone to violence.


or strain refers to the adverse psychological, physical, behavioral, and organizational consequences that may occur as a result of stressful events. You 7.1 gives you an opportunity to examine how overstressed and angry you may be.

Four Approaches to Stress

The stress response was discovered by Walter B. Cannon, a medical physiologist, early in the twentieth century. Later researchers defined stress differently than Cannon. We will review four different approaches to defining stress: the homeostatic/medical, cognitive appraisal, person–environment fit, and psychoanalytic approaches. These four approaches will give you a more complete understanding of what stress really is.

CHAPTER 7 STRESS AND WELL-BEING AT WORK
The Homeostatic/Medical Approach  When Walter B. Cannon originally discovered stress, he called it “the emergency response” or “the militaristic response,” arguing that it was rooted in “the fighting emotions.” His early writings provide the basis for calling the stress response the fight-or-flight response. According to Cannon, stress results when an external, environmental demand upsets the person’s natural steady-state balance. He referred to this steady-state balance, or equilibrium, as homeostasis. Cannon believed the body is designed with natural defense mechanisms to keep it in homeostasis. He was especially interested in the role of the sympathetic nervous system in activating a person under stressful conditions.

The Cognitive Appraisal Approach  Richard Lazarus was more concerned with the psychology of stress. He de-emphasized the medical and physiological aspects, emphasizing instead the psychological and cognitive aspects of the response. Like Cannon, Lazarus saw stress as a result of a person–environment interaction, and he emphasized the person’s cognitive appraisal in classifying persons or events as stressful or not. Individuals differ in their appraisal of events and people. What is stressful for one person may not be stressful for another. Perception and cognitive appraisal are important processes in determining what is stressful. One study found culture-specific differences in perceptions of the causes of job stress between China and the United States. For example, American employees reported lack of job control as a source of stress while Chinese employees reported job evaluations as a source. In addition to cognitive appraisal, Lazarus introduced problem-focused and emotion-focused coping. Problem-focused coping emphasizes managing the stressor, and emotion-focused coping emphasizes managing your response. People with positive core self-evaluations tend to use emotion-focused coping when faced with stressors. These people view themselves as capable, worthy, and in control of their lives.

The Person–Environment Fit Approach  Robert Kahn was concerned with the social psychology of stress. His approach emphasized how confusing and conflicting expectations of a person in a social role create stress for the person. He extended the approach to examine a person’s fit in the environment. A good person–environment fit occurs when a person’s skills and abilities match a clearly defined, consistent set of role expectations. This results in a lack of stress for the person. Stress occurs when the role expectations are confusing and/or conflicting or when a person’s skills and abilities are not able to meet the demands of the social role. After a period of this stress, the person can expect to experience strain, such as strain in the form of depression.

The Psychoanalytic Approach  Harry Levinson defined stress based on Freudian psychoanalytic theory. Levinson believes that two elements of the personality interact to cause stress. The first is the ego-ideal—the embodiment of a person’s perfect self. The second is the self-image—how the person really sees himself or herself, both positively and negatively. Although not sharply defined, the ego-ideal encompasses admirable attributes of parental personalities, wished-for and/or imaginable qualities a person would like to possess, and the absence of any negative or distasteful qualities. Stress results from the discrepancy between the idealized self (ego-ideal) and the real self-image; the greater the discrepancy, the more stress a person experiences. More generally, psychoanalytic theory helps us understand the role of unconscious personality factors as causes of stress within a person.
The Stress Response

Whether activated by an ego-ideal/self-image discrepancy, a poorly defined social role, cognitive appraisal suggesting threat, or a lack of balance, the resulting stress response is characterized by a predictable sequence of mind and body events. The stress response begins with the release of chemical messengers, primarily adrenaline, into the bloodstream. These messengers activate the sympathetic nervous system and the endocrine (hormone) system. These two systems work together and trigger four mind–body changes to prepare the person for fight or flight:

1. The redirection of the blood to the brain and large-muscle groups and away from the skin, internal organs, and extremities.
2. Increased alertness by way of improved vision, hearing, and other sensory processes through the activation of the brainstem (ancient brain).
3. The release of glucose (blood sugar) and fatty acids into the bloodstream to sustain the body during the stressful event.
4. Depression of the immune system, as well as restorative and emergent processes (such as digestion).

This set of four changes shifts the person from a neutral, or naturally defensive, posture to an offensive posture. The stress response can be very functional in preparing a person to deal with legitimate emergencies and to achieve peak performance. It is neither inherently bad nor necessarily destructive.

Sources of Work Stress

Work stress is caused by factors in the work environment. In addition, pressures from outside the workplace can have spillover effects into the workplace and cause additional stress. An example of this would be when a working mother or father is called at work to come and pick up a sick child from the day-care center so that the child does not expose other children to a health risk. Therefore, the two major categories of sources of work stress are the work demands and nonwork demands shown in Table 7.1. As the table suggests, one of the most complex causes of work stress is role conflict. An innovative study by Pam Perrewé and her colleagues examined the dysfunctional physical and psychological consequences of role conflict. The researchers found political skill to be an antidote for role conflict, one of a range of preventive stress management strategies discussed later in the chapter.

Work Demands

Table 7.1 organizes work demands into four major categories, which are task demands, role demands, interpersonal demands, and physical demands as shown. The table does not present an exhaustive list of work demands but rather aims to show major causes of work stress in each of the four major domains of the work environment.
environment. The Science feature includes a different way of categorizing stressors, either as challenge stressors and hindrance stressors. The research examines the effects of these stressors and the positive impact of organizational support.

**Task Demands** Globalization is creating dramatic changes at work, causing on-the-job pressure and stress.\(^\text{13}\) Change leads to uncertainty, a lack of predictability in a person’s daily tasks and activities, and may be caused by job insecurity related to difficult economic times. Even as the U.S. economy recovered strongly in 2004, creating hundreds of thousands of jobs, nearly 80,000 U.S. workers continue to lose their jobs monthly. For those who do not lose their jobs, underemployment, monotony, and boredom may be problems. Technology and technological innovation create further change and uncertainty for many employees, requiring adjustments in training, education, and skill development. Intended to make life and work easier and more convenient, information technology may have a paradoxical effect and be a source of stress rather than a stress reliever.

Lack of control is a second major source of stress, especially in work environments that are difficult and psychologically demanding. The lack of control may be caused by inability to influence the timing of tasks and activities, to select tools or methods for accomplishing the work, to make decisions that influence work outcomes, or to exercise direct action to affect the work outcomes. One study found that male workers in occupations with low job autonomy (lack of control) and high job demands (heavy workloads) experienced more heart attacks than other male workers.\(^\text{14}\)

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**TABLE 7.1 Work and Nonwork Demands**

<table>
<thead>
<tr>
<th>Work Demands</th>
<th>Role Demands</th>
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<tbody>
<tr>
<td><strong>Task Demands</strong></td>
<td><strong>Role Demands</strong></td>
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<tr>
<td>Change</td>
<td>Role conflict:</td>
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<tr>
<td>Lack of control</td>
<td>Interrole</td>
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<td>Career progress</td>
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<td>New technologies</td>
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<td><strong>Interpersonal Demands</strong></td>
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<tr>
<td>Emotional toxins</td>
<td>Extreme environments</td>
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<td>Sexual harassment</td>
<td>Strenuous activities</td>
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<td>Poor leadership</td>
<td>Hazardous substances</td>
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<td>Global travel</td>
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<tr>
<th>Nonwork Demands</th>
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<tbody>
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<td><strong>Home Demands</strong></td>
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<tr>
<td>Family expectations</td>
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<tr>
<td>Child-rearing/day-care arrangements</td>
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<tr>
<td>Parental care</td>
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<tr>
<td><strong>Personal Demands</strong></td>
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<td>Workaholism</td>
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<tr>
<td>Civic and volunteer work</td>
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<td>Traumatic events</td>
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Concerns over career progress, new technologies, and time pressures (or work overload) are three additional task demands triggering stress for the person at work. Career stress is related to the career gridlock that has occurred in many organizations as the middle-manager ranks have been thinned due to mergers, acquisitions, and downsizing during the past two decades. Leaner organizations, unfortunately, often leave work overload for those who are still employed. Time pressure is a leading cause of stress and is often associated with work overload, but may result from poor time management skills. Challenge stressors that promote personal growth and achievement, however, are positively related to job satisfaction and organizational commitment. New technologies create both career stress and “technostress” for people at work who wonder if “smart” machines will replace them. Although they enhance the organization’s productive capacity, new technologies may be viewed as the enemy by workers who must ultimately learn to use them. This creates a real dilemma for management.

**Role Demands** The social–psychological demands of the work environment may be every bit as stressful as task demands at work. People encounter two major categories of role stress at work: role conflict and role ambiguity. Role conflict results from inconsistent or incompatible expectations being communicated. The conflict may be an interrole, intrarole, or person–role conflict.

Interrole conflict is caused by conflicting expectations related to two separate roles, such as employee and parent. For example, the employee with a major sales presentation on Monday and a sick child at home Sunday night is likely to experience interrole conflict. Work–family conflicts like these can lead individuals to withdrawal behaviors.

Intrarole conflict is caused by conflicting expectations related to a single role, such as employee. For example, the manager who presses employees for both very...
fast and high-quality work may be viewed at some point as creating a conflict for employees.

Ethics violations are likely to cause person–role conflicts. This is the problem created for IKEA employees by the Russian officials who shake them down, as we saw in the Thinking Ahead feature. Employees expected to behave in ways that violate personal values, beliefs, or principles experience conflict. The unethical acts of committed employees exemplify this problem. Organizations with high ethical standards, such as Johnson & Johnson, are less likely to create ethical conflicts for employees. Person–role conflicts and ethics violations create a sense of divided loyalty for an employee.

The second major cause of role stress is role ambiguity. Role ambiguity is the confusion a person experiences related to the expectations of others. Role ambiguity may be caused by not understanding what is expected, not knowing how to do it, or not knowing the result of failure to do it. For example, a new magazine employee asked to copyedit a manuscript for the next issue may experience confusion because of lack of familiarity with the magazine’s copyediting procedures and conventions.

A twenty-one-nation study of middle managers examined their experiences of role conflict, role ambiguity, and role overload. The results indicated that role stress varies more by country than it does by demographic and organizational factors. For example, non-Western managers experience less role ambiguity and more role overload than do their Western counterparts. In a study of work–family and family–work conflict, job demand and control, social support, and work-hour flexibility among Indian and Norwegian doctors and nurses, the predictors of job stress in India differed from those in Norway and the predictors for doctors differed from those of nurses. A study of U.S. military personnel found that when role clarity was high in a supportive work group, psychological strain was low. A study of 2,273 Norwegian employees found that role conflict, role ambiguity, and conflict with coworkers actually increased under laissez-faire leadership, suggesting that this leadership style and behavior is destructive, even toxic.

**Interpersonal Demands** Emotional toxins, sexual harassment, and poor leadership in the organization are interpersonal demands for people at work. Emotional toxins are often generated at work by abrasive personalities. They can spread through a work environment and cause a range of disturbances. Even emotional dissonance can be a cause of work stress. Organizations are increasingly less tolerant of sexual harassment, a gender-related interpersonal demand that creates a stressful working environment both for the person being harassed and for others. The vast majority of sexual harassment is directed at women in the workplace and is a chronic yet preventable workplace problem. Poor leadership in organizations and excessive, demanding management styles are a leading cause of work stress for employees. Employees who feel secure with strong, directive leadership may be anxious with an open management style. Those comfortable with participative leaders may feel restrained by a directive style. Trust is an important characteristic of the leader–follower interpersonal relationship, and a threat to a worker’s reputation with her or his supervisor may be especially stressful. Functional diversity in project groups also causes difficulty in the establishment of trusting relationships, thus increasing job stress, which leads to lower cohesiveness within the group.

**Physical Demands** Extreme environments, strenuous activities, hazardous substances, and global travel create physical demands for people at work. Work environments that are very hot or very cold place differing physical demands on
people and create unique risks. One cross-cultural study that examined the effects of national culture and ambient temperature on role stress concluded that ambient temperature does affect human well-being, leading to the term *sweatshop* for inhumane working conditions.\(^{29}\) Dehydration is one problem of extremely hot climates, whereas frostbite is one problem of extremely cold climates. The strenuous job of a steelworker and the hazards associated with bomb disposal work are physically demanding in different ways. The unique physical demands of work are often occupation specific, such as the risk of gravitationally induced loss of consciousness for military pilots flying high-performance fighters\(^{30}\) or jet lag and loss of sleep for globe-trotting CEOs like IBM’s Samuel J. Palmisano and Carlos Ghosn, CEO of two auto companies, Renault and Nissan, that are a half a world apart. The demands of business travel are increasingly recognized as sources of stress.\(^{31}\) However, the positive aspects of business trips are also increasingly recognized.\(^{32}\)

Office work has its physical hazards as well. The World Health Organization suggests that even noisy, crowded offices, such as those of some stock brokerages, can prove stressful as well as harmful.\(^{33}\) Working with a computer terminal can also be stressful, especially if the ergonomic fit between the person and machine is not correct. Eyestrain, neck stiffness, and arm and wrist problems can occur. Office designs that use partitions (cubicles) rather than full walls can create stress. These systems offer little privacy for the occupant (e.g., to conduct employee counseling or performance appraisal sessions) and little protection from interruptions. Stress audits by Roberson Cooper Ltd. aim to take the ambiguity out of the stress concept and provide detailed assessments for companies. As we see in The Real World 7.1, your office may actually make you sick. In The Real World 7.1, the focus is on the overlooked stress risks of the office setting, as just discussed.

### Nonwork Demands

Nonwork demands also create stress, which may carry over into the work environment, or vice versa.\(^{4}\) Nonwork demands may be broadly identified as home demands from an individual’s personal life environment and personal demands that are self-imposed.

#### Home Demands

Not all workers are subject to family demands related to marriage, child rearing, and parental care. The wide range of home and family arrangements in contemporary American society has created great diversity in this arena. For those in traditional families, these demands may create role conflicts or overloads that are difficult to manage. For example, the loss of good day care for children may be especially stressful for dual-career and single-parent families.\(^{35}\) The tension between work and family may lead to a struggle to achieve balance in life. This struggle led Rocky Rhodes, co-founder of Silicon Graphics, to establish four priorities for his life: God, family, exercise, and work.\(^{36}\) These priorities helped him reallocate his time to achieve better balance in his life. As a result of the maturing of the American population, an increasing number of people face the added demand of parental care. Even when a person works to achieve an integrative social identity, combining many social roles into a “whole” identity for a more stress-free balance in work and nonwork identities, the process of integration is not an easy one.\(^{37}\)

#### Personal Demands

Self-imposed, personal demands are the second major category of nonwork demands identified in Table 7.1. While self-imposed and personal, they

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**CHAPTER 7  STRESS AND WELL-BEING AT WORK**

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Not For Sale
PART 2  INDIVIDUAL PROCESSES AND BEHAVIOR

workaholism
An imbalanced preoccupation with work at the expense of home and personal life satisfaction.

Can Your Office Make You Sick?

Stress audits conducted by Roberson Cooper Ltd. throughout the world help companies understand stress risks at work. How about the individual office setting? While construction sites have visible risks to health and safety, many employees consider their office a safe haven. Actually, your office may cause stress and in other ways be risky. Open office designs expose you to germs and contagious diseases that can be combated by regular hand washing. Your boss could actually be killing you, a little bit at a time. An angry boss places people under psychological stress and an incompetent boss increases the risk of cardiovascular disorders. Burning the midnight oil through over fifty-five hours of work each week exposes you to the risk of decreased mental skills and memory problems while working forty-one hours a week or less is much healthier. Vertebrae-skewing chairs and poor posture put stress on the lower back and create one of the most debilitating occupational health problems. Computer work places the entire muscular-skeletal system under stress, most especially the upper arms and hands. In addition, the increase in computer work has significantly decreased the amount of physical activity in the office for those tied to their terminals. The important message about your office is to increase the awareness of causes of stress and health risks. To do this does not require thinking of your office as a dangerous place.


THE CONSEQUENCES OF STRESS

Stress can be good or bad. Some managers and executives thrive under pressure because they practice what world-class athletes already know. Workaholism may be the most notable of these personal demands that causes stress at work and has been identified as a form of addiction. Some of the early warning signs of workaholism include: overcommitment to work, inability to enjoy vacations and respite from work, preoccupation with work problems when away from the workplace, and constantly taking work home on the weekend. Another type of personal demand comes from civic activities, volunteer work, and nonwork organizational commitments, such as in churches, synagogues, and public service organizations. These demands become more or less stressful depending on their compatibility with the person's work and family life and their capacity to provide alternative satisfactions for the person. Finally, traumatic events, such as 9/11, and their aftermath are stressful for people who experience them. Not all traumatic events are as catastrophic as 9/11, however. Job loss, examination failures, and termination of romantic attachments are all traumatic, though less catastrophic, and may lead to distress if not addressed and resolved.
who practice what they know get high marks on any “stress test” because they use stress-induced energy in positive, healthy, and productive ways. One study found motivation as a mediator of the emotional exhaustion and job performance relationship. The consequences of healthy, normal stress (called eustress, for “euphoria + stress”) include a number of performance and health benefits to be balanced against the more commonly known costs of individual and organizational distress. The benefits of eustress and the costs of distress are listed in Table 7.2. An organization striving for high-quality products and services needs a healthy workforce to support the effort. Eustress is a characteristic of healthy people; distress is not.

**Performance and Health Benefits**

The Yerkes–Dodson law, shown in Figure 7.1, indicates that stress leads to improved performance up to an optimum point. Beyond the optimum point, further stress and arousal have a detrimental effect on performance. Therefore, healthy amounts of eustress are desirable to improve performance by arousing a person to action. It is in the midrange of the curve that the greatest performance benefits from stress are achieved. Joseph McGrath has suggested that performance declines beyond the midpoint in the Yerkes–Dodson curve because of the increasing difficulty of the task to be performed. The stress response does provide momentary strength and physical force for brief periods of exertion, thus providing a basis for peak performance in athletic competition or other events. In addition, psychological well-being contributes positively to job performance.

Specific stressful activities, including aerobic exercise, weight training, and flexibility training, improve health and enhance a person’s ability to manage stressful demands or situations. Cannon argued that the stress response better prepares soldiers for combat.

The stress response is not inherently bad or destructive. The various individual and organizational forms of distress often associated with the word stress are the result of prolonged activation of the stress response, mismanagement of the energy induced by the response, or unique vulnerabilities in a person. We next examine the forms of individual distress and then the forms of organizational distress.

### Table 7.2 Benefits of Eustress and Costs of Distress

<table>
<thead>
<tr>
<th>Benefits of Eustress</th>
<th>Costs of Distress</th>
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<tbody>
<tr>
<td><strong>Performance</strong></td>
<td><strong>Individual</strong></td>
</tr>
<tr>
<td>Increased arousal</td>
<td>Psychological disorders</td>
</tr>
<tr>
<td>Bursts of physical strength</td>
<td>Medical illnesses</td>
</tr>
<tr>
<td>Full engagement</td>
<td>Behavioral problems</td>
</tr>
<tr>
<td><strong>Health</strong></td>
<td><strong>Organizational</strong></td>
</tr>
<tr>
<td>Cardiovascular efficiency</td>
<td>Participation problems</td>
</tr>
<tr>
<td>Balance in the nervous system</td>
<td>Performance decrements</td>
</tr>
<tr>
<td>Enhanced focus in an emergency</td>
<td>Compensation awards</td>
</tr>
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</table>
Individual Distress

An extreme preoccupation with work may result in acute individual distress, such as the unique Japanese phenomenon of karoshi, or death by overwork. In general, individual distress usually takes one of the three basic forms shown in Table 7.2. Work-related psychological disorders are among the ten leading health disorders and diseases in the United States, according to the National Institute for Occupational Safety and Health. The most common types of psychological distress are depression, burnout, and psychosomatic disorders. Depression and burnout can lead to emotional exhaustion with its associated negative consequences. Emotional exhaustion may also be caused by the requirements for emotional expression on the job. Burnout contrasts with rust-out, which is a form of psychological distress caused by the lack of challenge, inspiration, and opportunity on the job. Psychosomatic disorders are physical disorders with a psychological origin. For example, the intense stress of public speaking may result in a speech disorder; that is, the person is under so much stress that the mind literally will not allow speech to occur.

A number of medical illnesses have a stress-related component. The most significant such illnesses are heart disease and strokes, backaches, peptic ulcers, and headaches. Ford Motor Company found that cardiovascular diseases, the leading cause of death in the United States since 1910, constituted only 1.5 percent of the medical incidents among 800 salaried employees at its headquarters but accounted for 29 percent of the reported medical costs. On the positive side, premature death and disability rates have dropped 24–36 percent since the mid-1970s. Backaches are a nonfatal medical problem to which stress contributes through the strong muscular contractions related to preparation for fight or flight. Headaches may be related to eyestrain or have a migraine component, but tension headaches are caused by the contraction of the head and neck muscles under stressful conditions. Finally, stress is a contributing factor to peptic ulcers. A popular comedian commented, “I don’t
get angry; I just grow a tumor!” There is no clear evidence that stress is a direct causal agent in the onset of cancer. However, stress may play an indirect role in the progression of the disease.54

Behavioral problems are the third form of individual distress. These problems include workplace aggression, substance abuse of various kinds, and accidents. Workplace aggression may be triggered by perceptions of injustice in the workplace.55 Interpersonal conflicts can be a form of nonphysical aggression. One study found that conflicts with workmates, neighbors, and other “nonintimates” account for about 80 percent of our bad moods.56 Ethnic and cultural differences are too often a basis for interpersonal conflicts and may escalate into physical violence in the workplace. For example, some U.S. employees of Arab descent experienced ethnic slurs and bullying at work during the War on Terror with Iraq, a largely Arab nation. Psychological detachment from work can be a successful strategy for coping with work stressors and reduce the psychological strain associated with workplace bullying.57

Substance abuse ranges from legal behaviors such as alcohol abuse, excessive smoking, and the overuse of prescription drugs to illegal behaviors such as heroin addiction. Former surgeon general C. Everett Koop’s war on smoking was warranted based on health risk information reported by the American Heart Association. However, the war on smoking also raises an ethical debate about the restriction of individual behavior. How far can the government or society go in restricting individual behavior that has adverse health consequences for many? This is even more problematic in light of recent research results showing the adverse health effects nonsmokers experience as a result of secondhand smoke.

Accidents, both on and off the job, are another behavioral form of distress that can sometimes be traced to work-related stressors. For example, an unresolved problem at work may continue to preoccupy or distract an employee driving home and result in an automobile accident.

These three forms of individual distress—psychological disorders, medical illnesses, and behavioral problems—cause a burden of personal suffering. They also cause a collective burden of suffering reflected in organizational distress.

Organizational Distress

The University of Michigan studies on organizational stress identified a variety of indirect costs of mismanaged stress for the organization, such as low morale, dissatisfaction, breakdowns in communication, and disruption of working relationships. Subsequent research at the Survey Research Center at Michigan established behavioral costing guidelines, which specify the direct costs of organizational distress.58 New research suggests that even positive performance stereotypes can have an adverse effect on organizational health.59

Participation problems are the costs associated with absenteeism, tardiness, strikes and work stoppages, and turnover. In the case of absenteeism, the organization may compensate by hiring temporary personnel who take the place of the absentee, thus elevating personnel costs. When considering turnover, a distinction should be made between dysfunctional and functional turnover. Dysfunctional turnover occurs when an organization loses a valuable employee. It is costly for the organization. Replacement costs, including recruiting and retraining, for the valued employee range from five to seven months of the person’s monthly salary. Functional turnover, by contrast, benefits the organization by creating opportunities for new members, new ideas, and fresh approaches. Functional turnover occurs when an organization loses an employee who has little or no value or is a problem. Functional turnover is good for the organization. The “up or out” promotion policy for members of some organizations is designed to create functional turnover.
Performance decrements are the costs resulting from poor quality or low quantity of production, grievances, and unscheduled machine downtime and repair. As in the case of medical illnesses, stress is not the only causal agent in these performance decrements. Stress does play a role, however, whether the poor quality or low quantity of production is motivated by distressed employees or by an unconscious response to stress on the job. In California, some employees have the option of taking a “stress leave” rather than filing a grievance against the boss.

Compensation awards are the organizational costs resulting from court awards for job distress. One former insurance employee in Louisiana filed a federal suit against the company, alleging it created a high-strain job for him that resulted in an incapacitating depression. A jury awarded him a $1.5 million judgment that was later overturned by the judge. Job stress–related claims have skyrocketed and threaten to bankrupt the workers’ compensation system in some states, although claims and costs are down in other states. However, employers need not panic because fair procedures go a long way toward avoiding legal liability, and legal rulings are setting realistic limits on employers’ obligations.

INDIVIDUAL DIFFERENCES IN THE STRESS–STRAIN RELATIONSHIP

The same stressful events may lead to distress and strain for one person and to excitement and healthy results for another. Individual differences play a central role in the stress–strain relationship. The weak organ hypothesis in medicine, also known as the Achilles’ heel phenomenon, suggests that a person breaks down at his or her weakest point. As the Looking Back feature on IKEA notes, we can look within for sources of strength as well. Some individual differences, such as gender and Type A behavior pattern, enhance vulnerability to strain under stressful conditions. Other individual differences, such as personality hardiness and self-reliance, reduce vulnerability to strain under stressful conditions. One study of personality and emotional performance found that individuals high on extraversion experienced elevated heart rates when asked to express personality incongruent emotions, such as anger, and that neuroticism was associated with increased heart rate and poor performance more generally. This suggests that extraversion and neuroticism affect the stress–strain relationship.

Gender Effects

While prevailing stereotypes suggest that women are the weaker sex, the truth is that the life expectancy for American women is approximately seven years longer than for American men. This implies that women may be stronger. The stereotype is challenged by research in public accounting, which finds that female public accountants have no higher turnover rates than males even though they report more stress, thus suggesting that women respond differently to stress. This is further supported by research that finds women’s behavioral responses to stress are in fact different from men’s responses to stress.

Some literature indicates that there are differences in the stressors to which the two sexes are subject. For example, sexual harassment is a gender-related source of stress for many working women. Interestingly, a study found that men, more than women, experienced increased problem drinking as a result of workplace harassment, probably because harassment is a non–normal occurrence for men. There is also substantive evidence that the important differences in the sexes are
Males, for instance, are more vulnerable at an earlier age to fatal health problems, such as cardiovascular disorders, whereas women report more nonfatal, but long-term and disabling, health problems. Although we can conclude that gender indeed creates a differential vulnerability between the two sexes, it may actually be more important to examine the differences among women or among men.

**Type A Behavior Pattern**

*Type A behavior pattern*, also labeled *coronary-prone behavior*, is a complex of personality and behavioral characteristics, including competitiveness, time urgency, social status insecurity, aggression, hostility, and a quest for achievements. Table 7.3 lists four primary components of the Type A behavior pattern.

There are two primary hypotheses concerning the lethal part of the Type A behavior pattern. One hypothesis says that the problem is time urgency, whereas the other suggests that it is hostility and aggression. The weight of evidence indicates the latter. Look back at your result in You 7.1. Are you too angry and overstressed?

The alternative to the Type A behavior pattern is the Type B behavior pattern. People with Type B personalities are relatively free of the Type A behaviors and characteristics identified in Table 7.3. Type B people are less coronary prone, but if they do have a heart attack, they do not appear to recover as well as those with Type A personalities. Organizations can also be characterized as Type A or Type B. Type A individuals in Type B organizations and Type B individuals in Type A organizations experience stress related to a misfit between their personality type and the predominant type of the organization. However, preliminary evidence suggests that Type A individuals in Type A organizations are most at risk of health disorders.

Type A behavior can be modified. The first step is recognizing that an individual is prone to this pattern. Another possible step is to spend time with Type B individuals. Type B people often recognize Type A behavior and can help them take hassles less seriously and see the humor in situations. Type A individuals can also pace themselves, manage their time well, and try not to do multiple things at once. Focusing only on the task at hand and its completion, rather than worrying about other tasks, can help them cope more effectively.

**Personality Hardiness**

People who have personality hardiness resist strain reactions when subjected to stressful events more effectively than do people who are not hardy. The components of *personality hardiness* are commitment (versus alienation), control (versus powerlessness), and challenge (versus threat). Commitment is a curiosity and engagement with one's environment that leads to the experience of activities as interesting and enjoyable. Employees with high levels of commitment are less
likely to leave the organization and experience promotion stress. Control is an ability to influence the process and outcomes of events that lead to the experience of activities as personal choices. Challenge is the viewing of change as a stimulus to personal development, which leads to the experience of activities with openness.

The hardy personality appears to use these three components actively to engage in transformational coping when faced with stressful events. Transformational coping is the act of actively changing an event into something less subjectively stressful by viewing it in a broader life perspective, by altering the course and outcome of the event through action, and/or by achieving greater understanding of the process. The alternative to transformational coping is regressive coping, a much less healthy form of coping with stressful events characterized by a passive avoidance of events by decreasing interaction with the environment. Regressive coping may lead to short-term stress reduction at the cost of long-term healthy life adjustment. In addition, more resilient employees have the ability to bounce back from stressful events more readily than those not as resilient.

Self-Reliance

There is increasing evidence that social relationships have an important impact on health and life expectancy. Self-reliance is a personality attribute related to how people form and maintain supportive attachments with others. Self-reliance was originally based in attachment theory, a theory about normal human development.

The theory identifies three distinct patterns of attachment, and research suggests that these patterns extend into behavioral strategies during adulthood, in professional as well as personal relationships. Self-reliance results in a secure pattern of attachment and interdependent behavior. Interpersonal attachment is emotional and psychological connectedness to another person. The two insecure patterns of attachment are counterdependence and overdependence.

Self-reliance is a healthy, secure, interdependent pattern of behavior. It may appear paradoxical, because a person appears independent while maintaining a host of supportive attachments. Self-reliant people respond to stressful, threatening situations by reaching out to others appropriately. Self-reliance is a flexible, responsive strategy of forming and maintaining multiple, diverse relationships. Self-reliant people are confident, enthusiastic, and persistent in facing challenges. Their flexibility allows them to form healthy partner relationships that can be a buffer against work-related stress.

Counterdependence is an unhealthy, insecure pattern of behavior that leads to separation in relationships with other people. When faced with stressful and threatening situations, counterdependent people draw into themselves, attempting to exhibit strength and power. Counterdependence may be characterized as a rigid, dismissing denial of the need for other people in difficult and stressful times. Counterdependent people exhibit a fearless, aggressive, and actively powerful response to challenges.

Overdependence is also an unhealthy, insecure pattern of behavior. Overdependent people respond to stressful and threatening situations by clinging to other people in any way possible. Overdependence may be characterized as a desperate, preoccupied attempt to achieve a sense of security through relationships. Overdependent people exhibit an active but disorganized and anxious response to challenges. Overdependence prevents a person from being able to organize and maintain healthy relationships and thus creates much distress. It is interesting to note that both counterdependence and overdependence are exhibited by some military personnel who are experiencing adjustment difficulties during the first thirty days of
basic training. In particular, basic military trainees who have the most difficulty have overdependence problems and find it difficult to function on their own during the rigors of training.

You 7.2 gives you an opportunity to examine how self-reliant (interdependent), counterdependent, and/or overdependent you are.

### Are You Self-Reliant?

Each of the following questions relates to how you form relationships with people at work, at home, and in other areas of your life. Read each statement carefully and rate each on a scale from 0 (strongly disagree) to 5 (strongly agree) to describe your degree of disagreement or agreement with the statement. Answer all 15 questions.

1. It is difficult for me to delegate work to others.
2. Developing close relationships at work will backfire on you.
3. I avoid depending on other people because I feel crowded by close relationships.
4. I am frequently suspicious of other people’s motives and intentions.
5. Asking for help makes me feel needy, and I do not like that.
6. It is difficult for me to leave home or work to go to the other.
7. People will always be there when I need them.
8. I regularly and easily spend time with other people during the workday.
9. I trust at least two other people to have my best interests at heart.
10. I have a healthy, happy home life.
11. I need to have colleagues or subordinates close in order to feel secure about my work.
12. I become very concerned when I have conflict with family members at home.
13. I get very upset and disturbed if I have conflicts in relationship(s) at work.
14. I prefer very frequent feedback from my boss to know I am performing well.
15. I always consult others when I make decisions.

### Scoring:

Follow the instructions to determine your score for each subscale of the Self-Reliance Inventory. Note: Question 6 is used twice in scoring.

#### Self-Reliance/Counterdependence

Step 1: Total your responses to Questions 1–6
Step 2: Total your responses to Questions 7–10
Step 3: Subtract your Step 2 total from 20 (20 –_____) = _____
Step 4: Add your results in Steps 1 and 3

#### Self-Reliance/Overdependence

Step 5: Total your responses to Questions 6 and 11–15 ______

A score lower than 16 in Step 4 or Step 5 indicates self-reliance on that particular subscale. A score higher than 20 in Step 4 suggests possible counterdependence, and a score higher than 20 in Step 5 suggests possible overdependence.

PREVENTIVE STRESS MANAGEMENT

Stress is an inevitable feature of work and personal life. It is neither inherently bad nor destructive. Stress can be managed. The following is the central principle of preventive stress management: Individual distress and organizational distress are not inevitable. Preventive stress management is an organizational philosophy about people and organizations taking joint responsibility for promoting health and preventing distress and strain. Preventive stress management is rooted in the public health notions of prevention, which were first used in preventive medicine. The three stages of prevention are primary, secondary, and tertiary prevention. A framework for understanding preventive stress management is presented in Figure 7.2, which includes the three stages of prevention in a preventive medicine context, as well as an organizational context.

**Primary prevention** is intended to reduce, modify, or eliminate the demand or stressor causing stress. The idea behind primary prevention is to eliminate or ameliorate the source of a problem. True organizational stress prevention is largely primary in nature, because it changes and shapes the demands the organization places on people at work. **Secondary prevention** is intended to alter or modify the individual’s or the organization’s response to a demand or stressor. People must learn to manage the inevitable, inalterable work stressors and demands so as to avert distress and strain while promoting health and well-being. **Tertiary prevention** is intended to heal individual or organizational symptoms of distress and strain. The symptoms may range from early warning signs (such as headaches or absenteeism) to more severe forms of distress (such as hypertension, work stoppages, and strikes).

**preventive stress management**

An organizational philosophy that holds that people and organizations should take joint responsibility for promoting health and preventing distress and strain.

**Figure 7.2 A Framework for Preventive Stress Management**

- **Organizational context**
  - **Organizational stressors**
    - Task demands
    - Role demands
    - Physical demands
    - Interpersonal demands
  - **Stress responses**
    - Individual responses
    - Organizational responses
  - **Distress**
    - Individual
      - Behavioral problems
      - Psychological problems
      - Medical problems
    - Organizational
      - Direct costs
      - Indirect costs

- **Preventive medicine context**
  - **Health risk factors**
  - Asymptomatic disease
    - Symptomatic disease

innovative approach used by the computer company DriveSavers blends treatment and prevention with a full-time former grief counselor. We discuss the stages of prevention in the context of organizational prevention, individual prevention, and comprehensive health promotion.

Organizational Stress Prevention

Some organizations are low-stress, healthy environments, whereas others are high-stress environments that may place their employees’ health at risk. The experience of organizational justice and fairness is emerging as one contextual factor at work that leads to a positive low-stress work environment. One comprehensive approach to organizational health and preventive stress management was pioneered in the U.S. Air Force by Colonel Joyce Adkins, who developed an Organizational Health Center (OHC) within the Air Force Materiel Command. The OHC’s goal is to keep people happy, healthy, and on the job, while increasing efficiency and productivity to their highest levels by focusing on workplace stressors, organizational and individual forms of distress, and managerial and individual strategies for preventive stress management. This comprehensive, organizational health approach addresses primary, secondary, and tertiary prevention. Most organizational prevention, however, is primary prevention, including job redesign, goal setting, role negotiation, and career management. Two organizational stress prevention methods, team building and social support at work, are secondary prevention. While we discuss team building in Chapter 9, we should note here that team structure under stress may influence team effectiveness. Specifically, teams experiencing quantitative demands are more effective when more tightly structured, while teams experiencing qualitative demands are more effective when more loosely structured. Finally, companies such as Kraft Foods (a subsidiary of Altria Group, Inc.) and Hardee’s Food Systems (part of CKE Restaurants, Inc.) have developed specific violence prevention programs to combat the rise in workplace violence. Violence in organizations is a category of dysfunctional behaviors that are often motivated by stressful events and whose negative consequences organizations want to prevent. Other employers are using return-to-work interviews and phased return to work programs to combat the negative effects of stress-related employee absences.

Job Redesign

The job strain model presented in Figure 7.3 suggests that the combination of high job demands and restricted job decision latitude or worker control leads to a high-strain job. A major concern in job redesign should be to enhance worker control. Increasing worker control reduces distress and strain without necessarily reducing productivity in many cases. The exception to this is for employees with more traditional values, because an increase in job control for them actually has detrimental effects on their health.

Job redesign to increase worker control is one strategy of preventive stress management. It can be accomplished in a number of ways, the most common being to increase job decision latitude. Increased job decision latitude might include greater decision authority over the sequencing of work activities, the timing of work schedules, the selection and sequencing of work tools, or the selection of work teams. A second objective of job redesign should be to reduce uncertainty and increase predictability in the workplace. Uncertainty is a major stressor.

Goal Setting

Organizational preventive stress management can also be achieved through goal-setting activities. These activities are designed to increase task motivation, as discussed in Chapter 6, while reducing the degree of role conflict and
ambiguity to which people at work are subject. Goal setting focuses a person’s attention while directing energy into a productive channel. Implicit in much of the goal-setting literature is the assumption that people participate in, and accept, their work goals. Chapter 6 addressed goal setting in depth.

**Role Negotiation** The organizational development technique of role negotiation has value as a stress management method because it allows people to modify their work roles. Role negotiation begins with the definition of a specific role, called the focal role, within its organizational context. The person in the focal role then identifies the expectations understood for that role, and key organizational members specify their expectations of the person in the focal role. The actual negotiation follows from the comparison of the role incumbent’s expectations and key members’ expectations. The points of confusion and conflict are opportunities for clarification and resolution. The final result of the role negotiation process should be a clear, well-defined focal role with which the incumbent and organizational members are all comfortable.

**Figure 7.3 Job Strain Model**

**Social Support Systems** Team building, discussed in Chapter 9, is one way to develop supportive social relationships in the workplace. However, team building is primarily task oriented, not socioemotional, in nature. Although employees may receive much of their socioemotional support from personal relationships outside the workplace, such support within the workplace is also necessary for psychological well-being.

Social support systems can be enhanced through the work environment in a number of ways. Interpersonal communication is the key to unlocking social support for preventive stress management. Figure 7.4 identifies key elements in a person's work and nonwork social support system. These relations provide emotional caring, information, evaluative feedback, modeling, and instrumental support.

**Individual Prevention**

Clinical research shows that individuals may use a number of self-directed interventions to help prevent distress and enhance positive well-being. Individual prevention can be of a primary, secondary, or tertiary nature. The primary prevention activities we discuss are learned optimism, time management, and leisure-time activities. The secondary prevention activities we discuss are physical exercise, relaxation, and diet. The tertiary prevention activities we discuss are opening up and professional help. These eight methods and their benefits are summarized in Table 7.4.

**Positive Thinking** Positive thinking is an optimistic approach used by people to explain the good and bad events in their lives to themselves. It is a habit of thinking learned over time, though some people are predisposed to positive thinking. Pessimism is an alternative explanatory style leading to depression, physical health
problems, and low levels of achievement. By contrast, positive thinking and optimism enhance physical health and achievement and avert susceptibility to depression. Positive thinking does not mean ignoring real stress and challenge. Optimistic people avoid distress by viewing the bad events and difficult times in their lives as temporary, limited, and caused by something other than themselves. They face difficult times and adversity with hope. Optimistic people take more credit for the good events in their lives; they see these good events as more pervasive and generalized. Learned optimism begins with identifying pessimistic thoughts and then distracting oneself from these thoughts or disputing them with evidence and alternative thoughts. Learned optimism is nonnegative thinking. This is one of the five dimensions of positive organizational behavior (POB), the other four being confidence/self-efficacy, hope, subjective well-being/happiness, and emotional intelligence.\(^{94}\)

**Time Management** Time pressure is one of the major sources of stress listed in Table 7.1 for both workers and students. The leading symptoms of poor time management include constant rushing, missed deadlines, work overload and the sense of being overwhelmed, insufficient rest time, and indecision. Good time managers are “macro” time managers who use a GP\(^3\) method of time management.\(^{95}\) This method includes (1) setting goals that are challenging yet attainable; (2) prioritizing these goals in terms of their relative importance; (3) planning for goal attainment through specific tasks, activities, scheduling, and even delegation; and (4) praising oneself for specific achievements along the way. Setting concrete goals and prioritizing them are the most important first steps in time management skills, ensuring that the most critical work and study activities receive enough time and attention. This system of time management enables a person to track his or her success over time and goes a long way toward reducing unnecessary stress and confusion.

**Leisure-Time Activities** Unremitted striving characterizes many people with a high need for achievement. Leisure-time activities provide employees an opportunity
CHAPTER 7
STRESS AND WELL-BEING AT WORK

Marathon Training Not Required

The Cooper Aerobics Center does not require marathon-intensity training for those who want to achieve the health and stress-resistant benefits of the physically fit individual. The biggest benefits of physical exercise actually come at the low-intensity level, and brisk walking does not require changing into athletic clothes. If there is only one thing to do for yourself during the course of the work week, it is to go outside and take a brisk walk. Fresh air, deep breathing, and physical activity for 15 or 20 minutes is all that is required. Lunchtime or after-work walking clubs can be a great way to combine the physical exercise benefits with social support exchanges. Some executives walk to meet colleagues at an agreed upon lunch place after which they walk back to their office settings. Building physical exercise into daily living in this way overcomes the hurdle for people who do not have the interest or motivation for more strenuous sports and physical activities, such as racquetball, squash, tennis... or marathon training. The brisk walk can be more stimulating than a cup of coffee while being healthier at the same time. An added benefit of getting outside in the fresh air for a brisk walk is the exposure to sunshine. The exposure can make you happier because exposure to sunlight is linked to the production of the feel-good chemical serotonin and is needed for the body to produce vitamin D.

SOURCE: Staff, “If You Only Do One Thing This Week, Go Outside,” Guardian Unlimited (June 29, 2009).

for rest and recovery from strenuous activities either at home or at work. Many individuals, when asked what they do with their leisure time, say that they clean the house or mow the lawn. These activities are fine, as long as they produce the stress-reducing benefit of pleasure. Some say our work ethic is a cultural barrier to pleasure. We work longer hours, and two-income families are the norm. Leisure is increasingly a luxury among working people. The key to the effective use of leisure time is enjoyment. Leisure time can be used for spontaneity, joy, and connection with others in our lives. While vacations can be a relief from job burnout, they may suffer fade-out effects. Hence, leisure time and vacations must be periodic, recurring activities.

Physical Exercise Different types of physical exercise are important secondary stress prevention activities. Colleges and universities often implement physical exercise through physical education classes, while military organizations implement it through physical fitness standards. Aerobic exercise improves a person’s responsiveness to stressful activities. Kenneth Cooper has long advocated aerobic exercise. Research at the Aerobics Center in Dallas has found that aerobically fit people (1) have lower levels of adrenaline in their blood at rest; (2) have a slower, stronger heart functioning; and (3) recover from stressful events more quickly. As we see in The Real World 7.2, it does not require marathon training to achieve these benefits as a shield against the adverse effects of stress.

Flexibility training is an important type of exercise because of the muscular contractions associated with the stress response. One component of the stress response is the contraction of the flexor muscles, which prepares a person to fight or flee. Flexibility training enables a person to stretch and relax these muscles to prevent the accumulation of unnecessary muscular tension. Flexibility exercises help maintain joint mobility, increase strength, and play an important role in the prevention of injury.

Relaxation Training Herbert Benson was one of the first people to identify the relaxation response as the natural counterresponse to the stress response."
studying Western and Eastern peoples, Benson found that Judeo-Christian people have elicited this response through their time-honored tradition of prayer, whereas Eastern people have elicited it through meditation. The relaxation response does not require a theological or religious component. If you have a practice of regular prayer or meditation, you may already elicit the relaxation response regularly. Keep in mind that digestion may interfere with the elicitation of the response, so avoid practicing relaxation shortly after eating.

**Diet** Diet may play an indirect role in stress and stress management. High sugar content in the diet can stimulate the stress response, and foods high in cholesterol can adversely affect blood chemistry. Good dietary practices contribute to a person’s overall health, making her or him less vulnerable to distress. In his nonsurgical, nonpharmacological approach to reversing heart disease, Dean Ornish proposes a very stringent “reversal diet” for people with identifiable blockage of the arteries. Ornish recommends a somewhat less stringent “prevention diet” as one of four elements for opening up the arteries. Another element in his program is being open in relationships with other people.

**Opening Up** Everyone experiences a traumatic, stressful, or painful event in life at one time or another. One of the most therapeutic, curative responses to such an event is to confide in another person. Discussing difficult experiences with another person is not always easy, yet health benefits, immune system improvement, and healing accrue through self-disclosure. In one study comparing those who wrote once a week about traumatic events with those who wrote about nontraumatic events, significant health benefits and reduced absenteeism were found in the first group. Confession need not be through a personal relationship with friends. It may occur through a private diary. For example, a lawyer might write each evening about all of his or her most troubling thoughts, feelings, and emotions during the course of the day. The process of opening up and confessing appears to counter the detrimental effects of stress.

**Professional Help** Confession and opening up may occur through professional helping relationships. People who need healing have psychological counseling, career counseling, physical therapy, medical treatment, surgical intervention, and other therapeutic techniques available. Employee assistance programs (EAPs) may be very helpful in referring employees to the appropriate caregivers. Even combat soldiers who experience battle stress reactions severe enough to take them out of action can heal and be ready for subsequent combat duty. The early detection of distress and strain reactions, coupled with prompt professional treatment, can be instrumental in averting permanent physical and psychological damage.

**Comprehensive Health Promotion**

Whereas organizational stress prevention is aimed at eliminating health risks at work, comprehensive health promotion programs are aimed at establishing a “strong and resistant host” by building on individual prevention and lifestyle change. Physical fitness and exercise programs characterize corporate health promotion programs in the United States and Canada. A health promotion and wellness survey of accredited medical schools in the United States, Canada, and Puerto Rico found that these programs place the most emphasis on physical well-being and the least emphasis on spiritual well-being. A new approach to comprehensive health promotion places the focus on the organization and organizational wellness. Still, social and cognitive processes are key considerations in the successful implementation of stress prevention programs.

Johnson & Johnson developed a comprehensive health promotion program with a significant number of educational modules for individuals and groups. These
modules addressed a specific topic, such as Type A behavior, exercise, diet (through cooperative activities with the American Heart Association), stress, and risk assessment (through regular risk assessments and health profiles for participants). Johnson & Johnson found that the health status of employees who are not participating in health promotion programs in the workplace improves if the worksite does have such a program.

MANAGERIAL IMPLICATIONS: STRESS WITHOUT DISTRESS

Stress is an inevitable result of work and personal life. Distress is not an inevitable consequence of stressful events, however; in fact, well-managed stress can improve health and performance. Managers must learn how to create healthy stress for employees to facilitate performance and well-being without distress. Managers can help employees by adjusting workloads, avoiding ethical dilemmas, being sensitive to diversity among individuals concerning what is stressful, and being sensitive to employees’ personal life demands.

New technologies create demands and stress for employees. Managers can help employees adjust to new technologies by ensuring that their design and implementation are sensitive to employees and that employee involvement is strong.

Managers can be sensitive to early signs of distress at work, such as employee fatigue or changes in work habits, in order to avoid serious forms of distress. The serious forms of distress include violent behavior, psychological depression, and cardiovascular problems. Distress is important to the organization because of the costs associated with turnover and absenteeism, as well as poor-quality production.

Managers should be aware of gender, personality, and behavioral differences when analyzing stress in the workplace. Men and women have different

When Domestic Violence “Goes to Work”

Rachel was assaulted by her partner when she was eight months pregnant. Not only did he assault her, he snatched the telephone out of the wall, leaving Rachel with no way to call for help. By the time she cleaned up her head wound and got to a pay phone to call in sick, her shift had already begun.

This wasn’t the first time that Rachel had to miss work. She regularly called in sick due to the physical and emotional effects of the abuse she suffered at the hands of her partner. In fact, Rachel had become a pro at making excuses to explain away her cuts, strangle marks, and bruises to her colleagues. When the “I fell” and “I hurt myself in a sporting event” explanations wore thin, she began to cover up the telltale marks on her neck and arms with long sleeves and sweaters even during the summer. All of the other times, Rachel had gotten away with calling in sick so often, but this time was different. This time she lost her job.

Rachel is not alone. She is one of the 57 percent of women who have reported domestic abuse at some time in their lives. Although they struggle to keep their personal and professional lives separate, women who experience domestic trauma often find it very difficult if not impossible to concentrate at work. Because these women often suffer in silence, their employers may feel they have no other alternative but to fire them.

1. Is domestic violence a workplace issue?
2. What can employers do if they suspect an employee’s poor performance is related to stress stemming from domestic abuse?

vulnerabilities when it comes to distress. Men are at greater risk of fatal disorders, for example, and women are more vulnerable to nonfatal disorders, such as depression. Managers should be aware that even positive performance stereotypes may place undue stress on employees, leading to chronic disorders such as hypertension. Personality hardiness and self-reliance are helpful in managing stressful events.

Managers can use the principles and methods of preventive stress management to create healthier work environments. They can practice several forms of individual stress prevention to create healthier lifestyles for themselves, and they can encourage employees to do the same. Large organizations can create healthier workforces through the implementation of comprehensive health promotion programs. Setting an example is one of the best things a manager can do for employees when it comes to preventive stress management.

**LOOKING BACK: IKEA**

**Look Within for Sources of Strength**

Yes, IKEA faced external challenges in the economic downturn and the Russian corruption problem. There is a saying that the strong survive. If that is so, what is the source of strength for survival? In IKEA’s case, even the company’s business model has been challenged. Specifically, the question has been posed: Is IKEA’s business model coming apart? This is both a legitimate and an important question, one for any business to be able to answer in the negative. Just because the company’s sales may be sluggish does not mean that the core business model of minimalist flat-pack furniture is dead or outdated. The core business model must be a source of strength and survivability in a competitive, demanding marketplace. IKEA’s competitors, such as Kingfisher’s B & Q, seeks to emulate the one-size-fits-all approach to global retailing.

Duke behavioral economist Dan Ariely has a theory that IKEA’s build-it-yourself furniture creates long-term customer loyalty. Why? Because you like the furniture even more after struggling to put it all together with a minimum of useful instructions. No one would suggest that the instructions are overly detailed. This mild ambiguity creates a customer opportunity. Specifically, the opportunity is for the customer to engage, or invest, in the whole process of creating the furniture.

Engagement and involvement lead to commitment. That may be the underpinning for Ariely’s theory about IKEA’s model for creating loyalty and business. His theory is born too of personal experience as an IKEA customer. The company’s do-it-yourself strategy has succeeded for over half a century, one indicator of strength, and across dozens of countries, another indicator of strength.

IKEA’s new Tampa, Florida store is the size of two Wal-Mart Supercenters, suggesting that the company believes in its business model and its internal strength to compete. If every customer that visits the IKEA store in Tampa spends a few hours inside, this might become a weekend pastime for thousands of Florida’s West Coast citizens. A store this size becomes a big target. Maybe the customer loyalty that IKEA generates through the do-it-yourself strategy results from appealing to
these customers’ sense of achievement. While the company’s business model may be an internal source of strength to survive and thrive in a very competitive retail environment, IKEA may draw strength too from its loyal and lasting customer base who has displayed their own strength and achievement in assembling IKEA furniture.

Chapter Summary

1. Stress is the unconscious preparation to fight or flee when faced with any demand. Distress is the adverse consequence of stress.
2. Four approaches to understanding stress are the homeostatic/medical approach, the cognitive appraisal approach, the person–environment fit approach, and the psychoanalytic approach.
3. The stress response is a natural mind–body response characterized by four basic mind–body changes.
4. Employees face task, role, interpersonal, and physical demands at work, along with nonwork demands. Globalization, international competition, and advanced technologies create new stresses at work.
5. Nonwork stressors, such as family problems and work–home conflicts, can affect an individual’s work life and home life.
6. Stress has health benefits, including enhanced performance.
7. Distress is costly to both individuals and organizations.
8. Individual diversity requires attention to gender, Type A behavior, personality hardiness, and self-reliance in determining the links between stress and strain.
9. Preventive stress management aims to enhance health and reduce distress or strain. Primary prevention focuses on the stressor, secondary prevention focuses on the response to the stressor, and tertiary prevention focuses on symptoms of distress.

Key Terms

- compensation award (p. 232)
- counterdependence (p. 234)
- distress (p. 220)
- ego-ideal (p. 222)
- homeostasis (p. 222)
- overdependence (p. 234)
- participation problem (p. 231)
- performance decrement (p. 232)
- personality hardiness (p. 233)
- preventive stress management (p. 236)
- primary prevention (p. 237)
- secondary prevention (p. 237)
- self-image (p. 222)
- self-reliance (p. 234)
- strain (p. 220)
- stress (p. 220)
- stressor (p. 220)
- tertiary prevention (p. 237)
- transformational coping (p. 234)
- Type A behavior pattern (p. 233)
- workaholism (p. 228)

Review Questions

1. Define stress, distress, and strain.
2. Describe four approaches to understanding stress. How does each add something new to our understanding of stress?
3. What are the four changes associated with the stress response?
4. List three demands of each type: task, role, interpersonal, and physical.
5. What is a nonwork demand? How does it affect an individual?


7. What are the major medical consequences of distress? The behavioral consequences? The psychological consequences?

8. Why should organizations be concerned about stress at work? What are the costs of distress to organizations?

9. How do individual differences such as gender, Type A behavior, personality hardiness, and self-reliance moderate the relationship between stress and strain?


11. Describe eight individual preventive stress management methods.

12. What is involved in comprehensive health promotion programs?

Discussion and Communication Questions

1. Why should organizations help individuals manage stress? Isn’t stress basically the individual’s responsibility?

2. Is there more stress today than in past generations? What evidence is available concerning this question?

3. Discuss the following statement: Employers should be expected to provide stress-free work environments.

4. If an individual claims to have job-related anxiety or depression, should the company be liable?

5. Do you use any stress prevention methods that are not discussed in the chapter? If so, what are they?

6. Write a memo describing the most challenging demands and/or stressors at your workplace (or university). Be specific in describing the details of these demands and/or stressors. How might you go about changing them?

7. (Communication question) Interview a medical doctor, a psychologist, or another health care professional about the most common forms of health problems and distress seen in their work. Summarize your interview and compare the results to the categories of distress discussed in the chapter.

8. (Communication question) Do research on social support and diaries as ways to manage stressful and/or traumatic events. Develop an oral presentation for class that explains the benefits of each of these approaches for preventive stress management. Include guidelines on how to practice each.

Ethical Dilemma

Neil Murray has been working for a small accounting firm for the last eight months—he left a grueling position with one of the major firms in New York City in favor of a chance to work at Johnston & Marcus. Even though Neil makes a little less money, he truly values the other “perks” of the job. Neil appreciates how the founding partners have established a supportive environment. The firm maintains a warm, family atmosphere, where people feel legitimately cared for. Neil no longer works long nights or weekends, and he’s been able to reconnect with his young family by eating dinner together every night and volunteering as a Little League coach. That extra time has also allowed Neil to pick up a workout regimen to get his health back in order. He also loves how the firm encourages their staff to volunteer their accounting talents to local nonprofits by rewarding them with paid vacation time for their efforts. In short, Neil has found his new job extremely rewarding, both professionally and personally.

Once a month, however, Neil has to file a status report on the firm’s standing and financials to a clearing house. It isn’t a long or complicated report, but Neil dreads completing it, because his boss requires Neil to falsify information that needs to be included. Neil hasn’t challenged his boss—he has simply complied with the request.

During the last two months, as the report date looms, Neil finds himself getting depressed. He has begun to get sick to his stomach when he thinks about completing the forms using incorrect information. Neil doesn’t even want to sign his name to the document, because he knows that he is committing a crime.
If this were occurring at Neil’s former job, Neil would have quit the first time he was asked to lie. However, he feels so strongly about how well he loves everything else at Johnston & Marcus that it’s hard for him to imagine leaving.

**Experiential Exercises**

7.1 Gender Role Stressors

The major sources of stress are not necessarily the same for men and women. This exercise will help you identify the similarities and differences in the stressors and perceptions of men and women.

**Step 1.** Individually list the major sources of stress for you because of your gender. Be as specific as possible, and within your list, prioritize your stressors.

**Step 2.** Individually list what you think are the major sources of stress for those of the opposite gender. Again, be as specific as possible, and prioritize your list.

**Step 3.** In teams of five or six members of the same sex, share your two lists of stressors. Discuss these stressors, and identify the top five sources of stress for your group because of your gender and the top five sources of stress for those of the opposite gender. Again, be as specific as possible, and prioritize your list.

**Step 4.** The class will then engage in a cross-team exchange of lists. Look for similarities and differences among the teams in your class as follows. Select one gender to be addressed first. If the females are first, for example, the male groups will post their predictions. This will be followed by the actual stressor lists from the female groups. Then do the same for the other gender.

7.2 Workplace Stress Diagnosis

The following exercise gives you an opportunity to work within a group to compare the work demands and job stressors found in different work settings. Intervention for preventive stress management should always be based on a good diagnosis. This exercise gives you a start in this direction.

**Step 1.** Rate the degree to which each of the following work demands is a source of stress for you and your coworkers at work. Use a 7-point rating scale for assigning the stressfulness of the work demand, with 7 = very high source of stress, 4 = moderate source of stress, and 1 = very little source of stress.

- Uncertainty about various aspects of the work environment
- Lack of control over people, events, or other aspects of work
- Lack of career opportunities and progress

**Questions:**

2. What should Margaret do? Why?
**BizFlix | The Upside of Anger**

Terry Ann Wolfmeyer (Joan Allen) turns to ferocious anger and alcohol after her husband leaves for his secretary. Neighbor Denny Davies (Kevin Costner), a retired Detroit Tigers pitcher and host of a radio talk show, tries to befriend Terry and help her cope as a drinking buddy. Add four beautiful daughters and the interpersonal interactions become complex and sometimes comedic.

**Stress and Stressors: Terry and Denny**

This sequence has two parts with a title screen separating them. Part I follows the family dinner with Denny as a guest. Terry is standing on the porch holding her drink against her forehead as Denny arrives. Part I ends with Terry saying, “Then leave. Any other reason than that for you to be here, frankly, is just pitiful.” She returns to the house while Denny stays on the porch.

Part II follows the bungee jumping scene and Denny driving Lavender “Popeye” Wolfmeyer (Evan Rachel Wood) home. It begins with Terry and Denny eating ice cream from the same container. Denny tells her that “Popeye” suggested he marry her mother. This scene ends after Denny kicks down the bathroom door. Terry screams, jumps into the bathtub, and Denny approaches silently.

**What to Watch for and Ask Yourself**

- Separately assess the stressors affecting Terry and Denny. View Part I for Terry and Part II for Denny.
- Are Terry and Denny having a distress or eustress response? Give examples of behavior in the film sequences to support your observations.
- Review the earlier section, “The Consequences of Stress.” What consequences do you observe or predict for Terry and Denny?

**Workplace Video | Mitchell Gold + Bob Williams: The Evolution of Management Thinking**

When Mitchell Gold and Bob Williams started their furniture company in 1989, the rules governing the upholstery industry were so outdated that the business partners had to write their own. New management philosophies taking hold in the larger business world were far from the minds of most furniture executives, and service throughout the industry was undependable. When a customer placed an order for a custom upholstery couch, a representative would estimate delivery any time within ten weeks—and rarely did the piece arrive on time or according to plan.

But Gold and Williams had a clear sense of how they wanted to run their business. Their goal was to guarantee comfort, minimize costs, enact rigorous controls, and create styles they desired for their own homes. Most importantly, they would never skimp on quality. True to that vision, the Mitchell Gold + Bob Williams furniture company (MG+BW) uses only high-quality kiln-dried hardwoods for new products.

Early on in their venture, the entrepreneurial duo began producing private-label furniture for Pottery Barn. They soon added Crate & Barrel, Restoration Hardware, and Chambers. Gold and Williams supplemented that business with robust sales to business clients such as W Hotels.
But the partners also wanted to provide a workplace where employees could perform jobs unburdened by stress. To achieve that goal, they set out to devise creative benefits and worker-friendly facilities. Indeed, MG+BW has a reputation for offering generous benefits to employees, spouses, partners, and other family members. For employees who seek better integration between work and everyday living, the company offers a health-conscious café, indoor walking track, gym, and on-site daycare—the first in the furniture industry. MG+BW even offers college scholarships for children of employees.

Gold and Williams have become respected leaders in their industry, and competitors must now play by the rules they set. As the partners celebrate 20 years in business and $100 million in sales, it’s clear that their people-focused business strategies have paid off.

Discussion Questions

1. Identify sources of stress that Mitchell Gold and Bob Williams aim to alleviate in their organization.
2. In what way does MG + BW use benefits to promote a healthy workforce?
3. Why is it necessary for MG + BW to monitor and manage the stress levels of workers?
Dealing with Stress the Genentech Way

Genentech, founded in 1976 by Dr. Herbert W. Boyer, a biochemist, and Robert A. Swanson, a venture capitalist, has a mission “to be the leading biotechnology company, using human genetic information to discover, develop, manufacture and commercialize medicines to treat people with serious or life-threatening medical conditions.”1 Headquartered in South San Francisco, California, Genentech “launched the biotechnology industry, which engineers drugs from living cells instead of test tubes.”2 The company manufactures and markets biotherapeutic products in the areas of oncology, immunology, and disorders of tissue growth and repair.3 Over the years Genentech has become a leading biotechnology company, noted as much for its human resources programs as for its development and commercialization of new biotherapeutic products.

In 2007, Genentech CEO Arthur Levinson said, “… we place a huge emphasis on making Genentech a great place to work. Eight or nine years ago, we didn’t appear on many lists of the best places [to work]…. [Then we started asking employees questions like:] ‘What do you like; and more importantly, what do you not like about the company? What bothers you?’”4

This concern for making the company a great place to work has resulted in Genentech being recognized multiple times as one of the top places to work in the United States. In early 2009, for example, Fortune magazine included Genentech on its list of the “100 Best Companies to Work For” for the eleventh year in a row. In September 2008, Working Mother magazine identified the company as one of the “100 Best Companies for Working Mothers” for the sixteenth consecutive time. Also in late 2008, Science magazine tagged Genentech as “the top employer in the biopharmaceutical industry” for the seventh consecutive year.5

The management philosophy and corporate culture of Genentech play important roles in the company’s human resource policies and practices. Insights into these philosophical and cultural underpinnings can be discovered on the company’s Web site. Genentech’s Web site states, “We don’t wonder about the purpose of our jobs at Genentech. Helping people with difficult-to-treat diseases provides a common mission for all of us and drives us to work hard and with a sense of urgency. We focus our drug discovery efforts on unmet medical needs—serious or life-threatening illnesses where there is a need for safer and more effective therapies—because we believe these are the areas where we can make the biggest difference. We spend every day thinking about matters of life and death, and we feel a great responsibility to do our best work. However, we counterbalance this seriousness with an environment that is casual…. We refer to this combination of gravity and informality as ‘casual intensity,’ and we believe it is part of what has made us successful.”6 The company’s Web site goes on to indicate that “We place great importance on our employees, and we strive to make each individual feel valued for his/her contributions to the company’s mission…. We aim for every employee to feel that their unique ways of thinking are welcomed and that they can take the initiative to propose projects they believe are important to the company’s success. We also encourage employees to bring their idiosyncratic and playful ways of expressing themselves and celebrating life to our demanding workplace.”7

Genentech has numerous programs that provide employees with a unique workplace as well as diverse opportunities to enhance their personal learning, achieve personal and professional goals, and enable them to manage the sometimes difficult task of juggling their work lives and their personal lives.8 What are some of the specific Genentech programs that make it such a good place to work?

Being a leading company in the biotechnology industry requires Genentech to maintain a corporate culture that fosters creativity and innovation. Genentech’s “commitment to innovation has to be underscored at every turn. Since its founding in 1976, Genentech has allowed its researchers to publish their findings in academic journals, an important career status marker for scientists. That’s different from most pharma companies, which tightly guard their research secrets. As a result, Genentech can compete with the Harvard and Stanford universities of the world when recruiting top scientists.”9

Genentech also promotes emotional health among its employees by creating a connection culture. One example of this connection culture involves bringing cancer patients into the company’s facilities to meet with employees; doing so reinforces for the employees the importance of the work they do, and they have a face-to-face understanding of how their work impacts the lives of people. A connection

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culture “creates an emotional bond among members that leads to greater trust and cooperation, and a palpable sense of energy that boosts the organization and its members to play at the top of their games.” A connection culture affects employees in many positive ways: it improves health, boosts creativity and problem-solving ability, and increases the feeling of satisfaction in life. Moreover, “[c]onnection is four times more effective at boosting employee engagement than rational factors—and it results in higher productivity, profitability, shareholder returns, customer satisfaction, and employee retention.”

Another way in which Genentech promotes the well-being of its employees is through its tuition-assistance program. This program provides up to $10,000 annually to cover educational expenses. Typically, several hundred employees take well over a thousand courses in any given year. The program is an important aid in attracting, keeping, and developing talented scientists. Kenneth Bradshaw, associate director of benefits for Genentech, observes that these supported educational opportunities contribute to the excitement of working there.

Still another important initiative for Genentech is helping employees maintain balance between their work lives and their personal lives. The Society for Human Resource Management (SHRM) forecasts that “work/life balance will be one of the top 10 trends influencing the workplace in the next decade.” Genentech provides a culture that enhances work/life balance for every employee. The company also provides a physical “work environment that promotes collaboration and knowledge transfer, both face-to-face and via e-communication.” Interestingly, research by the American Society of Interior Designers (ASID) identified workplace environment as “one of the top three factors influencing an employee’s decision to accept or stay in a job—just behind compensation and benefits.”

All of these programs are aimed at making life less stressful for Genentech’s employees. Is the Genentech way of dealing with employee stress and well-being a model to be emulated by other companies?

**Discussion Questions**

1. Would you characterize Genentech’s employees as experiencing distress or eustress?
2. How can the Yerkes–Dodson law be related to the impact of Genentech’s programs that are aimed at enhancing employee well-being?
3. How do Genentech’s basic management philosophy and the key features of its culture set the stage for the company’s concern about their employees’ well-being?
4. What might be accomplished by Genentech’s programs with respect to enabling employees to better deal with workplace stress or its consequences?
5. Four specific programs that target employee well-being in one way or another are mentioned: a culture fostering creativity and innovation, a connection culture, tuition assistance, and emphasis on work/life balance. Which of these four programs do you think holds the most promise for being effectively emulated by other companies? Explain the reasoning behind your answer.
6. What are the individual and organizational consequences that likely can be attributed to Genentech’s various programs?

**SOURCE:** This case was written by Michael K. McCuddy, The Louis S. and Mary L. Morgal Chair of Christian Business Ethics and Professor of Management, College of Business Administration, Valparaiso University.
Zappos.com: Why Do Zapponians Love the Company? (B)

In February, 2009 Zappos made history as it debuted in the twenty-third position on Fortune magazine’s list of “The 100 Best Companies to Work For,” which is the highest rank ever attained by a newcomer to the list.1 Zappos, adored by customers and employees alike, provides “a model of how to manicure culture and treat staff like adults, while simultaneously reassuring them that sometimes it’s okay to behave like children.”2 So, why do Zappos employees (known as Zapponians) think that it is a great place to work? Why do they love the company?

CEO Tony Hsieh is committed to making “employees and customers feel really, really good. This is not because Hsieh is a nice guy (though he is a very nice guy), but because he has decided that his entire business revolves around one thing: happiness.”3 The focus on happiness has generated many accolades for Zappos, but its approach to workplace happiness is quite different from the approaches of other employee-friendly businesses.

To begin with, the Zappos hiring process creates very different expectations than do most companies,4 and it proves that the company isn’t for everyone. “If you need a wall between work and life, you probably wouldn’t make it through the interview process anyway. The Zappos HR team uses offbeat, cartoony applications and wacky interview questions... to screen for creativity and individuality while filtering out egomaniacs and wallflowers.”5 Regardless of the position, everyone hired at Zappos attends a four-week training program that includes discussion of the company’s history, culture, and philosophies; a two-week stint in the call center, to get to know customers; and one week in the company’s distribution center in Kentucky. Exposing everyone to the same training process serves to get everyone on the same page.6 One major aim of the whole training process is to weed out half-hearted new hires.7 Hsieh says, “We do our best to hire positive people and put them in an environment where the positive thinking is reinforced.”8

Compensation policies and practices also differentiate Zappos from other companies that are lauded as great places to work. “Most employees are hourly, and you won’t get rich on a call center salary.”9 “Zappos pays salaries that are often below market rates—the average hourly worker makes just over $23,000 a year.”10 For example, warehouse workers start at $8.25 an hour and customer service representatives start at $11 an hour.11 And Tony Hsieh, though he owns a significant chunk of Zappos, only takes a salary of $36,000 a year.12 Although Zappos covers 100 percent of employees’ health care costs, employees “are not offered perks found at many companies, such as on-site child care, tuition reimbursement, and a 401(k) match.”13 Zappos does offer free food to its employees, but it’s nothing special—essentially, little more than a pile of cold cuts set up in a small cafeteria.14

The different, indeed unique, approach of Zappos is an expected part of day-to-day behavior on the job. Hsieh describes a not unusual occurrence with customer service reps. “Calls may last an hour, and if a customer is looking for a particular pair of shoes that are out of stock, our associates are trained to look at competitor Web sites to find what the customer wants. Yes, we don’t make a sale, but we might develop a life-long relationship with that customer.”15 “What we care about,” says Hsieh “is that our associate went above and beyond the customer’s expectations.”16

Employees are encouraged to spend time together outside of work. This includes CEO Hsieh as well. He’s usually “hanging out” with co-workers—and not just top management—when he’s not in the office.17 Hsieh says, “I want our employees to wake up and feel like they are going to hang out with friends, not going to work.”18 This results in a culture of extroversion but conformity (or nose rings to the more cynical observers).19 Visitors to the Zappos facilities are amazed at how friendly everyone is and the “fun atmosphere” in which employees work.

The employees don’t view working at Zappos as a job; rather, they view it as a “lifestyle.”20 Part of that lifestyle is eliminating competitiveness among employees as well as egocentric attitudes and behaviors.21 Another
Discussion Questions

1. How would you describe the personality of Tony Hsieh?

2. What personality characteristics are deemed to be desirable in a Zapponian? Why are these characteristics desirable?

3. Zappos is viewed as a great place to work. In your opinion, what would make Zappos a great place to work?

4. Referring to your response to question 3, use ideas about attitudes, emotions, and ethics to explain what your reasons mean from a conceptual perspective.

5. Referring to your response to question 3, use ideas about motivation to explain what your reasons mean from a conceptual perspective.

6. Referring to your response to question 3, use ideas about learning and performance management to explain what your reasons mean from a conceptual perspective.

7. Do you think Zappos is a stressful or relatively stress-free work environment? Explain your answer.

8. Given the expectations that the company has for Zapponians, is this a company for which you would like to work? Why or why not?

SOURCE: This case was written by Michael K. McCuddy, The Louis S. and Mary L. Morgal Chair of Christian Business Ethics and Professor of Management, College of Business Administration, Valparaiso University.