

The stress that kills American workers

Poor health care and job insecurity shorten lives



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WORK can make you sick and shorten your life. That is the argument of a hard-hitting book* by Jeffrey Pfeffer, a professor at the Stanford Graduate School of Business. In an obvious way, that claim is outdated. Health-and-safety rules help explain why deaths from accidents in American workplaces fell by 65% between 1970 and 2015. But one problem has not gone away: stress. As many as 80% of American workers suffer from high levels of stress in their job, according to a survey entitled “Attitudes in the American Workplace”. Nearly half say it is so debilitating that they need help.

Firms are at least aware of the issue. A study in 2008 by Watson Wyatt (a consultancy that is now part of Towers Watson) found that 48% of organisations said job-related stress affected performance. But only 5% of employers said they were doing anything to deal with the matter.

Mr Pfeffer’s book focuses on America, where the problem seems particularly acute. One survey found that 55% of employees log into their e-mails after 11pm (in contrast, a new French law gives employees the right to ignore e-mails after their working day has ended); 59% do so on holidays. That is, if they actually take a break at all; more than half of American workers eligible for holiday do not use all the time allotted. All told, Mr Pfeffer calculates that work-related issues may be responsible for as many as 120,000 American deaths a year. A comparison with Europe suggests that around half of those deaths could be eliminated.

One reason for Europe’s better record is the provision of universal health care. Mr Pfeffer reckons that the absence of health insurance for all, and its often limited nature where firms do provide it, is the biggest

single contributor to America's higher work-related death rate. One survey estimated that being uninsured increased mortality risk by 25% among working-age adults. Many insured workers have restricted cover. In 2015 a Gallup survey found that almost a third of Americans delayed medical treatment in the previous year owing to the cost. None of this is good for businesses. Workers in poor health are less productive; they also tend to leave work, meaning higher staff turnover.

Mr Pfeffer is also critical of America's work culture, in which firms are quicker than peers elsewhere to shed labour. "Increased employee fear, disengagement and reduced effort frequently swamp any positive direct effects that come from cutting costs by reducing the payroll," he argues. And if unemployment strikes, poor health may well follow. Americans who lose their jobs are 22% more likely to experience a heart attack, after controlling for factors such as smoking, drinking and obesity.

Mr Pfeffer thinks that the growth of the gig economy may make matters worse still. Freelance workers are less likely to have health insurance. They may also suffer higher levels of stress, over their unreliable incomes and irregular hours. Broadly speaking, jobs that give individuals more autonomy and control increase motivation and also make individuals healthier, Mr Pfeffer writes.

Many will think Mr Pfeffer overstates his case. Some of the problems he describes are rooted in society as a whole, not business in particular. The design of health-care systems is a political choice, rather than a business one. A general rise in unemployment, caused by an economic downturn, is not the fault of individual businesses. The stress for workers of a hire-and-fire culture cuts less deep when unemployment is at record lows, as today. Much as the gig economy spells job insecurity for some, for others it means greater control of their working lives. And some behaviour, such as the unwillingness of Americans to take holidays, is long-standing.

But Mr Pfeffer is right to call attention to the problem of stress, and persuasive that job insecurity and the ubiquity of electronic communication have added to the pressure in the past 20 years. A big change in America's health-care system is unlikely. So the best hope may lie in a change in corporate behaviour.

The author cites firms such as Aetna, an insurance group, and Barry Wehmiller, a manufacturer, which have introduced policies such as wellness programmes and a higher minimum wage, without sacrificing profits. That model worked in the past for Quaker-run British confectionery businesses such as Cadbury and Rowntrees. Mr Pfeffer's book is a powerful argument for looking at it again.

* "Dying for a Paycheck: How Modern Management Harms Employee Health and Company Performance—And What We Can Do About It", published by Harper

The Economist interviewed Jeffrey Pfeffer, author of *Dying for a paycheck*.

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