Risky Business: The Hidden Cost of Stress

Your blueprint for resilience; learn how employee stress affects your business risk

Research produced by WONE

Contents

Foreword

Stress has emerged as one of the most significant threats to human health in the 21st century. This silent epidemic is now recognized as a major driver of chronic disease, cognitive decline, and mental health challenges. The impact of stress in the workplace reaches far beyond personal health, posing a significant yet underestimated business risk.

In this whitepaper, we introduce a novel scientific theory—The Stress-Risk Thermometer—validated with data from 1,005 full-time employees in US and UK technology and professional services industries. As a subsection of the entire workforce, these sectors are typically high-pay, and high-intensity environments. Participants completed the WONE Index, a scientifically-validated measure of stress, and reported on 17 business risks. The insights were further enriched through interviews with business leaders, stress researchers, and risk experts.

Our findings reveal the direct impact of stress on employee performance, critical business risks, and the impact to a company's bottom line. They reinforce prior research: 80% of global senior risk professionals foresee burnout having a significant impact on businesses in the next year, but only 41% feel equipped to address it[1]. Why? Until now, scientific, data-driven interventions for workplace stress were scarce, and employee stress has long been viewed as an HR concern, rather than acknowledged as a critical factor in a business' P&L, risks, and costs. Compounding the challenge is the siloed nature of HR and Finance/Risk teams—two functions that must come together to address this escalating threat effectively.

Whilst the problem of stress is large and complex, the solution doesn't need to be. Our findings show the massive potential for reducing business risks with stress management interventions rooted in data and science. By including stress management into your business risk analysis you can transform both employee health and business outcomes. For the first time, well-being investments can move from intangible "nice-to-haves" into strategic imperatives that measurably strengthen organizational resilience and returns.

This paper gives you clear recommendations to improve employee health, reduce risk, and see your business thrive. Now is the time to act—because the cost of inaction is a risk no organization can afford to take.

Reeva Misra
Founder & CEO, WONE

Executive Summary

1. Stress is a physiological response that humans have evolved as a way to respond effectively in times of danger. In our modern lives this stress response is on overdrive which over time leads to chronic health conditions. Workplaces are a significant driver of stress in the modern world and the research here suggests a staggering **45% of the workforce is highly stressed, experiencing stress frequently or always.**

2. The repercussions on a business are significant. Our research shows that stress is a measurable business risk, **with high-stress costing a 1,000-person organization an extra $5.3 million annually.** The Stress-Risk Thermometer theory illustrates how risk builds as stress builds. Said simply, stress acts as a powerful multiplier on many existing issues. Yet, despite these shocking figures, preventive stress management rarely features in a risk mitigation plan.

3. Our research dives into how stress impacts different areas of risk. **High-stress employees take 8x as many sick days from stress, and 2.5x more health claims** as low stress employees. With stress creeping up on individuals over a period of time, it's critical that businesses act before stress becomes chronic and manifests in irreversible ways.

4. Whilst the problem of stress at work is large and complex, the solution doesn't need to be. Walking on Earth (WONE) has developed a unique methodology called the WONE Method that blends the latest advances in AI technology and the neuroscience of micro-moments of recovery, to help employees regulate their stress. It results in **74% of individuals reporting a reduction in stress and 90% reporting an increase in productivity.**

5. Businesses must adopt innovative, data-driven solutions to mitigate employee stress. These solutions are not optional perks - they represent a significant financial opportunity to reduce costs. The portion of the workforce that is currently unproductive would now be able to realize their full potential. The powerful multiplier of stress now acts in our favor, fueling employee performance and reaching potential.

Methodology

Goal of the research

The research in this whitepaper demonstrates the significant correlations between employee stress and business risks. This first validation study of our scientific theory, The Stress-Risk Thermometer Theory, highlights the importance of businesses building effective stress management into risk mitigation strategies.

How The Research Was Conducted

We examined the relationship between work-related stress severity and business risk using survey data collected from December 2024 to January 2025. The study included 1,005 participants working in the United States (50%) and United Kingdom (50%). Each participant reported on 17 business risks spanning 5 categories (see Table below), and were asked to what extent the following statements were true for them over the past month. They also completed the WONE Index, our scientifically-validated measure of stress and resilience factors.

Study Sample

INDUSTRIES IN THE STUDY

- **LEGAL**
- **FINANCIAL SERVICES**
- **TECHNOLOGY**
- **BUSINESS SERVICES**
- **MARKETING & ADVERTISING**

What is the WONE Index?

The WONE Index, from Walking on Earth, is a self-report measure of stress-related health and wellbeing and includes an assessment of sleep and energy; physical activity and nutrition; psychological resilience and its key contributing factors; and current stress. The WONE platform uses the Index to provide employees with actionable insights based on their data to identify stress triggers and relievers, track and improve their resilience over time, and make informed choices about their wellbeing.

Alongside individual factors, the Index also measures wider factors of organisational health and stress risk, including the level of psychological safety, information about relationships and support at work, workload and autonomy—all key predictors of performance. Finally, current levels of absenteeism, presenteeism, turnover risk and healthcare costs are assessed. Although these outcomes are not included in the user's Index score, data on them are collected to help employers gain insights and shape their wellbeing strategy, as well as to track indicators of ROI over time.

For the purposes of this research, we used the Work Stress subscale of the WONE Index, which assesses how often respondents felt stressed, overwhelmed, and anxious at work over the past month.

In addition to our quantitative research, we conducted interviews with business leaders, stress researchers, and risk experts. Together with our own expertise and compilation of research in the field, this research provides you with insights and tangible recommendations that will serve as a blueprint for real and lasting change.

Business Risks in This Study

Workforce loss
- Intent to Leave
- Absenteeism due to Stress

Performance & Engagement
- Overall Work Engagement
- Task Engagement
- Creative Problem-solving
- Time Management
- Productivity
- Focus
- Performance Affected by Health

Critical operational risk
- Compliance Risk
- Making Errors
- Missed Deadlines
- Decision-making

Relationships at Work
- Hostility Toward Others
- Harmonious Relationships
- Manager Relationship

Health claims
- Health Care Claims

The Science of Stress and its Role in Business Risk

Understanding Risk and its Workplace Impact

Risk is a complex but inherent part of business, influencing everything from strategic planning to daily operations. While many organizations focus on financial, operational, or technological risks—such as cybersecurity threats, economic shifts, and regulatory changes—there is another, often overlooked dimension: the risks that arise from within the workforce. Employee stress, burnout, and declining well-being don't just affect individuals; they create measurable business risks that impact performance, retention, and long-term resilience.

To understand the full impact of stress-related risks, it's essential to first examine the broader risk landscape. Two major global reports—the Global Risks Report 2025 by the World Economic Forum (WEF) and Marsh McLennan, and the People Risk Report 2024 by Mercer—provide comprehensive analyses of the risks that shape our world and workforce today. These reports offer critical context for understanding how external pressures and internal organizational challenges combine to create people-related risks.

Study Risks Landscape: an Interconnections Map

RISK CATEGORY

- WORKFORCE LOSS
- PERFORMANCE & ENGAGEMENT
- CRITICAL OPERATIONS RISK
- RELATIONSHIPS AT WORK
- HEALTH CLAIMS

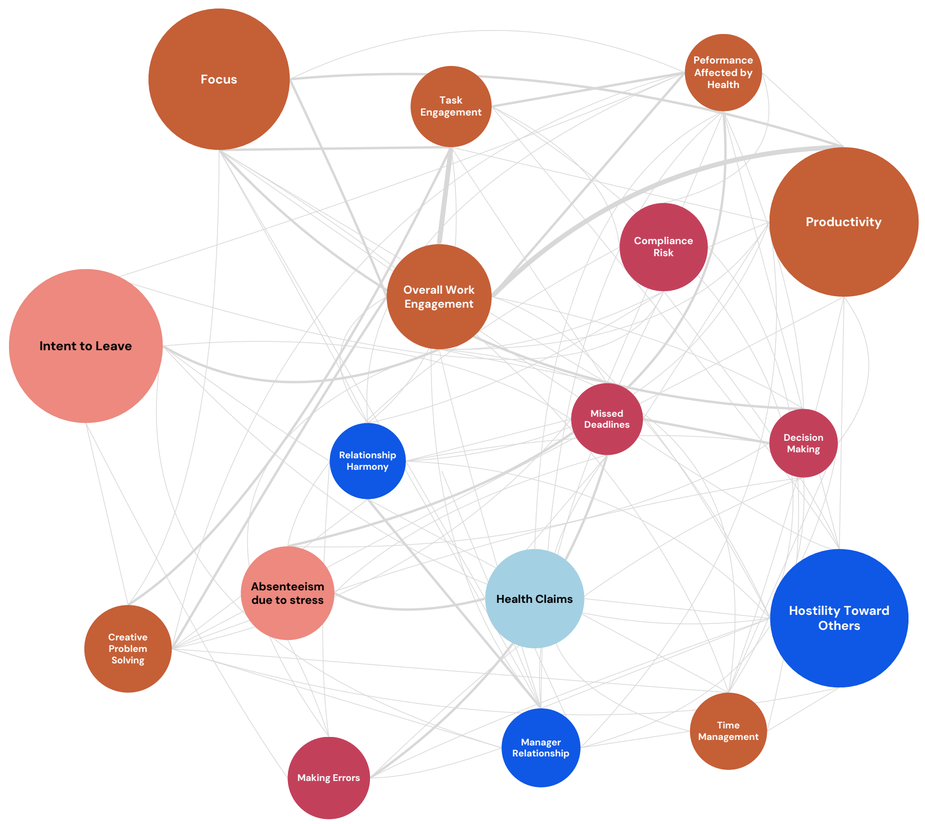
NODE SIZE

The node size is reflective of Low (12% or Lower), Medium (13-19%), and High RIsk (20% or Higher)

EDGE THICKNESS

The thicker the line the stronger the correlation

The correlations in this analysis represent the strength of relationships between business risk factors, calculated using Pearson's correlation coefficient (r). Higher absolute values of r indicate stronger associations between factors, with thicker edges in the network visualization representing stronger correlations.



The Global Risks Report 2025: A Macro View of Risk[2]

The Global Risks Report 2025, developed with insights from over 900 global experts, categorizes 33 key risks into five areas: Economic, Environmental, Geopolitical, Societal, and Technological. These risks are deeply interconnected—shifts in economic conditions influence workforce well-being, geopolitical instability drives organizational uncertainty, and technological advances create both opportunities and threats. While this report focuses on large-scale, systemic risks, many of these factors cascade down to impact businesses at an operational and human level.

The People Risk Report 2024: A Closer Look at Workforce Threats[3]

Looking at risks that directly affect employees, Mercer's People Risk Report examines the 25 most pressing people-related risks, categorized into five pillars:

- Technological Change & Disruption – The acceleration of AI, automation, and cyber threats is reshaping job security, skill requirements, and workplace culture.
- Talent, Leadership & Workforce Practices – Organizations must address employee expectations, engagement, and leadership quality to mitigate risks around retention and performance.
- Health, Well-being & Safety – Rising levels of stress, burnout, and mental health issues are now key workforce risks, alongside traditional physical safety concerns.
- Governance, Compliance & Financing – Increasing litigation, regulatory scrutiny, and health care claims costs require businesses to proactively manage employee health risks.
- Environment, Sustainability & Protection – Climate events, financial stress, and shifting employee values are creating new risks for workforce stability.

While these reports analyze risk at a macro and organizational level, this whitepaper takes a more focused approach: We dive deep into one of the most pervasive but under-addressed factors that contribute to people-related risk—stress.

Stress doesn't just contribute to risk—it is a primary driver of workforce challenges, directly influencing business costs, operational stability, and long-term resilience. In particular, stress contributes to three of the five categories outlined by Mercer in their 2024 People Risk Report: Talent, Leadership, & Workforce Practices, Health, Well-being, & Safety, and Governance, Compliance, & Financing. The next section introduces the scientific foundation for understanding stress as a major factor in business risk, setting the stage for a data-driven exploration of its impact.

When Stress Fuels and When it Burns

Stress is a universal experience integral to our functioning as humans, helping us respond to immediate dangers and opportunities in life. It's not inherently harmful—at its best, stress can act as a catalyst for growth. But at its worst, it can threaten health, everyday functioning, and organizational stability.

Just like a fire, controlled stress can light our path and fuel us to cook up creations; left unchecked, it can become a blaze scorching everything in its path.

When we're faced with a challenge or threat (a "stressor"), the nervous system—including the brain—leaps into action. The parasympathetic nervous system retreats and the sympathetic nervous system comes online. Heart rate quickens and blood pressure rises to send energy and nutrients to muscles. Senses sharpen, glucose is released for energy, and the immune system releases proteins called pro-inflammatory cytokines to prepare the body for injury.

In case of more severe or continuous stress, the body also releases cortisol in an effort to keep energy flowing when the nervous system becomes fatigued. Only when we perceive safety does our parasympathetic nervous system put on the brakes and allow our systems to return to baseline. Adequate rest then allows the body to recover, learn and grow from the stressful experience, and regain balance.

Understanding a Healthy and Unhealthy Stress Spike

This process of rising to a challenge and returning to relaxation is perfectly designed under short-lived "acute" stress, where the body's response enhances focus and mobilises energy to help us respond.

> "High-performing individuals sustain peak performance by acknowledging that stress is not simply "good" or "bad"; rather, it serves as an important signal. Crucially, they harness this signal, reframing stress as a powerful energy source, enabling them to rise to the challenges that stress brought into focus.
>
> **Dr James Hewitt**
> Human Performance Scientist

However, when the nervous system is not given enough time to rest, the once-helpful stress response becomes harmful to health, well-being, and performance. Whether stress is helpful or harmful depends on whether it becomes chronic. This can happen either due to the duration of the stressor, or due to how we perceive a stressful experience:

Duration: If we experience acute stressors too frequently, or if a stressor continues for an extended period of time, the body isn't given enough time to adequately recover and return to homeostasis—our systems essentially stay stuck on the gas pedal. In our fast paced modern world, many of us live in a relatively constant state of stress—and that number continues to rise[4].

Perception: When we view a situation with a positive mindset as if it were a challenge rather than a threat, our psychological and physiological responses are healthier[5]. In this case stress can lead to growth, termed "eustress". Our ability to adopt this mindset depends on whether we see our resources as sufficient to meet demands and how we anticipate the consequences of failure.

> "You wouldn't go to the gym and expect to lift heavy weights or run on the treadmill all day, every day—yet for some reason we expect this of our brains to be able to perform that way. Ensuring adequate rest and recovery is necessary for our body AND our brains—in fact it's the only way to build resilience and prevent chronic disease when it comes to stress.
>
> **Dr Lydia Roos**
> Chief Scientific Officer, WONE

The Cost of Chronic Stress

When the stress system is chronically activated, normal physiological processes become dysregulated, neural pathways are disrupted, and energy reserves are drained. This causes undesirable effects throughout the brain and body, and naturally leads to a reduction in the ability—and even desire—to work effectively.

While lifespan is increasing, the length of time people spend in good health and with adequate functioning ("healthspan") is decreasing[14]. Importantly, stress contributes to 8 of the top 10 most prevalent and costly chronic diseases in the US (i.e., obesity, hypertension, high cholesterol, coronary heart disease, asthma, chronic kidney disease, diabetes, and depression[15]).

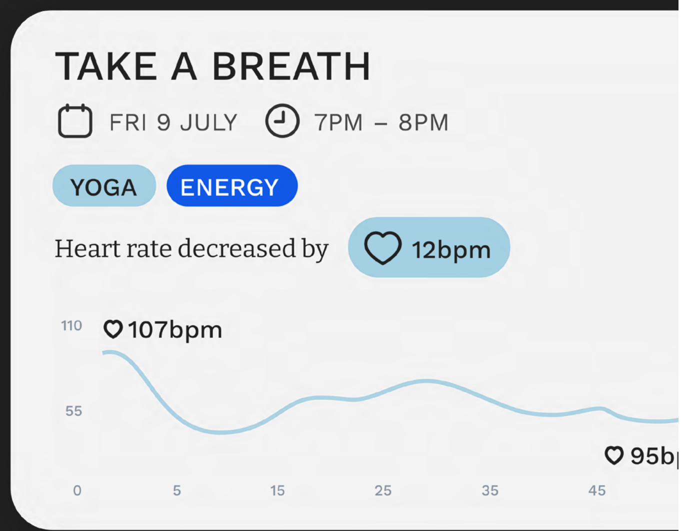
"Longevity is a gift... and an opportunity to not have any regrets. Yet we will each spend on average 10-11 years in poor health in later life, and this gap is growing.

Yvonne Sonsino
Total Well-being and Longevity Lead, Mercer

Research in stress science is still nascent, largely due to stress previously being seen as a largely subjective measure without physiological impact. However, newer innovation in the space such as advances in wearable technology and artificial intelligence allows us to collect real time health data and draw insights on the data in a much richer, more meaningful way.

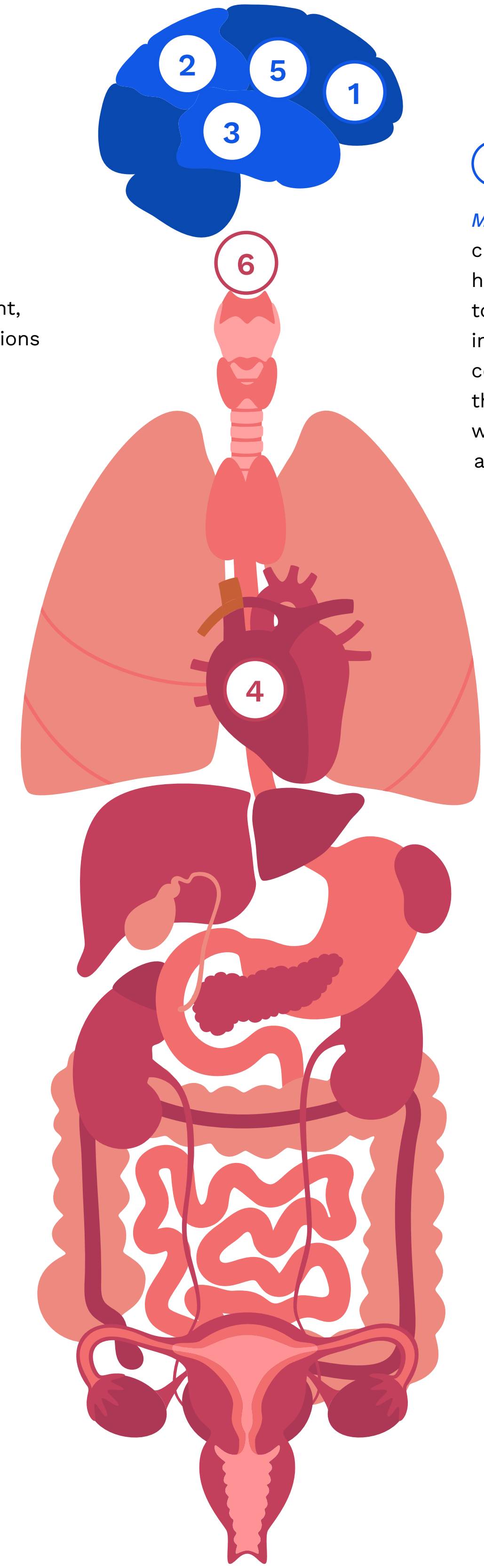
"Our multi-modal approach, integrating physiological, psychological, behavioral, and environmental factors, allows WONE to identify patterns and relationships that weren't visible before. We can now understand stress in unprecedented ways.

Dr Lydia Roos
Chief Scientific Officer, WONE



WONE Heart Rate Intervention Tracker

The Physiological and Cognitive Changes That Occur When Under Acute and Chronic Stress



Brain effects

1

Executive Functioning: Chronic stress suppresses activity in the prefrontal cortex, governing problem-solving, reasoning, and cognitive flexibility[6]. Instead of clear and innovative thinking, we can experience impulsivity, poor judgment, and difficulty adapting to new situations or challenges[7].

3

Emotion Regulation: Overactivation of the brain's amygdala reduces our capacity to effectively regulate our emotions and keeps us in a state of constant alert and heightened emotional sensitivity that can lead to anxiety, depression, and interpersonal issues[10].

2

Memory & Learning: Extreme and chronic stress weakens the brain's hippocampus, impairing our ability to process and remember new information[8]. The loss of synaptic connections between brain neurons in this region has also been associated with cognitive decline and depression[9].

5

Behavior & Motivation: Chronic stress disrupts dopamine pathways which, along with stress-related fatigue, makes it harder to pursue goals and adopt or maintain healthy habits like exercise, nutrition and sleep[12]. These habits are often deprioritized in favor of less healthy coping strategies, such as using alcohol or eating sugary or fatty foods to cope, which then loops back to reduced resilience to future stressors.

Body effects

4

Systemic Inflammation: Overactivation of stress systems can lead to immune and metabolic dysfunction, increasing the risk of mental and physical health conditions including depression, cardiovascular disease and type 2 diabetes[11].

6

Accelerated Aging: Research has shown that chronic stress shortens the protective caps on chromosomes called telomeres, increasing the risk of genetic changes that result in chronic disease and shorter lifespan[1].

The Cost of Stress on a Business

In developed countries, one of the largest causes of stress occurs in the workplace. This doesn't just have a severe toll on an individual's health and their risk of chronic illness but also on the health of a business. As people are usually the largest cost in an organization's P&L, a highly stressed workforce naturally results in a higher risk to an organization's effectiveness, cost, and overall performance[16].

The Well-being 100 outperformed the S&P 500 by 11% from 2021-24[21]

And unfortunately, stress is at record levels in the workplace. Our research shows a staggering 45% of the workforce is highly stressed - experiencing stress at work frequently or always. Despite increased focus on health benefits for employees over the last decade, we're seeing stress at work rise.

The downstream effects of stress at work, such as absenteeism, diminished productivity, and mistakes are estimated to cost businesses $300bn a year in the US alone[17]. When you think about it, it's intuitive - as stress rises, chronic disease incidence rises, and so too does the number of health care claims, sick leave and eventual turnover from burnout, disengagement, or chronic illness. Since 2000, health premiums have risen at 4x the rate of inflation[18].

Stress is at Record Levels

The impact on the workforce of stress reaches far beyond the costs of sickness. Stress silently underlies most business risks and costs that appear on a business P&L. However, the impact is hard to quantify, which is why we've conducted this research to assess the correlation between stress and business risk. Our research has shown that stress leads to financial losses for a business - employees are likely to make more mistakes, are less productive, and relationships suffer.

The inverse is also true: When organizations invest in employee well-being, business performance improves. A recent study led by Jan-Emmanuel De Neve, Oxford economics professor, found a "strong positive relationship between employee well-being and the firm's performance."[19] His research simulated a portfolio of the top 100 publicly listed US companies ranked highest for employee well-being, which outperformed the S&P 500 by 11% since January 2021. De Neve concluded that "higher levels of well-being generally predict higher firm valuations, higher return on assets, higher gross profits, and better stock market performance"[20].

The opportunity is clear. The cost of not taking action is too large and the problem is only getting greater. Long-term solutions must take a preventive approach to health, recognizing that supporting healthier, longer working lives benefits both employees and the broader economy. This shift aligns with the principles of the 'Longevity Economy,' where investing in workforce well-being today sustains productivity, reduces long-term costs, and ensures resilience in a rapidly evolving labor market.

According to **Lin Shi** (Principal at Mercer Consulting & Fellow, World Economic Forum, Longevity Economy)

> "In OECD countries, labor force participation for those aged 65+ has risen from under 10% in 2000 to over 15% in 2023 with the expectation that this will continue to rise[22]. In fact, by 2030, 1 in 6 individuals globally will be aged 60+, underscoring the need to rethink career pathways and well-being programs to support individuals in this shift[23].

The businesses that act now—embedding well-being into their core strategy—won't just mitigate risk; they'll build a healthier, more resilient workforce that fuels sustained growth and competitive advantage in the decades ahead.

The Stress-Risk Thermometer Theory

Here, we introduce our scientific theory, the **Stress-Risk Thermometer,** where, as stress escalates from mild to severe, its physiological, psychological, and behavioral effects amplify the business risk. In other words, as stress temperatures rise, so do the associated costs and risks on the business. With 45% of employees experiencing high-stress, the impact on businesses cannot be ignored.

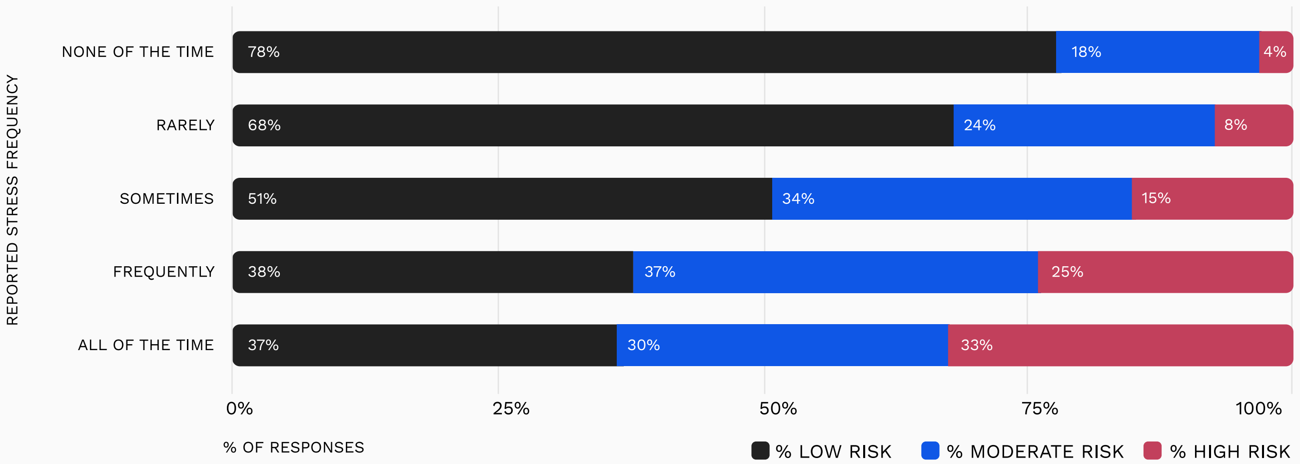
Understanding where organizations, teams, and individuals fall on the stress spectrum is essential for grasping the true impact of employee stress on business costs and risks. Just as a fever indicates the need for medical attention, elevated organizational stress should signal the need for specific risk mitigation strategies.

As stress increases, behaviours shift from low-risk to medium and high-risk zones:

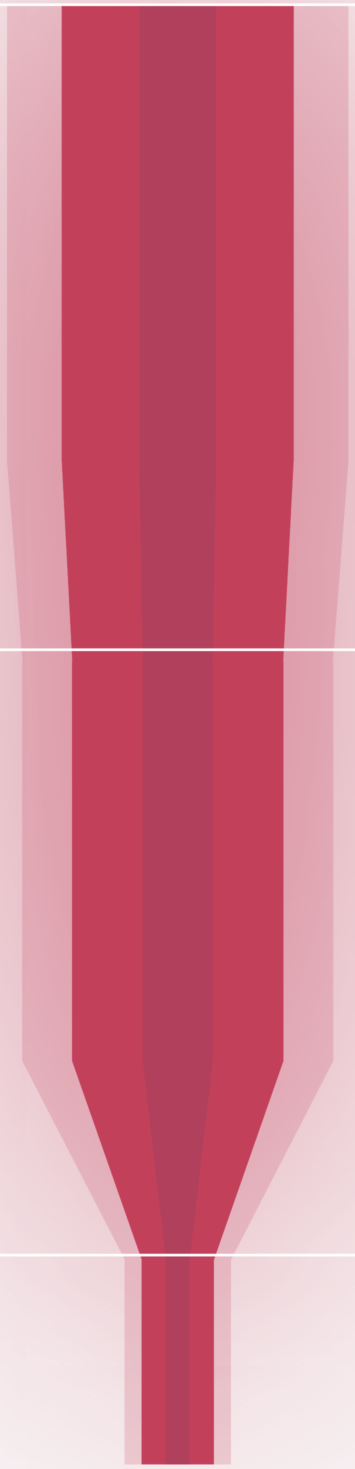
- **Low-Stress:** Most behaviours (70%) remain low-risk, with only a small fraction (7%) being high-risk.
- **Medium-Stress:** Low-risk behaviours decrease sharply to 51%, moderate-risk behaviours increase to 35%, and high-risk behaviours more than double to 15%.
- **High-Stress:** High-risk behaviours significantly increase to 26%, while low-risk behaviours drop further to 38%.

This underscores that managing stress before it becomes chronic is essential, as higher stress levels significantly raise the risk of negative health, well-being, and performance outcomes. Importantly, the converse is possible: by proactively managing stress, risk can be reduced, protecting the health of both people and performance. Immediate individual and organizational interventions are critical to prevent burnout, and improve both individual health and business outcomes.

Proportion Of Risk Reported For Each Stress Category



The Stress-Risk Thermometer



HIGH STRESS 45% OF WORKFORCE

26%

High risk high stress

Stress has become chronic or is severe enough to affect employees chronically, leading them to feel stressed, overwhelmed, or anxious in the workplace frequently or all of the time. Risks become highly likely and critical.

Individual Impact: Cognitive function and emotion regulation are likely to be impaired, and people may experience complete exhaustion and burnout. The risk of illness and chronic disease—both mental and physical—rises substantially.

Business Impact: Employees are likely to disengage, leave their roles, or make costly mistakes. Breakdowns in communication and collaboration can lead to project failures, strained client relationships, and a toxic work culture that undermines morale. Turnover, absenteeism, and health claims costs rise, and workforce longevity and stability are threatened.

MEDIUM STRESS 41% OF WORKFORCE

15%

High risk medium stress

Stress is elevated at times but not critical (stressed, overwhelmed, or anxious in the workplace sometimes), risks are elevated but can be managed.

Individual Impact: Stress may begin to wear on individuals, focus becomes harder to maintain and decision-making becomes more difficult. Without adequate recovery, symptoms of fatigue, tension, and mood changes are common, and rates of viral infection may increase.

Business Impact: Organizations are likely to see some decreased productivity, and a rise in presenteeism as people are physically present but mentally less sharp, and relationships may become strained as employees become more irritable and less collaborative in times of stress. Employees' ability to think creatively and solve problems may decrease, impacting innovation and business operations.

LOW STRESS 14% OF WORKFORCE

7%

High risk low stress

Stress is manageable (stressed, overwhelmed, or anxious in the workplace never or rarely), and risks are low.

Individual Impact: The controlled release of adrenaline and cortisol can enhance focus, energy, and cognitive function. Individuals are more likely to feel positively challenged, engaged, and motivated to succeed. As long as regular and adequate recovery is taking place, performance can be sustained.

Business Impact: Organizations are more likely to see productive, engaged teams and minimal risk because employees are operating in an optimal state and recovering effectively.

Stress Multiplies **Risk**

Our research confirms that stress is a central driver of business risk, with 43% of increased workplace risks assessed within this study, directly linked to stress. This means that stress is not just a contributing factor; it is a central driver of workplace challenges and a measurable business risk with financial and operational consequences.

To help businesses understand the scope of this challenge, we have identified five key categories of risk that are significantly impacted by stress, which are summarized here along with a high level summary of their key findings.

Risk Categories and Key Findings

TOTAL COST

$5.3
million

WORKFORCE LOSS

8x
sick days

PERFORMANCE AND ENGAGEMENT

4x
low engagement

CRITICAL OPERATIONAL RISK

11x
mistakes

HEALTH CLAIMS

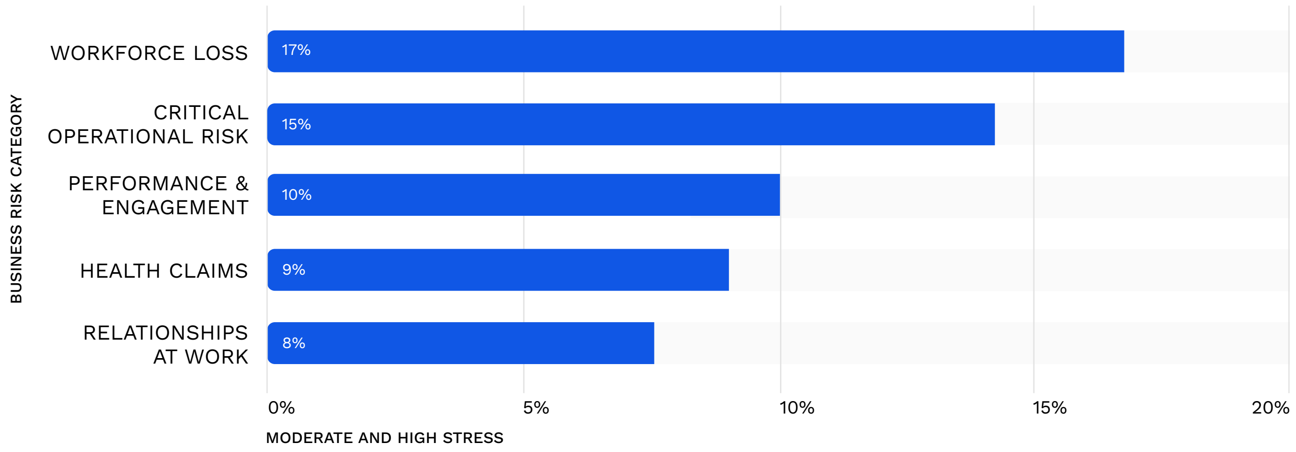
2.5x
health claims

RELATIONSHIPS AT WORK

7x
hostility

Proportion of Workforce by Business Risk Category

% of employees experiencing moderate and high stress



While some of these risks impact operational efficiency, others come with direct financial costs. Across workforce loss, performance, and health claims, stress-related costs add up significantly: for a 1,000-person organization, **high-stress can cost an extra $5.3 million annually.**

Cost of High Stress on a Business

The extra annual cost an organization faces per high stress employee compared to low stress

Cost category	Per Employee	Total
Absenteeism	$1,730	$778,292
Presenteeism	$2,371	$1,067,099
Turnover	$7,874	$3,543,155
Total USD	**$11,975**	**$5,388,546**
Total GBP	**£9,679**	**£4,355,613**

*US only

“The majority of employees say they've experienced an episode of burnout in the last year. We're often losing our high performers to this lack of focus on organizational culture.

Bruce Daisley
Ex-Twitter Vice President for Europe, Middle East and Africa, Author, Presenter

Workforce Loss

Workforce loss includes self reported absenteeism and intent to leave, represented here as potential turnover. Overall, high-stress is impacting 13% of your workforce for this risk category.

Stress is often the tipping point that accelerates an employee's decision to leave their role, acting as a powerful multiplier of any existing issues. For businesses committed to moving beyond a 'burn and churn' model and towards one that is sustainable and retains talent in the long-term, addressing workplace stress presents a significant financial opportunity to save costs.

Cost analysis for Employee Turnover: $3.5m Annually

- High-stress employees are 3.6x more likely to consider leaving (47% vs. 13% for low-stress employees).
- Studies show that about 1 in 3 employees who consider leaving will actually leave within a year [24].
- For a 1000-person company where 45% of employees experience high-stress, this equates to 71 employees leaving annually due to stress.
- For an employee with an average salary of $68,596 for high-stress employees—as was the case in our research—and turnover costs estimated conservatively at 100% of salary [25], the total replacement cost is $3.5M per year for the same 1000-person company.

Cost analysis for Absenteeism: $778k Annually

- Our research found that high-stress employees take significantly more sick days—7 per year on average, compared to 1 day for low-stress employees.
- In a 1,000-person company with 45% high-stress employees, this results in an excess of 2,700 sick days per year due to stress.
- Based on self-reported salaries and a 260-day work year, the cost amounts to over $778k annually.
- Absenteeism costs are estimated based on industry benchmarks and may vary depending on organizational factors.

While absenteeism is a tangible and visible metric, it reveals only part of a broader issue. Behind this figure lies a larger, less visible issue. Presenteeism, where employees are physically present but not fully productive due to stress, illness, or other factors, represents a hidden yet substantial financial risk. Imagine an employee who shows up to work every day but struggles to focus, their mind clouded by stress. Their productivity lowers, their tasks take longer and they begin missing deadlines.

As we will see in the next section, presenteeism is tightly linked to mental disengagement - which is another critical risk factor.

Key findings

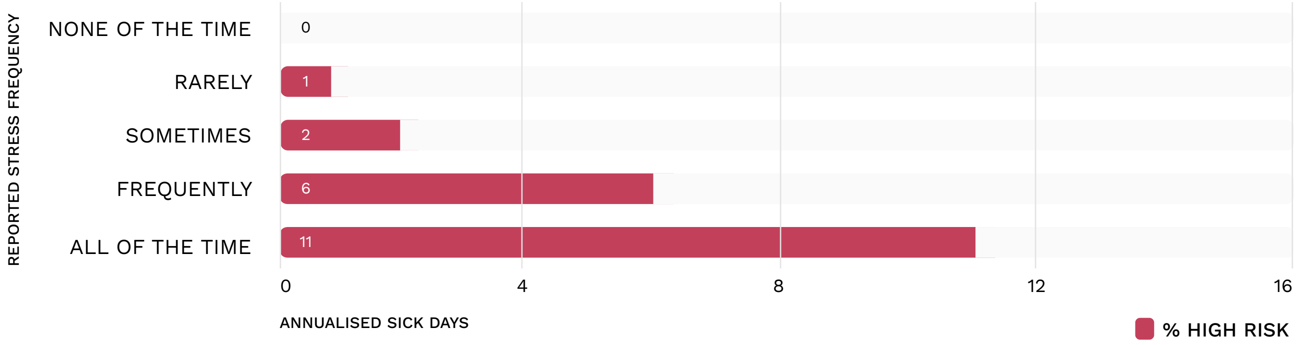
3.7x intent to leave

A high-stress employee is 3.7x more likely to be at risk of turnover than a low-stress employee.

8x sick days

Employees who are highly stressed self report taking off 8x as many sick days, as those who report low stress.

Average Annual Sick Days due to Stress



Performance and Engagement

Performance includes productivity, focus, creativity, and time management, all of which are critical for meeting organizational goals and driving business outcomes. Employee engagement covers enthusiasm for work, connection with our work, and engagement with colleagues, programs and tasks. Overall, high-stress is impacting 8% of your workforce for this risk category.

Imagine walking into your office and visibly seeing unengaged team members who are not fulfilling their potential. It's not because they lack skill or talent—it's because stress is holding them back. Our research shows that the biggest areas of concern within this category are disengagement due to high-stress (affecting 14% of your workforce), lack of focus due to high-stress (affecting 14% of your workforce), lack of energy due to high-stress (affecting 12% of your workforce) and lowered productivity due to high-stress (affecting 11% of your workforce).

Think back to the Thermometer Theory. Employees in the manageable stress zone are engaged, motivated and focused. They feel their work is meaningful and throw themselves into it with passion. But when stress intensifies, it can damage engagement and become a productivity killer. Disengagement is a red flag that they've lost connection to their sense of purpose and are entering burnout territory.

"Employee well being leads to increased commitment and experience that leads to strategic realization, customer share, investor confidence, and community reputation.

Dave Ulrich
Rensis Likert Professor, Ross School of Business, University of Michigan, Partner The RBL Group

The data paints a stark picture: high-stress employees are 4 times more likely to have low engagement than their low-stress peers. For a company with 1,000 employees, this means for example that in a low-stress culture, just 100 people might feel disengaged. But in a high-stress workplace, that number escalates to 400.

Cost analysis for Presenteeism: $1M Annually

- Our research found that 27% of high-stress employees are highly disengaged, compared to 8% of low-stress employees.
- Taking each respondent's self-reported salary, and based on Gallup's estimate that presenteeism costs 18% of salary, the financial loss per disengaged, high-stress employee is $2,371 per year.[26]
- For a 1000-person company with 45% high-stress employees (and 123 highly disengaged employees), this results in $1M in lost productivity annually.
- Presenteeism costs are estimated based on industry benchmarks and may vary depending on organizational factors.

"I know that building a great business demands more than hard work—it requires creativity, innovation, and relentless problem-solving. To be able to respond effectively, it's paramount that leaders are showing up each day with energy, curiosity, and optimism.

Laura Wilming
Head of People & Talent, Octopus Ventures

Key findings

1.6x disengagement in legal industry

The legal industry has the highest levels of high-stress, with 52% of employees affected—14% above the average of industries in our research. Employees in this sector are also 1.6x more likely to feel mentally disengaged due to high-stress.

4x low engagement

High-stress employees are 4x more likely to have low engagement as those who report low-stress.

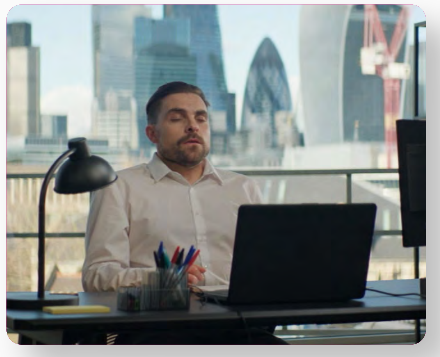
Critical Operational Risks

Critical business risks include operational errors, missed deadlines, poor decision-making, and compliance failures (where employees have self-reported cutting corners in ways they know could be of regulatory concern), all of which can directly harm an organization's performance, reputation and financial stability. Overall, high-stress is impacting 12% of your workforce for this risk category.

Stress-related errors don't just affect individual performance—they create a ripple effect across teams and departments. Missed deliverables can cascade, delaying entire projects, damaging client relationships, and eroding trust. For regulated industries, a single compliance breach can trigger audits, legal action, and financial penalties, while also diminishing stakeholder confidence. When poor judgement is involved, and mistakes are covered up, this can escalate into a much larger issue and with catastrophic impact.

While regulatory fines and legal consequences are explicit costs, hidden costs such as reputational damage, reduced investor confidence, and employee turnover are equally devastating. High-stress environments often lead to attrition among key employees, compounding operational vulnerabilities and increasing the difficulty of maintaining business continuity.

The finding that technology industry employees are 1.4x more likely to make mistakes or cut corners in a way they know might be of regulatory concern, underscores the particular vulnerabilities in fast-paced, high-stakes industries. The combination of complex problem-solving, tight deadlines, and a culture that often prizes rapid innovation over careful execution creates fertile ground for stress-induced mistakes.



Watch the Video

"Endurance in today's working world is more important than ever as change, ambiguity, and the unknown shape our daily reality. The best thing we can do is support people in building self-awareness, helping them manage these challenges, finding moments of peace in the noise, and taking control of their own resilience.

Charlotte Eaton
Chief People Officer, Arm

Key findings

11x critical operational risk

12% of employees are making mistakes, missing deadlines or cutting corners in ways that could compromise quality or compliance standards and put their organization at risk due to stress; high-stress employees are 11x more likely to do so than low-stress employees.

1.4x critical operational risk in tech industry

Employees in the technology industry are 1.4x more likely to make mistakes and miss deadlines than employees in other industries.

“I worked with an organization that spent £70 million on reactive health care that only reached 5% of their staff but invested just £1.5 million into proactive health care for the remaining 95%.

Dr Wolfgang Seidl
Partner, Global Mental Health Consulting Leader, Mercer

Health Claims

Health claims reflect the increase of mental and physical health concerns, resulting in the increased volume of healthcare claims.Overall, high-stress is impacting 8% of your workforce for this risk category.

Imagine your organization’s health insurance budget as a bucket. You’ve carefully filled it with the resources needed to cover reactive health-related expenses for your workforce. However, this bucket is leaking - by not investing in preventative measures, more and more reactive claims are being made. As these claims increase, so do overall premiums across your entire workforce, significantly widening the leak. As a result, you need to pay more to fix the leaks. What if you could prevent the leaks by investing preventatively and saving additional claims costs?

Mercer’s People Risk Report 2024 identified this rising health insurance cost as the #1 business risk facing businesses globally.[34] Rising claims are causing healthcare insurance premiums to soar. Over the past four years, organizations have faced a staggering 29% increase in per-employee premium costs, with rates continuing to climb by an average of 6.5% annually.[35] Meanwhile, insurers are processing more claims than ever—one provider reported a 45% jump in claim volume over five years.[36] The true financial impact is likely even greater than current estimates suggest, as the indirect savings from lower stress-related claims remain largely unaccounted for.

A major driver of these rising costs is stress. Stress is implicated in 8 of the 10 most prevalent and costly chronic diseases in the U.S., including heart disease, diabetes, and depression.[37] Research consistently shows a strong correlation between stress levels and healthcare spending—employees experiencing high stress file significantly more health claims than their low-stress counterparts. While precise actuarial data on cost savings is lacking, the potential for savings is substantial. Reducing stress isn’t just about well-being; it’s about cost control.

Despite recognizing the problem, many organizations remain stuck in a reactive cycle—spending vast sums on treating health issues while neglecting preventive measures that can keep their workforce healthier and costs lower. **This imbalance underscores a critical question for businesses: what if you could reduce health claims—and their associated costs—by addressing stress at its root?**

Key findings

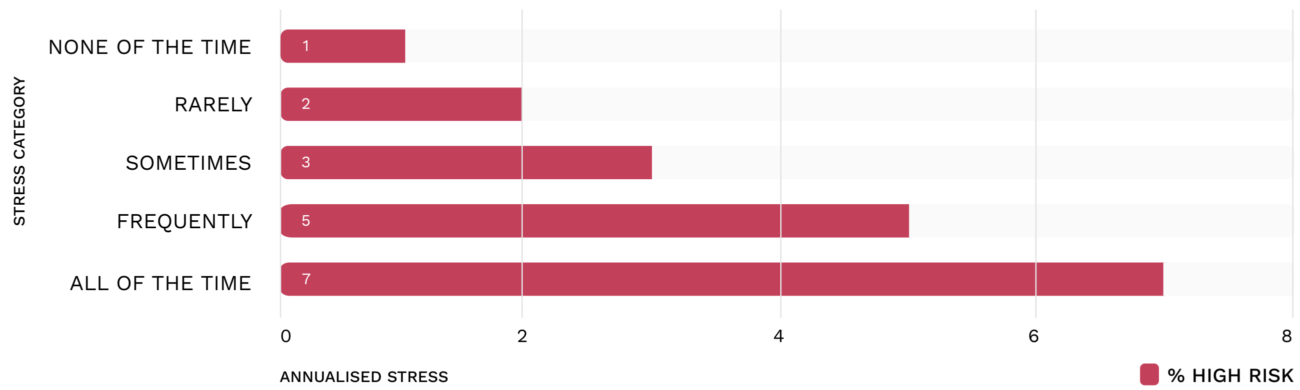
$16,501 per employee

Health insurance is now second only to salaries within employer compensation costs in the US[32], at an average of $16,501 per employee in 2024[33]

2.5x health claims

High-stress employees report over twice (2.5x) as many health claims as people who report low or mild stress.

Average Annual Health Claims due to Stress



> “When burnout hit the managers and leaders, teams spiraled—sloppy work, bad vibes, and zero trust. Ignoring how we handle pressure isn't just risky; it's workplace sabotage.
>
> **Daisy Auger-Dominguez**
> Chief People Officer, Author, Advisor

Relationships at Work

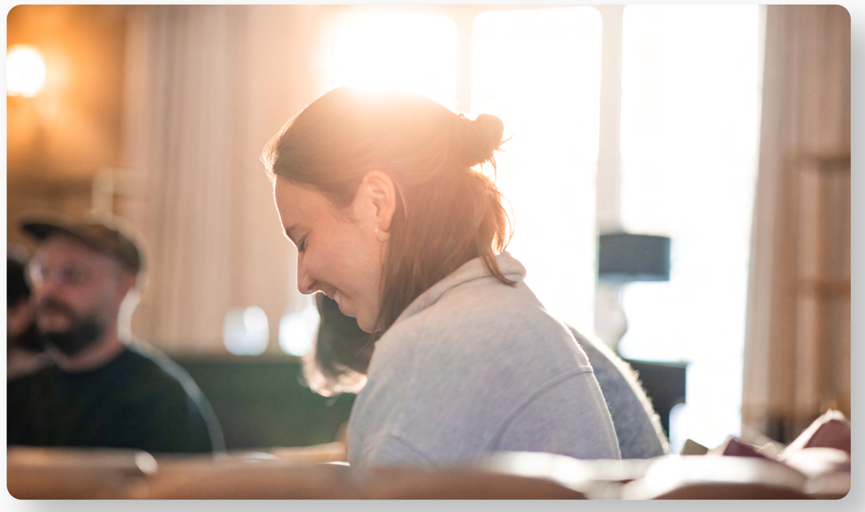
Relationships at work include the ability to maintain harmonious relationships with colleagues and managers, and hostility shown towards others (irritation or frustration). Overall, high-stress is impacting 7% of your workforce for this risk category.

Workplace relationships form the foundation of collaboration, trust, and effective teamwork. When stress erodes these relationships, the organization suffers at every level. Miscommunication, lack of trust, and reduced teamwork directly impact productivity, creativity, and morale, creating a less effective organization overall.

Stress can have a dramatic ripple effect. Employees under high stress may become irritable, struggle with conflict, and withdraw from collaboration. Leaders, in particular, set the tone for their teams. As Dr. Alexandra D. Crosswell explains, “Leaders influence the team's stress levels through a concept called “physiological synchrony—we subconsciously pick up on each other's energy. If a leader is anxious or stressed, the team often mirrors that feeling without realising it. Conversely, when a leader exhibits positivity and excitement, that energy becomes contagious.”

A real-world example from the legal industry illustrates this risk. A top-performing lawyer, once the firm's highest biller, began showing uncharacteristic behavior—making inappropriate jokes and straining relationships. The root cause? A relentless 15-hour workday that went unaddressed. The result? Seven weeks of leave and an eventual exit from the firm[38].

Certain industries are particularly vulnerable. **In finance, for example, employees are 1.5x more likely to experience hostility**, often due to high-stakes decision-making, tight deadlines, and a culture where mistakes aren't tolerated. The pressure leaves little room for emotional regulation, fueling conflict and damaging team dynamics.



> “The times when I did my absolute best work, was when I was clear headed, confident and calm. As a leader it's my job to create those conditions for my employees.
>
> **Natasha Christie-Miller**
> Chairwoman, Sifted and Business Advisor, TED Conferences

Key findings

7x hostility

Employees experiencing high-stress are 7x more likely to be at risk of hostility with colleagues (easily irritated or annoyed)

1.5x hostility in finance industry

Employees in the finance industry show 1.5x the rate of difficulties with hostile feelings toward co-workers than employees in financial and legal industries, likely reflecting higher levels of frustration or conflict.

The Resilience Formula: Turning Stress into Strength

If stress is a significant contributor to important people-related business risks, then solving for stress has to be the solution. The goal isn't to eliminate stress—it's to help businesses and employees maintain an optimal level where stress fuels performance rather than hinders health and well-being.

"I've seen companies fail because their people couldn't sustain the demands placed on them at pivotal moments, creating ripple effects that were impossible to recover from. Resilience isn't a luxury; it's the bedrock of sustainable growth and long-term success.

Brent Hoberman CBE
2x Unicorn Founder and Co-Founder and Executive Chairman of firstminute capital, Founders Factory & Founders Forum Group

Building resilience requires a shared commitment between individuals and organizations. Our data reveals that 39% of stress stems from individual factors, including personal characteristics that determine the degree of resilience and vulnerability. But the majority—61%—is shaped by factors outside of the individual's control, such as the work environment, workload, leadership support, and psychological safety.

In the following section, we outline five key recommendations designed to help organizations create a culture that supports sustainable performance—where employees can thrive, and businesses can reduce the risks associated with unmanaged stress.

Taking Action Towards Resilience

1. Take a Systemic Approach to Organizational Change
2. Offer Preventive Health Support for Individuals
3. Build a Stress Measurement Dashboard
4. Align People and Risk Functions
5. Take a Holistic Approach

1. Take a Systemic Approach to Organizational Change

The workplace environment is a powerful determinant of employee well-being, with organizational culture either amplifying or mitigating stress. Research supports our findings and underscores this point, revealing that fixing negative workplace behaviors accounts for 60% of the positive impact on well-being outcomes.[39] In other words, **even the most advanced well-being initiatives will fail if a toxic culture remains unaddressed.**

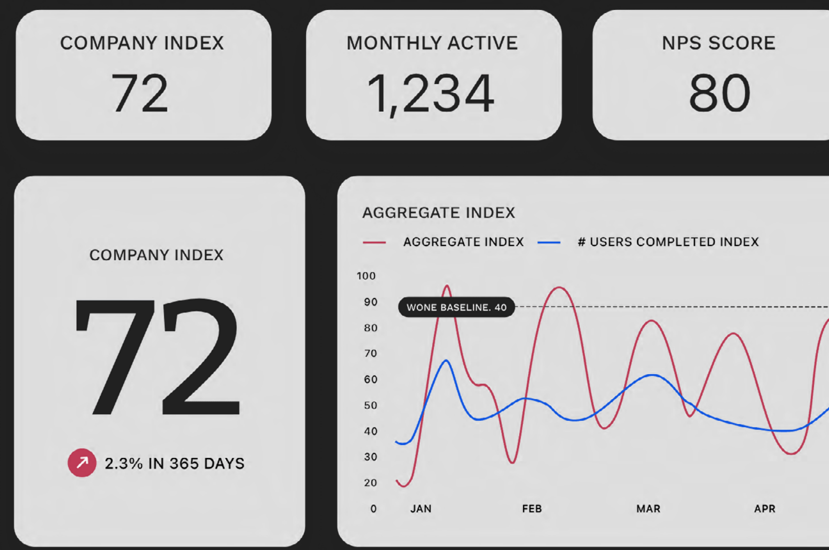
A systemic approach requires re-examining policies, leadership behaviors, and operational structures that may inadvertently create stress. Looking ahead, organizations will face growing pressure to act. As governments confront rising mental health challenges and health care costs, regulatory scrutiny will likely intensify, placing greater responsibility on businesses to proactively assess and mitigate psychosocial risks.

"Governments will increasingly put more and more regulatory expectations and formal requirements to measure risk of mental health on companies so that companies can share the load.

Laura Jackson
ex-Head of Global Well-being, Credit Suisse

"A truly risk-aware culture recognizes that chronic stress is not evidence of dedication, but rather a signal that work systems need to be redesigned.

Dr Ashley Whillans
Professor, Harvard Business School



WONE Index for Organisations

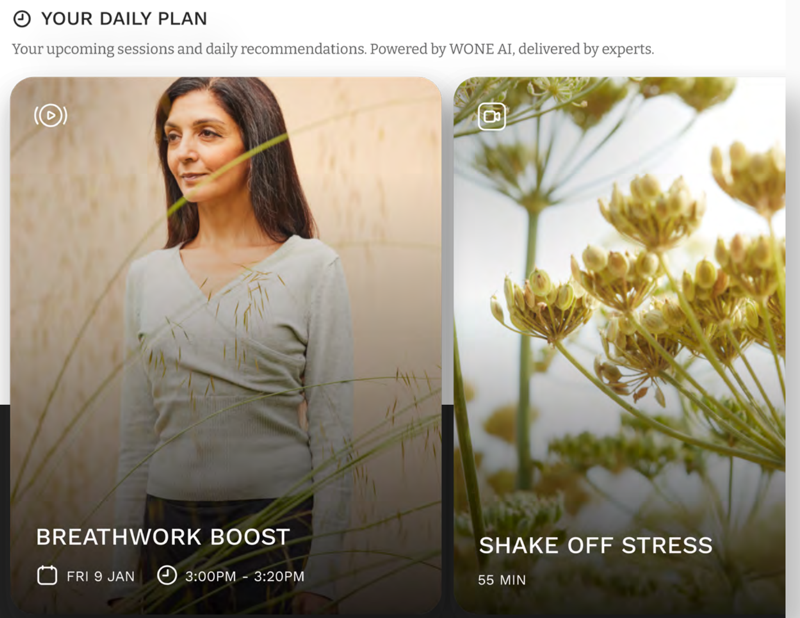
2. Offer Preventive Health Support for Individuals

The nature of stress is that it creeps up on you gradually, with subtle signs often going unnoticed for weeks. With the right support, it's possible to train ourselves to build an internal warning system and healthy coping mechanisms, so we're more capable of acknowledging stress, building resilience and bouncing back when tough times do happen.

Whilst the problem of stress at work is large and complex, the solution doesn't need to be. Walking on Earth (WONE) has developed a unique methodology called the WONE Method, that results in 74% of individuals reporting a reduction in stress and 90% reporting an increase in productivity.[40] This approach blends the latest advances in AI technology and neuroscience, to help employees regulate their stress. By providing employees with practical tools to regulate stress in real time, this approach transforms how organizations support well-being at scale.

"When individuals recognize how their brains react to systemic stressors, they can respond more skillfully. Behavioral science provides tools, like mindfulness and habit awareness, to help employees navigate challenges without being overwhelmed.

Jud Brewer MD PhD
Neuroscientist, Psychiatrist, Professor at Brown University



The WONE Platform

"Leaders tend to respond incredibly well and kindly when an employee has a serious problem. But addressing stress in your workplace is not supporting someone when they collapse - it's supporting all your employees everyday.

Natasha Christie-Miller, Chairwoman
Sifted and Business Advisor, TED Conferences

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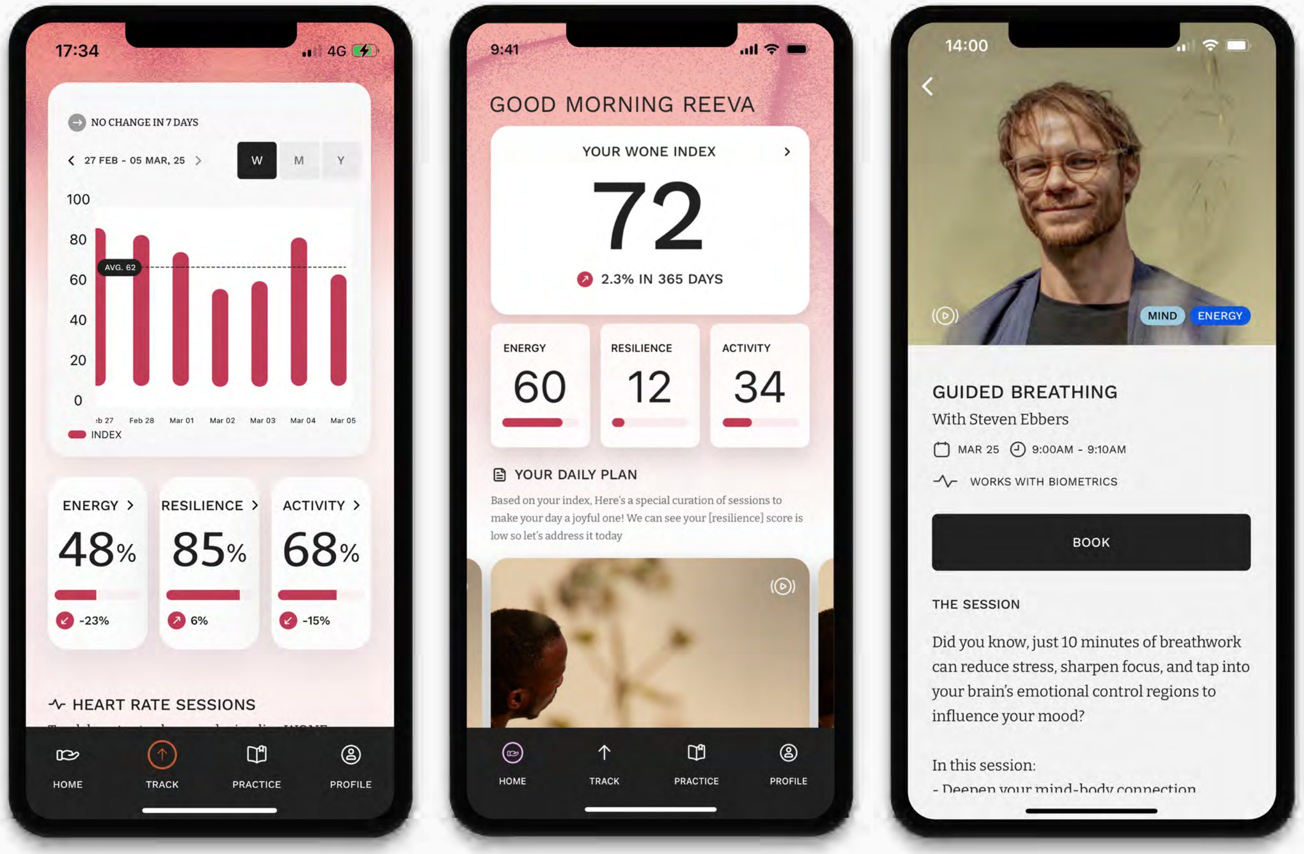
The WONE Method: An Effective and Engaging Solution for Stress



1. Measure

The WONE Index is a scientifically validated measure of stress and resilience. It provides employees with data to identify stress triggers and relievers, track their resilience over time, and make informed choices about their health. Employers gain anonymized, aggregated insights to shape their well-being strategy.

2. Recommend

Managing stress doesn't require hours—neuroscience has shown that a 60-second breathing exercise can move the body from stress to calm. Practices like meditation, breathwork, and movement support in-the-moment recovery, while healthy habits in nutrition, sleep, and mindset strengthen our resilience. Short, expert-led sessions fit seamlessly into the workday.

3. Intervene

An AI-powered coach creates a personalised health plan for each individual. It recommends interventions that match an individual's stress score, engagement behavior and fits time into their work systems like their calendar to meet them where they are, when they need it most.

"Building these short moments of recovery into my day, such as a breathing exercise, or mindful walk, has done wonders for bringing focus, clarity and creativity, especially before a talk, pitch or a long day of meetings.

Reeva Misra
Founder & CEO, WONE

3. Build a Stress Measurement Dashboard

The ability to measure stress—and translate its business impact into tangible metrics—separates organizations that effectively mitigate people risk from those reacting too late. Without measurement, stress remains an invisible force, eroding engagement, performance, and productivity beneath the surface.

A structured measurement approach begins with identifying the drivers of employee stress—factors like manager support, psychological safety, workload, and trust. By analyzing pulse surveys, performance data, and insights from well-being solutions, organizations can surface stressors that shape the employee experience.

Next, organizations must track the outcomes of stress, including engagement, job satisfaction, attrition, and performance metrics such as targets met, deadlines achieved or hours billed. By linking these to known stress drivers, organizations can pinpoint where risk is accumulating.

The final—and most powerful—step is connecting these insights into a single, dynamic measurement system. By integrating these data points into a centralized dashboard, **organizations can quantify stress, detect early warning signs, and forecast risks before they escalate into costly business challenges**.

The WONE Platform

"We're building the largest and richest dataset on stress, where we collect both physiological and psychological inputs of stress as well as contextual data. This means we can understand what's having the greatest impact on triggering and relieving stress levels during the day, and to help companies use this data to create healthier work environments.

Reeva Misra
Founder & CEO, WONE

This structured approach also provides leadership with the hard data they need to justify action. When stress metrics are tied to measurable business outcomes—such as revenue impact, operational errors, and client satisfaction—securing investment for targeted interventions becomes far easier. Advanced strategies will make use of AI-driven insights, linking stress directly to financial outcomes and benchmarking against industry leaders.

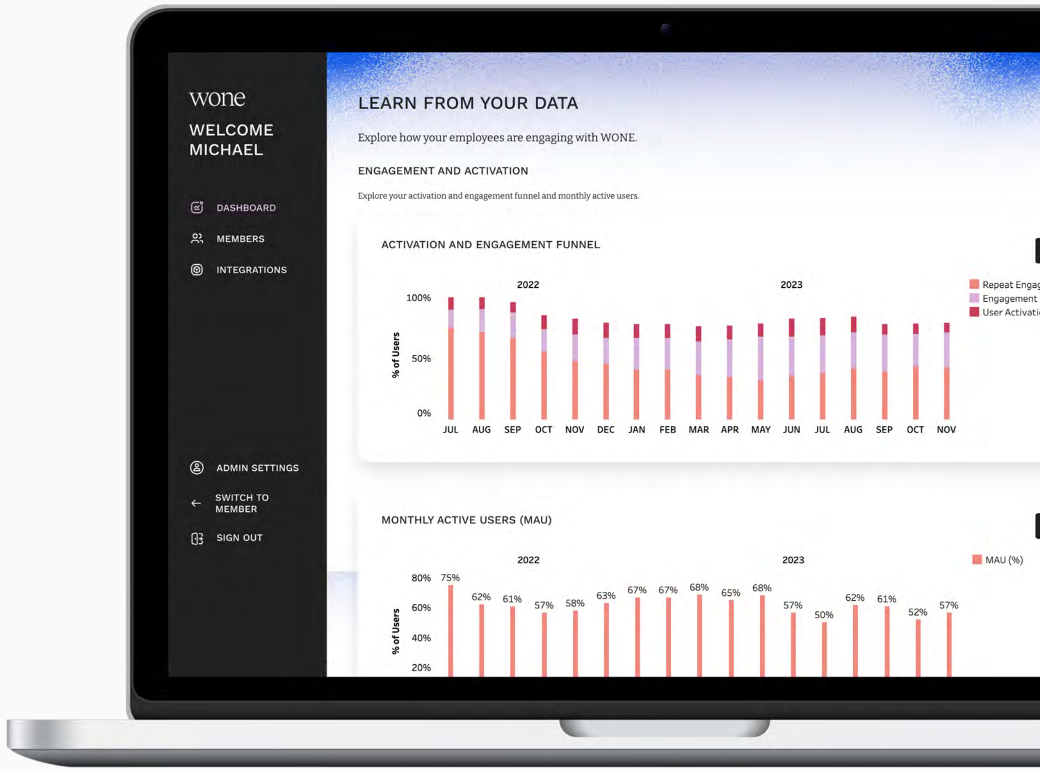
By treating stress measurement as a core component of business risk management, organizations can move from passive awareness to proactive prevention—turning stress data into a strategic advantage.

"You can't improve and mitigate risks if you don't measure contributing factors, if you don't make them visible, tangible, and reliable.

Dr Anne-Kathrin Gellner
Neuroscientist, Psychiatrist, Neurologist, Principal Health Consultant, Mercer

"We need to translate what could be misperceived as the fluffy science of well-being and stress into hardcore business language in order to ring the alarm bells in the right language.

Dr Wolfgang Seidl
Partner, Global Mental Health Consulting Leader, Mercer



The WONE Platform

4. Align People and Risk Functions

Organizations must embed stress into their formal risk management frameworks, ensuring it is regularly assessed, reported, and discussed at the leadership and board level, but to do this, HR and Risk teams need to move beyond their traditional silos. By combining HR's deep understanding of people with Risk's analytical and predictive capabilities, organizations can create a more sophisticated approach to stress management. Together, these functions can identify early warning indicators of stress before they escalate into costly business problems, develop targeted, data-driven interventions tailored to the company's unique needs, and secure board level buy-in for bigger step changes towards preventive health.

A cross-functional measurement system is key to making this collaboration effective. By integrating stress-related insights—such as absenteeism trends, performance fluctuations, and psychological safety metrics—HR and Risk can shift from reactive responses to predictive risk management. Regularly reviewing these insights together ensures stress isn't just monitored but actively managed as a core business risk.

Moreover, positioning stress resilience as a business enabler shifts the narrative from compliance to strategic opportunity. **When HR and Risk jointly quantify the financial impact of stress—linking it to performance, retention, and health care claims costs—well-being investments become a key driver of competitive advantage.**

By embedding stress resilience into risk strategy, organizations can enhance long-term business stability, protect their workforce, and improve financial performance. A well-aligned People and Risk function ensures that employee well-being isn't seen as separate from business success—it's recognized as a key driver of sustainable growth.

"Enough of trying to change the worker, change the workplace instead. Create human sized jobs. Ask people what they need and don't need to do the great work you and they want to deliver.

Richard Martin
CEO, Mindful Business Charter

5. Take a Holistic Approach

Recognizing stress as a business risk requires systemic thinking. Stress isn't just an individual problem—it's deeply embedded in how work is designed. To enable people to perform at their best, organizations must build holistic well-being strategies that create positive, compounding effects across all aspects of employee life.

This is particularly important in the context of our shifting job landscape. According to the World Economic Forum's Report, AI is expected to displace 9 million jobs whilst creating 11 million new ones.[41] AI will redefine our job landscape in a way we've never seen before.

It is therefore, more important than ever to ensure employees are operating at their full potential and this comes from creating a holistic well-being strategy that encompasses multiple factors - physical, mental, financial, job quality, and social connection. The most forward thinking organizations are now recognising their role as a powerful community to influence better health, wealth, and career outcomes, with the suite of policies, support systems and benefits that they provide.

Yvonne Sonsino from **Mercer** put it well:

"**We work with clients to co-create a holistic framework for well-being across five pillars: Physical, Mental, Financial, Social and Career well-being. These pillars are interconnected, supporting the individual both at work and at home.** For example, financial well-being has been in the spotlight because of a combination of volatile inflation and higher interest rates, job insecurity and longer life expectancy. This causes worries about the adequacy and sustainability of pensions - the workplace has part of the responsibility here, especially if employers claim they provide 'top market' plans.

Your Practical Guide to **Stress Risk Mitigation**

Is your organization effectively managing stress as a business risk?

Take our quick assessment to discover your organization's resilience level and receive a customized roadmap tailored to your unique needs for integrating employee stress into your risk strategy.

If you've made it this far, you're likely interested in how to integrate stress into your business risk matrix. Now that you understand why it matters, we want to provide you with a practical tool you can use right away. Our stress risk mitigation framework is built on five key pillars—Individual Support, Organizational Culture, Measurement, People and Risk Function Alignment, and Holistic Approach—ensuring a comprehensive approach to managing stress as a business risk.

To make this actionable, we created an AI-powered assessment that personalises recommendations based on your responses. Our algorithm evaluates your organization's needs across these pillars, drawing on the insights in our whitepaper to generate tailored risk mitigation strategies. This allows you to move from awareness to implementation, equipping you with data-backed steps to strengthen your organization's resilience.

SCAN ME

Your Risk Mitigation Framework

Take the quiz to receive your own personalised risk mitigation framework, a one page tool that helps you map out how to integrate stress into various elements of your risk strategy.

Offer Preventive Health Support for Individuals
Providing employees with science-backed tools to recognize and manage stress early can enhance resilience, improve productivity, and prevent burnout before it becomes a business risk.

Build a Stress Measurement Dashboard
Measuring both the drivers and outcomes of employee stress through data-driven insights allows organizations to predict and mitigate stress before it impacts performance and business outcomes.

Align People and Risk Functions
Bridging the gap between HR and Risk functions enables businesses to proactively identify people-related risks, implement targeted solutions, and elevate stress resilience as a strategic priority.

Take a Systemic Approach to Organisational Change
A sustainable stress-risk mitigation strategy requires organizations to address workplace culture, leadership behaviors, and operational policies that contribute to employee stress, while also preparing for increasing regulatory expectations.

Take a Holistic Approach
The most effective organizations move beyond isolated well-being initiatives and create integrated strategies that support employees across physical, mental, financial, and social dimensions to drive long-term success.

The cost of inaction on your organisation
Understanding the financial impact of unmanaged employee stress on your organization will help you to see beyond well-being as a 'nice-to-have' and recognize the real business cost.

Contact WONE for advice on your bespoke stress mitigation solution.

Conclusion

The Business Impact of Employee Stress

This whitepaper presents groundbreaking research to conclusively link employee stress and organizational risk. Employee stress has a huge cost on a business—a staggering $5.3 million for a 1,000-employee organization. Moving employees from high to lower states of stress is therefore critical to drive business performance. By doing so, the powerful multiplier of stress can be reversed to act in your favor, fueling business performance, building resilience, and enabling your team to reach their full potential.

The Leadership Imperative: Taking Bold Action

Leaders stand at the forefront of this transformation. By recognizing the early signs of stress—such as increased absenteeism, declining performance, or emotional exhaustion—and fostering a culture of care and support, you can build teams that thrive. With bold, informed action, you can protect your workforce while driving long-term business success.

Investing in preventive action is no longer a "nice-to-have" but a necessary imperative for protecting your organization from workforce loss, performance challenges, and escalating costs. By integrating stress management into risk mitigation strategies, businesses can take preventive measures to safeguard their greatest asset: their people. Organizations that act decisively to leverage tools like WONE will not only reduce risks but also unlock new pathways to growth, innovation, and resilience.

Partnering for a Resilient Future

WONE is ready to help you lead this change.

Walking on Earth (WONE) is a global leader in stress management solutions for enterprise businesses. The WONE Method has a proven track record of reducing employee stress and driving business performance. WONE's proprietary dataset on stress and business risk provides the insights needed to make confident, strategic decisions on business priorities and investment.

Together, we can empower your leaders, support your teams, and ensure your organization not only navigates these transformative times but emerges stronger than ever.

Contributors

	Reeva Misra	Founder & CEO, WONE
	Yvonne Sonsino	Total Well-being and Longevity Lead, Mercer
	Brent Hoberman CBE	2x Unicorn Founder and Co-Founder and Executive Chairman of firstminute capital, Founders Factory & Founders Forum Group
	Natasha Christie-Miller	Chairwoman, Sifted and Business Advisor, TED Conferences, The Economist
	Charlotte Eaton	Chief People Officer, Arm
	Bruce Daisley	Ex-Twitter Vice President for Europe, Middle East and Africa, Author, Presenter
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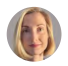
	Dave Ulrich	Rensis Likert Professor, Ross School of Business, Partner The RBL Group
	Dr James Hewitt	Human Performance Scientist
	Alexandra D Crosswell PhD	Stress Scientist, Former Medical School Professor
	Dr Anne-Kathrin Gellner	Neuroscientist, Psychiatrist, Neurologist, Principal Health Consultant, Mercer
	Dr Wolfgang Seidl	Partner, Global Mental Health Consulting Leader, Mercer

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	Gabriella Bergin-Cartwright	Program Lead, WONE

Appendix

Advancing Stress-Risk Research

While our research provides compelling evidence for the link between stress and business risk, it is important to recognize the limitations inherent in research studies. This study was cross-sectional by nature, meaning that while we establish clear associations between stress and various workplace risks, we cannot determine causal directionality. However, prior research suggests that the relationship between workplace stress, employee health, and business outcomes is likely cyclical—stress contributes to poorer health and greater business risk, and poor health and business risk outcomes (such as poor performance), in turn, exacerbate stress. Given this interplay, interventions at any point in the cycle can disrupt the feedback loop and drive positive outcomes.

Second, while our sample is large and evenly split between the US and UK, it remains confined to two Western countries and is primarily composed of employees from high-intensity industries, including legal, finance, technology, and other professional services. Although our findings strongly support the Stress-Risk Thermometer in these contexts, its application to diverse cultures and industries could yield even richer insights. We envision future research expanding into manufacturing, health care, retail, and other sectors, as well as different geographical regions, helping to refine and strengthen the model while uncovering unique stress-risk patterns in varied work environments. Your organization can be part of this expanding knowledge base, contributing to a deeper understanding of workplace stress while gaining actionable insights for your specific context.

How we Assessed Stress

Stress severity was assessed by asking participants to reflect on how they have felt at work in the past one month. Recognizing that manifests and is interpreted differently depending on individual factors, participants responded to three items that assessed stress, overwhelm, and anxiousness at work, by asking: In the past month, how often have you felt:

- Stress at work
- Anxious at work
- Overwhelmed at work

Participants responded on a 5-point Likert scale with options for None of the time (1), Rarely (2), Sometimes (3), Frequently (4), and All of the time (5). For the purposes of this research, the top two response options (4 and 5) were categorized as being high stress, Sometimes was categorized as moderate stress, and Rarely or None of the time was categorized as low stress. As stress manifests differently depending on individual factors, we assessed these three indicators of stress and scored the data using a max approach, such that the highest score was used in analyses.

How we Assessed Risks

Participants also reported on 17 business risks spanning five categories. They were asked to what extent the following statements were true for them over the past month using a 5-point Likert response scale. Response options included Never (1), Rarely (2), Sometimes (3), Often (4) or Always or almost always (5) or Strongly disagree (1), Disagree (2), Neutral (3), Agree (4) or Strongly agree (5), depending on the item wording.

This was the case for all risk items except absentee and health claims items, which requested numerical values over the past 3 and 6 months, and then were multiplied by 4 and 2, respectively, to arrive at a past-year estimate.

Risk item responses were categorized such that the top two response options (4 and 5) indicated high risk. When low risk is called out, the categorization consists of the bottom two responses (1 and 2). Otherwise, we grouped together low and moderate stress when comparing with high stress. When multiple items were combined, the average was calculated and rounded before categorizing into risk buckets. This was the case for all items except those which represented what we categorized as a "critical operational risk"—a max approach was taken here due to the relatively direct impact of these risks on the business, which we expected to present a major issue if any were indicated.

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