The stress factor

Release date: HR Monthly August 2009 Australian Human Resources Institute

HR is on the frontline as economic pressures stress staff and management.

Deborah Tarrant investigates how the profession is coping

Arguably one of the most profound impacts of the global financial crisis is the new significance it has brought to human resources. As organisations globally grapple with momentous change – rightsizing, restructuring and assuaging the resulting uncertainty – in the thick of the action are people managers everywhere.

Right in the frontline, developing strategy around big-picture productivity issues and re-engineering of the workplace in terms of people power, are human resources professionals.

Those with a perspective across industries and sectors – such as Michele Grow who heads Davidson Trahaire Corpsych, Australia’s largest corporate psychology and human resources consulting firm – says the prevailing economic climate has made the role of HR absolutely critical. And what’s abundantly clear is that for the HR professional – as the critical enabler in extraordinary times – the job is far from easy. Stress and anxiety levels are running at an all-time high.

Not only are HR departments feeling the impact of the GFC – and being asked to do more with less – but they are dealing with the effects of the wider fallout on managers and employees. HR is contending with both the immediate impact of reducing headcounts on those whose roles have been eliminated, and the flow-on effect to those who are left behind.

Ultimately, this culture shift in the organisation must to be managed – and it is the HR department that everyone turns to. Of course, on top of this are the regular, day-to-day tasks of HR professionals who may be insecure about the future of their roles.

Even in workplaces where redundancies haven’t occurred, signs of anxiety and burnout are starting to show, reports resilience trainer Greg O’Brien of Brisbane based Pace Learning. Human resources, after all, is the one function that has nowhere to hide – it encompasses the entirety of an organisation, he points out.

For Grow, the evidence that the HR functions of Australia’s organisations are on overload, is mounting daily. For starters, there’s the increased incidence of employees being referred to Davidson Trahaire’s Employee Assistance Program (EAP) by HR professionals. (The company records around 50,000 new contacts annually.) In calmer economic times, employees have been typically referred by managers, says Grow, less so by HR. She considers this a blatant indicator that HR functions are not coping with the volume of work. The company is also seeing an upswing in the number of individuals using their Manager Assist advisory service. Line managers and others – HR managers among them – are struggling with the anguish, the challenges and the pervading pressure.

And it’s not getting easier. The emerging trends of the past six months, Grow says, inevitably will result in generating greater work pressures. She reports an HR Monthly August 2009 Australian Human Resources Institute increasing number of requests for help with interpersonal communication issues, which are fuelling an escalation in conflicts and mediations. Also on the rise are cases of perceived bullying and harassment. And the presentation of aggravation in both customers and employees is becoming more frequent.
There’s plenty of anecdotal evidence that HR is under pressure. The problem, she says, is in the extent of change that’s occurring – and the fact that many changes are happening simultaneously. Large numbers of employees are being made redundant, at the same time as restructures are being undertaken. Add to this the inexperience of many younger HR professionals who’ve never experienced times as tough as these.

“Through the EAP we’re seeing escalating levels of anxiety and uncertainty – irrespective of whether or not something has happened,” she says. One of the reasons for that is the way change is being communicated – or not communicated – in organisations.

Grow believes communication is key to reducing stress all-round, but most pertinently in terms of the volume and nature of the workload for both HR and line managers. And there’s a veritable Catch 22 in the communications cycle. “In difficult times organisations make the mistake of communicating less,” she says.

“They think: ‘we don’t know what’s going to happen so we won’t say anything’. This just heightens the level of anxiety and therefore the pressure on managers.”

Continued communication is important, she emphasises, regardless of whether or not people can be assured of a particular outcome. What’s crucially important when the news is negative – whether it’s reporting ongoing uncertainty, reduced shifts or the crunch of a job on the line – is being straight with people, insists Paul Flanagan who clocked up two decades of prior experience in employee assistance before taking on his current role as managing director of organisational well-being specialists, Good Health Solutions, late last year.

If not directly involved in the face-to-face job of telling someone their role no longer exists, then the role of the HR professional is to support and coach the manager who tackles this difficult task. “HR works with line managers in helping them to walk the fine line between being understanding and impassive with people, but most important is being direct with them,” he says.

More than coaching managers in this, the role of the HR professional is commonly one of pragmatic moderator, Flanagan believes. Managers may be particularly stressed and possibly conflicted by their closeness to staff members. One of the key roles of HR is upholding the pervading need for fairness. For example, faced with choices between two people and one job redundancy, “you can’t discriminate because one may be facing greater difficulties,” he points out.

“The balancing act for the HR practitioner is between being compassionate and getting the job done. The challenge is in keeping a professional distance without losing empathy – how well they do that comes down to personality and experience.”

Much of the success in the way HR handles the often rapidly changing environment – and the redundancy process, in particular – is determined by how much the process is in line with the way the HR practitioners themselves believe things should happen, suggests Grow. While redundancies and restructures are a cyclical reality, a raft of factors impinge on the comfort levels of those involved in carrying them out. For instance, fundamentally do they believe the restructure is right – or necessary – for the organisation’s future operations? Is the way the redundancy process is conducted best practice? Are outgoing people being offered ongoing support in the form of career transition, counselling, or financial assistance, if required? Their ability to manage the process, support managers and help employees – along with keeping the necessary distance themselves – often hinges on how much experience they have had with redundancy and workplace change. While an expected part of the role of HR is to coach managers in having the redundancy conversation, a relevant question for organisations is how much training have they had for this delicate role?
Many of the calls to the Manager Assist line have a similar theme, notes Grow, and frequently they involve a degree of trepidation about an impending conversation. “It may be about finding ways to approach a difficult issue … or perhaps around how to approach an employee who has been behaving in an unusually withdrawn way.”

The current climate has taken the HR professional back to basics – to reducing head counts, people costs and focusing on productivity, observes Flanagan. For many, this is the first time the organisational purse-strings have been tightened. Initiatives in organisational development, recruitment and talent management have been contracted severely, if not put on hold. “Professionally, HR practitioners are being asked to take on different tasks – and quite often they’re feeling vulnerable because the skill set in which they have built expertise is not being used. Their dilemma is figuring out how to contribute in another way that’s valuable.”

However, an upside that every HR professional should appreciate from this unsettling, tumultuous time, he points out, is the opportunity it is providing to build a new skill set. Certainly many HR professionals are reporting dissatisfaction with the changed nature and enjoyment of their work, confirms Leoni Barnett, a senior consultant with HR recruitment specialists, The Next Step. Candidates are reporting notably higher dissatisfaction with their jobs and a high degree of stress. “Let’s face it, they’re being asked to do things none of us like to do,” says Barnett. “I’m hearing stories of anger, high emotion and tears in the workplace … More than stress, it’s distress.”

Inherent in the HR professional’s job right now is helping managers to create nonfinancial incentives to boost morale, retain the right employees and enhance productivity. (Let’s not miss the irony that research has long indicated that high level stress is counter-productive!)

Greg O’Brien concludes one of the obvious priorities, particularly in today’s heady high-pressure environment, is for HR departments to get their own “houses” in order before trying to influence others. Rather than trying to do everything, clarity of focus is, now more than ever before, key, he says. “After all HR plays a crucial role in setting the tone for the organisation. To build resilience, I’m advising HR professionals to consider how they are modelling the way forward and – difficult as this may be – to set aside some time for their own development.”

**Good news or bad?**

Stress is reduced when the news is delivered the right way, advises Michele Grow of Davidson Trahaire Corpsych. When communicating change be sure to tell people:

1. What’s the purpose of the change? Why is it happening?
2. Explain what the future looks like after the change
3. Describe the process for change: what will happen?
4. Remember to focus on what part the individual will play in the change.

**Stress busting at work**

There are a number of ways managers can support and assist employees to deal with distress and anxiety.

- Maintain transparency regarding any changes that are taking place
- Use a variety of methods to communicate messages to your staff so that information is received
• Ensure your communications are delivered in a timely manner

• Check that your messages have been understood by your team

• Discuss the impact of the proposed changes openly

• Provide opportunities for your team to discuss/debrief their concerns

• Listen to your staff – show empathy, not sympathy!

• Normalise their reactions and responses

• Encourage your staff to look for opportunities and ideas that will assist the business in any cost cutting efforts – this will also help to increase their investment in the solution.

—Davidson Trahaire Corpsych