

Friday, November 14, 2008

## Reducing workplace stress can help companies' bottom lines

Pittsburgh Business Times - by [Kris B. Mamula](#)

Lyndon Johnson was in the White House when George Hofmann would stand at the gate of North Side Foods at quitting time on Fridays, thanking his employees for their efforts and wishing them a good weekend.

These are among Rob Hofmann's memories of his grandfather, who ran the family's pork sausage processing company for 35 years. The company has since moved its plant to Arnold from Spring Garden, but the commitment to the employees hasn't changed.

"We are only as good as the people who work for us," said Hofmann, who is CEO. "We're a fifth-generation company, and that has been our mantra for many years."

No company has been immune from heightened workplace stress resulting from layoffs, evaporating retirement savings and declining home values. But companies like North Side Foods have been more successful than others in minimizing the distractions created by stress.

The effort is worthwhile. The cost of workplace stress, including depression, is lost productivity that has been estimated as high as \$600 billion, according to Richard Citrin, vice president for employee assistance program and work/life services at [UPMC Health Plan](#).

"Right now, there's a whole other set of workplace stressors related to the financial meltdown," Citrin said.

An increasing number of people are feeling the heat. Life Solutions, the employee assistance program arm of UPMC Health Plan, reports that referrals for anxiety and depression rose about 5 percent during the last couple months, Citrin said. EAP referrals industry-wide have increased 10 percent to 15 percent and help line referrals are up 5 percent to 10 percent as people cope.

"That's the kind of stuff I'm seeing in my practice — older middle-class workers and their dependents who have been pretty conscientious about their savings and retirement," said Greensburg psychologist Douglas Ramm. "And now, they sit there and say, 'I may as well have bought lottery tickets.'"

A recent survey found salaries lead the reasons for workplace stress, followed by heavy workload, lack of opportunity for advancement, uncertain job expectations and long hours, according to Rex Gatto, president of Gatto Associates LLC, a Mount Lebanon-based workplace consultant. Fifty-five percent of respondents reported being less productive due to stress.

"Uncertainty in the workplace is taking its toll," Gatto said.

Colleen McConnaughey, assistant vice president of human resources, describes North Side Foods as a "roll up your sleeves company" where employees are given opportunities to help in areas outside their departments, broadening their experience and preparing them for promotion. The company, a subsidiary of Smithfield, Va.-based Smithfield Foods Inc., employs 375 people at the Arnold plant, gives preference to internal candidates for promotion and lists "unquestioned commitment to employees" as part of its mission.

Supervisors meet with hourly employees every six weeks to air concerns and, for the past seven years, employees have been recognized for a job well done with things such as baseball tickets and gift cards, McConnaughey said.

In recent years, North Side Foods began offering the Dale Carnegie Leadership training for managers. During the summer of 2007, five managers underwent the training. A few months later, the classes were brought to the Arnold campus, where 28 more employees signed up. The training continues for employees.

Improving communication between managers and hourly employees can help dial back the stress pervading

the workplace, Gatto said.

The employee listening sessions, the leadership training and other workforce investments seem to be paying off at North Side Foods. There have been no major layoffs and the attrition rate has been just 4 percent annually.

Through the spring, the company paid \$184,000 for leadership training, which resulted in employees recommending cost-cutting and production enhancements valued at \$905,192, McConnaughey said.

At a time when frequent job changes are the norm elsewhere, McConnaughey tells new hires, “I want you to retire from North Side Foods.”

*kmamula@bizjournals.com | (412) 208-3825*

*All contents of this site © American City Business Journals Inc. All rights reserved.*