

meQuilibrium



THE SCIENCE BEHIND RESILIENCE

A STUDY OF PSYCHOMETRIC MEASURES & BUSINESS OUTCOMES

EXECUTIVE SUMMARY

Stress is a modern-day epidemic. It affects every corner of our lives: personal relationships, physical health, emotional wellbeing, and, notably, work performance and engagement—and employers are taking notice. According to the National Business Group on Health/Towers Watson 2013/2014 Staying@Work™ Survey, 78 percent of employers identify stress as the top risk factor for their workforce. There is mounting evidence from academic and industry organizations that stress is a costly problem in the corporate space in terms of lost productivity due to presenteeism and absenteeism, reduced job engagement, turnover, health care utilization costs, and the human toll caused by rising levels of sadness, frustration, and anxiety.

Conventional wisdom dictates that there are two types of people: those who are easily overwhelmed and stressed, and those who gracefully navigate tough situations. However, the latest science proves that this ability to cope and thrive in stressful situations—known as resilience—is not an inherent trait you either have or don't. It's a measurable set of skill-based competencies. It can be learned, and everyone has the ability to increase his or her resilience reserves.

To demonstrate the power of resilience, we measured how resilience stacks up against scientifically validated, industry-standard metrics. The results show strong correlations between high levels of resilience and positive business outcomes, and evince the value of resilience for business leaders, human resources executives, and the everyday employee.

Key takeaways:

Stress: Resilient individuals can better manage stress and are less likely to feel defeated when faced with a challenge.

Absenteeism: Resilient employees miss less work and are more connected to their job, colleagues, and the corporate mission.

Intent to Quit: Employees who exhibit resilience are less likely to leave their current job.

Loyalty: Resilient employees are more satisfied and more connected at work.

Physical and Mental Health: Emotional wellbeing is the new HR benefit.

RESILIENCE DEFINED

Resilience is defined as an individual's ability to manage stress and bounce back from adversity. Stress and adversity can come in the shape of family or relationship problems, health problems, or workplace and financial stressors, among others¹. Individuals demonstrate resilience when they can face difficult experiences and rise above them. When we break resilience down into its component parts, it's apparent that it is a learned, skill-based set of competencies rather than a fixed trait.

Resilience entails:

- A positive self-concept and confidence in one's strengths and abilities
- Efficient problem-solving skills; being able to identify the true causes of a problem and channel resources to what's solvable
- The ability to manage strong feelings and impulses in order to remain goal focused
- The capacity for empathy and forming social relationships that act as a buffer against stress
- A willingness and ability to take on opportunities and challenges
- The ability to cultivate a positive outlook

METHODOLOGY

meQuilibrium surveyed 2,000 employed individuals, ranging from ages 18 to 64. Each individual completed meQuilibrium's proprietary resilience assessment ("the resilience score"), developed by meQuilibrium's team of experts. Drawing on decades of experience studying resilience and positive psychology, the resilience-measuring assessment focuses on seven key factors: emotional regulation, impulse control, causal analysis, self-efficacy, realistic optimism, empathy, and sense of adventure. These factors are ultimately rolled up into a single resilience score.

To validate the impact of resilience, as measured by meQuilibrium's assessment, against other established psychometric measures of wellbeing, participants also completed other industry-standard, validated tests, including:

- The Psychological Capital scale ²
- Copenhagen Psychological Survey ³
- Perceived Stress Scale ⁴
- WPAI presenteeism measure ⁵
- Other health-related measures

The resilience score was tested for its correlation with the other measures, and differences in outcomes were compared across levels of the score. Respondents were divided into four equal groups according to the quartile of their resilience scores. Separate regression models were applied to each external outcome, controlling for age and gender.

#1 RESILIENT WORKERS FEEL LESS STRESSED AND MORE MOTIVATED

The more resilient a person is, the less likely he or she is to feel overloaded or unmotivated. Here's how resilience corresponds with high stress and burnout among employed people.

PERCEIVED STRESS SCALE

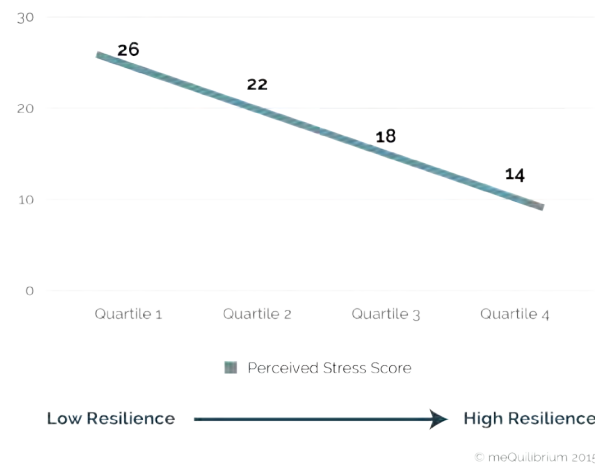
The Perceived Stress Scale (PSS) is one of the most common and respected psychological methods for measuring the perception of stress. It identifies the degree to which situations in one's life are evaluated as stressful. The questions are designed to uncover how unpredictable, uncontrollable, and overloaded respondents find their lives. When matching up responses to PSS against the resilience score, there is a strong negative correlation, meaning higher resilience scores correspond to lower perceptions of stress. **The study found that highly resilient workers have 46 percent less perceived stress than low resilience workers.**

EMPLOYEE BURNOUT

Burnout is an indication that workers have less motivation to work and are less effective in their jobs. **Employees who exhibit the highest level of resilience also have the lowest incidence of burnout.** Scores are more than twice as high for those with the lowest resilience scores, compared to those with the highest.

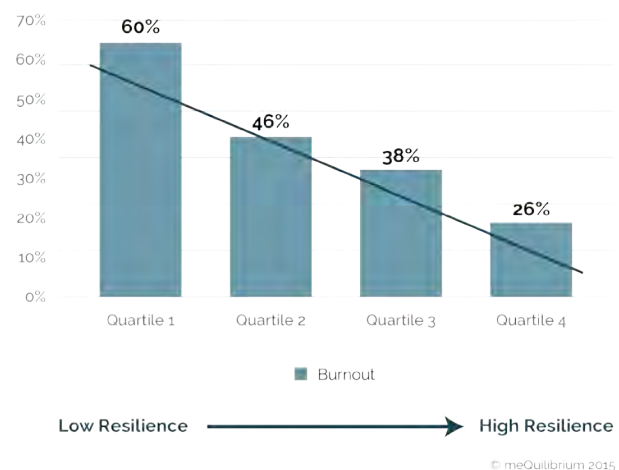
Overall Resilience Score and Stress

Perceived Stress Scale (PSS) by Resilience Score



Overall Resilience and Employee Burnout

Workplace Burnout by Resilience Score



78 percent of employees say their current stress level is medium to very high.

WHAT IT MEANS

While stress will always be present, reframing the way we think about stress will minimize its impact. Rather than feeling pressure to eliminate stress from the workplace, business leaders should focus on empowering their employees to better cope with stressful situations, whether that's through formal resilience training or other wellness programs. By changing thought patterns, we can intervene at the root of the issue and make powerful changes. This effectively means employers can support their workforce by taking an inside-out approach to wellbeing.

Key takeaway: Resilient individuals can better manage stress and are less likely to feel defeated when faced with a challenge.

#2 RESILIENT WORKERS ARE LESS ABSENT AND MORE EFFECTIVE

In terms of attendance, resilience seems to impact short-term, incidental absences most. **Compared to highly resilient workers, twice as many—30 percent—of employed individuals with low resilience reported 1 to 3 absences in the past month.** This has significant implications for jobs where substitute workers are required to fill in for unscheduled absences. In addition, **the lower a person's resilience score, the less present—and thereby effective—they are when at work.** Those with the highest level of resilience reported only 18 percent impairment, while those with the lowest level reported 42 percent impairment.

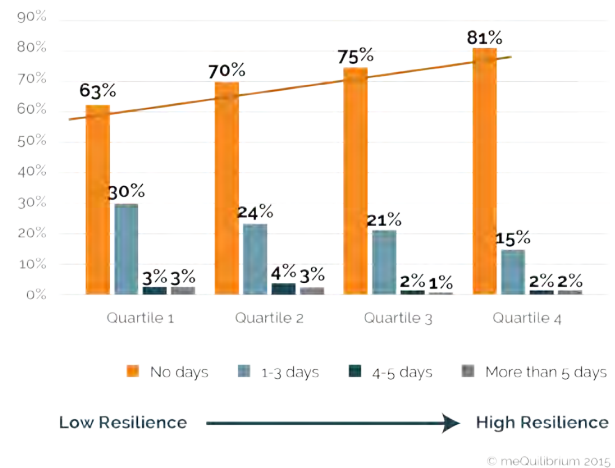
WHAT IT MEANS

Stress affects the bottom line: when employees are absent, businesses lose money. An estimated one million employees miss work each day because of stress—and this costs companies an average of \$602 per employee per year⁶. In addition, less resilient workers are more likely to be ineffective when they are at work.

Key takeaway: The research shows that resilient individuals have lower rates of both absenteeism and presenteeism.

Overall Resilience Score and Absence

Employee Absence Rate by Resilience Score



Recent data from a meQ-conducted survey found that 31 percent of employees have missed a day at work due to stress.

Overall Resilience and WPAI Presenteeism

Percent Below Optimal Performance



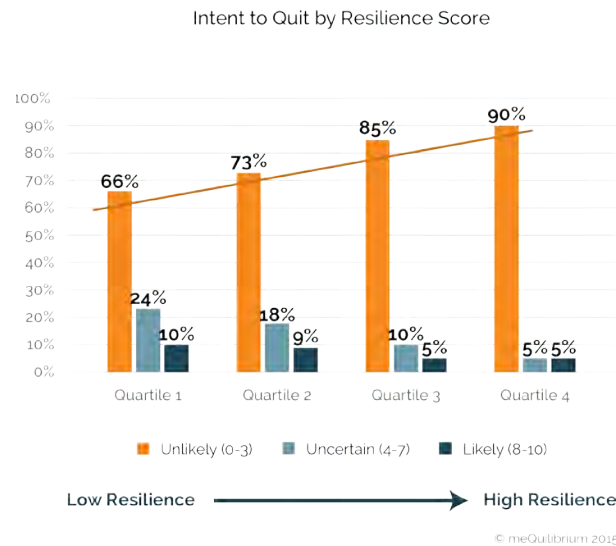
#3 RESILIENT WORKERS ARE LESS LIKELY TO WANT TO QUIT

There is a strong correlation between resilience and intention to quit. Research from Mercer shows that nearly 40 percent of employees are considering leaving their current employer—regardless of age, position, level of satisfaction, or engagement. In addition, **individuals with low resilience are twice as likely as those with high resilience to quit in the next six months.** Ninety percent of individuals with high resilience are unlikely to quit.

WHAT IT MEANS

Turnover is a major issue for employers. It costs an average of 150 percent of a mid-level employee's annual earnings to replace a worker, making turnover a highly expensive issue. Employees who exhibit resilience are less likely to be looking elsewhere for work, which saves employers money and fosters a more positive work environment.

Overall Resilience Score and Intent to Quit



In a recent survey by meQuilibrium, 40 percent of respondents indicated they have quit a job due to stress.

Key takeaway: Employees who exhibit resilience are less likely to leave their current job.

#4 RESILIENT WORKERS ARE MORE SATISFIED AND BETTER BRAND PROMOTERS

The more resilient a person is, the more likely they are to be satisfied with their job. **Almost four times as many people in the top quartile (72 percent) are highly satisfied with their jobs, compared to those in the bottom quartile (19 percent).** In addition, we saw that 45 percent of employees with high levels of resilience fit in the classification of brand promoter—those who would recommend their organization to friends or colleagues—compared to only 15 percent of those with low resilience. In an era where employees are important brand ambassadors, the connection between resilience and employees' opinion of their employer is critical.

WHAT IT MEANS

The research illustrates that resilience is positively correlated with job satisfaction. When employees are satisfied, they're more likely to be high achievers and feel a strong connection to their meaning, mission, and purpose at work. Employees are the face of a company's brand—and when they build resilience and feel satisfied in their job, the organization as a whole will benefit.

Key takeaway: Resilient employees are more satisfied and connected at work.

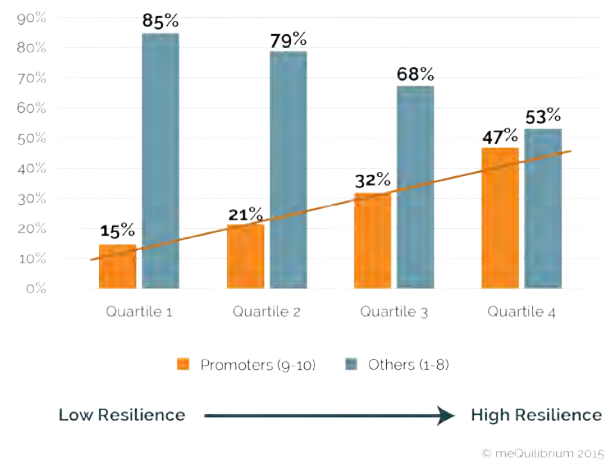
Overall Resilience Score and Job Satisfaction

Job Satisfaction by Resilience Score



Overall Resilience Score and Net Promoter

Net Promoter Score by Resilience Score

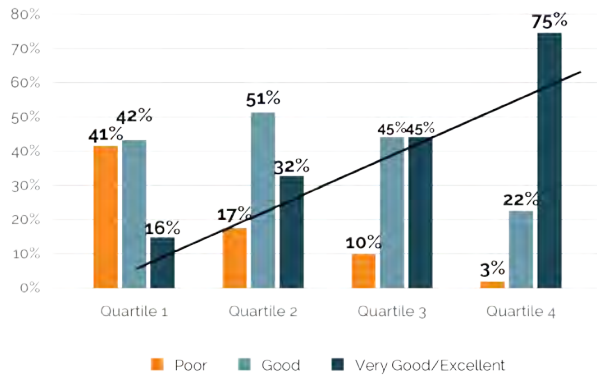


#5 RESILIENCE TRANSLATES TO BETTER HEALTH

Stress has a huge impact on our bodies. Low resilience correlates with poor overall health. In fact, **employees with low resilience are more than twice as likely to be overweight and twice as likely to report a hospital stay in the past year.** In addition, 50 percent of those with low resilience have indications of depression, compared to only one percent of those with high resilience.

Overall Resilience Score and Health Status

Health Status by Resilience Score

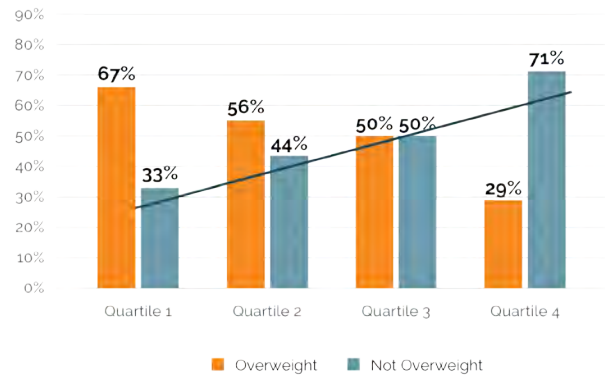


Low Resilience → High Resilience

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Overall Resilience Score and Overweight

Self-reported Overweight by Resilience Score

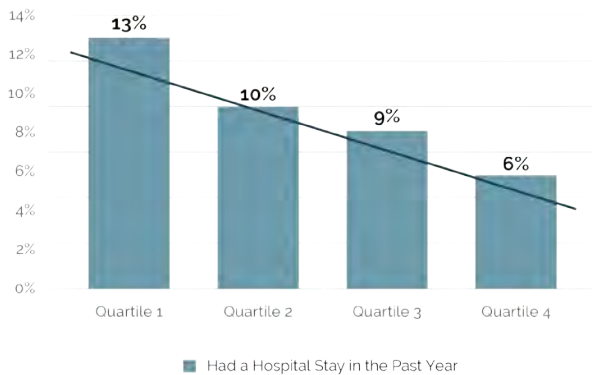


Low Resilience → High Resilience

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Overall Resilience Score and Hospital Stays

Hospital Stay by Resilience Score

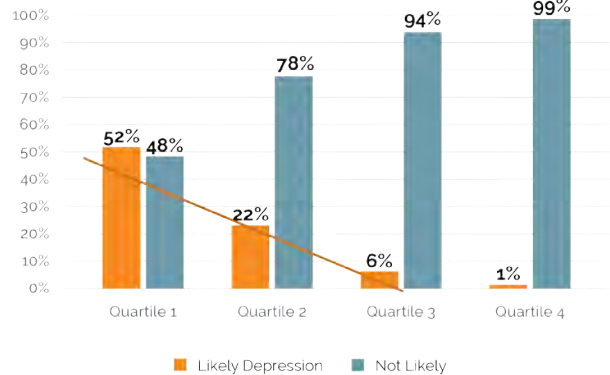


Low Resilience → High Resilience

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Overall Resilience Score and Depression

Depression Indication by Resilience Score



Low Resilience → High Resilience

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WHAT IT MEANS

This research shows that resilient people have better health, which improves business outcomes: according to the CDC, employers with healthier employees will spend less on direct medical costs, worker compensation and disability costs, replacement costs for ill or injured workers who are absent, and costs for recruiting and training new workers⁷. Resilience programs focus on emotional wellbeing and physical health, as well as the relationship between the two.

Key takeaway: Emotional wellbeing is the new HR benefit.

CONCLUSION

THE SCIENCE BEHIND RESILIENCE

This study shows that key business metrics like turnover, absenteeism, and job satisfaction, as well as proven psychometric tools like the Perceived Stress Scale all have a correlation to resilience. Therefore, resilient employees are the key to positive business outcomes and success. Most importantly, resilience is not an intangible aspiration but a measurable set of competencies.

NOW WHAT? PUTTING RESILIENCE TO WORK

The workplace is changing. Organizations are dealing with an employee base that is under pressure and experiencing higher levels of stress than ever before. Empowering employees to build resilience will result in fostering a workforce of more present, satisfied, engaged, and healthy workers, and eventually will lead to a cultural shift within the organization.

AUTHORS



Andrew Shatté, Ph.D., is co-founder and Chief Science Officer at meQuilibrium. He is a fellow at the Brookings Institution's Center for Executive Education, a former professor of psychology at the University of Pennsylvania, and currently serves as a research professor in the College of Medicine at the University of Arizona. Dr. Shatté has been published prolifically in peer-reviewed journals and is the co-author of *meQuilibrium: 14 Days to Cooler, Calmer, and Happier*.



Jan Bruce is CEO and co-founder of meQuilibrium. An entrepreneur with a proven track record, Jan builds consumer-grade products that help people make measurable improvements in health and wellness. Prior to meQuilibrium, Jan was managing director and publisher at Martha Stewart Living's Whole Living/body + soul magazine. Earlier she served as CEO and co-founder of Integrative Medicine Communications, the leading digital brand in science-based integrative medicine. Jan's mission is to help both individuals and corporations achieve measurable results in emotional wellbeing, stress management, and performance optimization.

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