



# The Hidden Cost of Stress

April 2026

لبيه أعمال  
Labayh Business



## Labayh Medical Care Company

### Why Labayh?

**+1,000**

Professionals

**+3** Million

Active users

**2017**

Since

**+89.7** Million

Minutes of appointments

**+100**

Employees

**+2.69** Million

Minutes of social responsibility

**+120**

Countries

**+498** Thousand

Rating Count in app

**98%**

Satisfaction rate

#### Worldwide toolset

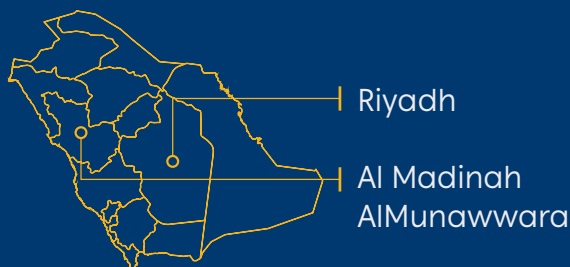
Based in Madinah & Riyadh with delivery capability throughout the Kingdom and across the globe.

#### Qualified and experienced

Saudi MOH approved platform. Management and delivery team with a wealth of experience in the region and beyond.

#### Bilingual Capability

- Design, delivery and support in Arabic and English and in some cases other languages.
- Tools for assessment, design and delivery from some of the best in the world used by accredited practitioners.



Labayh has two main branches in the Kingdom one in Al Madinah AlMunawwara and the other one in Riyadh.

#### A Saudi Company

Tools for assessment, design and delivery from some of the best in the world used by accredited practitioners.

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## Executive Summary

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This report by **Labayh Business** explores the hidden cost of workplace stress and why it deserves far more serious attention from organizations. Stress remains one of the most common challenges facing employees today, yet it is still often treated as a normal part of working life rather than a meaningful organizational risk. Recent figures show that **41% of employees globally** reported experiencing a lot of stress the previous day, rising to **52% in the Middle East and North Africa**, while **28% of employees in Saudi Arabia** reported workplace stress. These figures show that stress is not a limited or isolated issue. It is widespread, persistent, and relevant across sectors and roles.

A central message of this report is that workplace stress often remains hidden until its effects become difficult to ignore. Employees may continue performing while struggling internally, and managers may only notice stress once it shows up through missed deadlines, lower quality, absence, conflict, or turnover. For employees, the cost can be emotional, physical, and practical, affecting mood, energy, concentration, motivation, sleep, health, and life outside work. For organizations, the cost appears through lower productivity, presenteeism, stress-related absence, weaker retention, strained team dynamics, and increased leadership burden. The report highlights that these effects are rarely caused by individual weakness alone. In many cases, they grow from organizational conditions such as excessive workload, unclear expectations, poor communication, limited managerial support, low autonomy, job insecurity, toxic work relationships, and always-on work culture.

The report argues that reducing workplace stress requires an organizational response, not only individual coping advice. It calls on employers to assess stress risks, improve job design, strengthen leadership, create greater psychological safety, promote healthier work norms, and make support services more accessible. To support action, the report presents a simple framework: **Prevent, Notice, Respond**. This means reducing avoidable stressors before harm builds, recognizing warning signs early, and responding in ways that support employees and address root causes. At **Labayh Business**, we believe that taking stress seriously is not only a matter of care for employees. It is a matter of performance, culture, and long-term organizational health.

# 01

## Introduction

## Introduction

With Stress Awareness Month offering an important moment for reflection, we at Labayh Business see this report as an opportunity to draw attention to one of the most widespread yet underestimated challenges in today's workplaces: stress. Across sectors and roles, work-related stress continues to affect employees' wellbeing, energy, focus, and sense of balance, yet it is still often treated as a normal part of working life rather than a serious organizational issue. The scale of the issue is difficult to ignore. According to the World Health Organization, depression and anxiety lead to around **12 billion lost working days every year globally**, costing the global economy an estimated **US\$1 trillion in lost productivity**. Recent data shows that **41% of employees globally** said they experienced a lot of stress the previous day, according to Gallup. In the Middle East and North Africa, that figure rises to **52%**, showing how common stress remains across the region. **In Saudi Arabia**, Gallup reported that **28% of employees** experienced **stress in the workplace**, which still represents more than one in four employees.

From our perspective at **Labayh Business**, one of the biggest problems with workplace stress is that its cost is often not immediately visible. Organizations may notice fatigue, lower morale, disengagement, repeated errors, rising absenteeism, or higher turnover, yet the connection to stress is not always clearly made. This is part of what makes stress so damaging. Its effects are often felt before they are named. In the UK, official figures show that **964,000 workers** were experiencing work-related stress, depression, or anxiety **in 2024/25**, with **22.1 million working days** lost due to these conditions.

The financial impact is equally serious. Recent Gallup findings show that employee stress remains above pre-pandemic levels globally, at the same time that low engagement continues to weigh heavily on performance and productivity. Gallup estimates that low employee engagement cost the global economy **US\$10 trillion in 2025**, equal to **9% of global GDP**. In Europe, recent reporting based on research by the European Trade Union Institute found that work-related depression costs the European Union **more than €100 billion each year**.

**At Labayh Business**, we believe these figures point to a clear reality: workplace stress is not a private issue affecting employees alone, and it is not a minor side effect of demanding work. It is a business, leadership, and culture issue with real consequences for people and performance. Through this report, we aim to examine the hidden cost of stress at work, highlight how it affects both employees and organizations, and point to practical steps that can help create healthier and more sustainable workplaces.

# 02

## What Do We Mean by Workplace Stress?

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At Labayh Business, we use the term workplace stress to describe the physical, emotional, and mental strain that can arise when job demands begin to exceed a person's capacity, resources, or sense of control. It can result from heavy workloads, unclear expectations, tight deadlines, poor communication, limited support, or ongoing pressure with little opportunity for recovery. In this sense, workplace stress is not simply about being busy. It is about pressure becoming difficult to manage in a healthy and sustainable way.

It is useful to distinguish between manageable pressure and harmful stress. A certain level of pressure can help people stay alert, focused, and motivated, especially during important tasks or busy periods. Harmful stress begins when pressure becomes too frequent, too intense, or too prolonged, and recovery does not happen properly. At that point, stress can begin to affect concentration, mood, sleep, energy, decision-making, and day-to-day performance. What may begin as a short period of strain can gradually turn into a pattern that affects both wellbeing and work outcomes.

Workplace stress becomes chronic when it is no longer linked to a temporary challenge and instead turns into an ongoing condition. This often happens when stressful demands continue over time without enough support, clarity, rest, or practical change. Chronic stress may appear through constant fatigue, irritability, emotional exhaustion, difficulty switching off after work, lower motivation, or a growing sense of being overwhelmed. Its effects often build gradually, which is one reason organizations may miss the issue until it has already begun to affect morale, productivity, or retention.

It is equally important to distinguish stress from burnout. Stress and burnout are closely linked, yet they are not the same. Stress usually refers to a state of pressure or strain that may be temporary or ongoing. Burnout is a more severe and prolonged condition that can develop after chronic workplace stress is left unaddressed. It is often associated with deep exhaustion, mental distance from work, cynicism, and reduced professional effectiveness. Put simply, stress can be an early warning sign, and burnout may follow when that warning sign is ignored for too long. For this report, our focus remains on workplace stress itself, its hidden cost, and the practical steps organizations can take before that strain develops into something more serious.



# 03

## Why Stress at Work Is Often Missed

## Why Stress at Work Is Often Missed



We believe stress is often missed at work partly because it is so easily normalized. In many workplaces, feeling overwhelmed, mentally drained, or under constant pressure is treated as an expected part of working life. Long hours, heavy demands, and ongoing urgency can become so familiar that they stop being seen as warning signs. Over time, this can create a culture in which stress is tolerated rather than addressed, even when it is already affecting people's wellbeing and performance.

Another reason stress is often overlooked is that employees do not always stop functioning when they are struggling. Many continue meeting deadlines, attending meetings, and carrying out their responsibilities, even as their energy, focus, and emotional capacity begin to decline. From the outside, they may appear productive and committed. Internally, however, they may be dealing with fatigue, frustration, difficulty concentrating, or a growing sense of exhaustion. This makes stress harder to detect in its earlier stages, when support could be most helpful.

In many cases, managers only begin to notice stress once it becomes visible through its consequences. A drop in performance, missed deadlines, repeated mistakes, increased absence, or tension within the team may be the first signs that attract attention. By that point, the issue has often been building for some time. This is part of what makes workplace stress so costly: much of its impact remains hidden until it becomes serious enough to affect output, morale, or retention.

Stress can be missed for another reason too. Some of its signs are misread. An employee who seems withdrawn may be seen as disengaged. Someone who appears irritable may be judged as difficult. Reduced enthusiasm may be interpreted as low motivation, and slower responses may be mistaken for a lack of commitment. When stress is misunderstood in this way, people may be criticized for symptoms of strain rather than supported through them. For organizations, this can mean missed opportunities to respond early, reduce harm, and protect both employee wellbeing and overall performance.



# 04

## The Hidden Cost on Employees

## The Hidden Cost on Employees

At Labayh Business, we see one of the most significant costs of workplace stress in its effect on the employee as a person. Before stress appears in absenteeism, turnover, or reduced productivity, it is often felt in quieter and more personal ways. It can affect how people think, feel, function, and recover on a daily basis. For many employees, the cost of stress is not limited to moments of pressure at work. It can shape the full work experience and gradually affect life beyond the workplace.

### Emotional and Mental Strain

One of the earliest effects of workplace stress is emotional and mental strain. Employees under ongoing pressure may become more irritable, more easily frustrated, or more emotionally reactive than usual. They may carry a constant sense of worry about deadlines, expectations, or unfinished tasks. For some, stress creates a persistent feeling of being overwhelmed, as if the demands of work are always one step ahead of their ability to cope.

Over time, this can affect mood more broadly. Employees may feel mentally drained, discouraged, or emotionally exhausted, even if they continue carrying out their responsibilities. The challenge here is that this strain is not always visible to others. A person may still appear composed and functional, yet be using a great deal of internal effort simply to get through the day.

### Physical Effects

The hidden cost of stress is not only emotional. It can affect the body in direct and noticeable ways. Employees experiencing stress often report sleep problems, whether through difficulty falling asleep, waking during the night, or feeling unrested even after sleeping. Headaches, fatigue, and muscle tension are common physical signs that pressure is no longer only mental.

When stress continues over time, its physical effects may become part of an employee's normal routine. Constant tiredness can reduce energy for work and for life outside work. Ongoing tension in the body can make rest feel incomplete. In this way, stress can slowly weaken a person's general sense of health and recovery, even if the cause is not immediately identified.

### Impact on Work Experience

Workplace stress can change how employees experience their jobs on a daily basis. Tasks that once felt manageable may start to feel heavier and more difficult to complete. Concentration may decline, decision-making may take longer, and employees may find it harder to stay engaged with their work. In some cases, they may begin to feel that they have less control over their responsibilities, priorities, or pace of work.

This can gradually reduce job satisfaction and weaken motivation. Employees may still be present and active, yet feel less connected to their role, less interested in their tasks, and less confident in their ability to perform well. Over time, stress can turn work from a source of purpose or achievement into a source of constant strain, which affects both wellbeing and performance.

### Impact Beyond Work

The cost of workplace stress rarely ends when the workday ends. One of its most human effects is the way it spills into personal life. Employees who are mentally and physically drained by work may have less energy for family, friends, rest, or meaningful recovery. They may remain preoccupied with work after hours, find it difficult to switch off, or carry tension from the workplace into their home life.

This spillover matters. When stress reduces a person's ability to recover properly, the next working day often begins with less energy and resilience than the one before. Over time, this can create a cycle in which work stress affects personal wellbeing, and reduced recovery makes work feel harder to manage. This is part of why the hidden cost of stress is so significant. It affects not only what employees do at work, but how they live, feel, and function more broadly.

# 05

## The Hidden Cost on Organizations

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### Productivity Loss

One of the clearest business effects of stress is reduced productivity. Employees under strain may take longer to complete tasks, struggle to focus, make more mistakes, or produce work of lower quality. These losses are not always dramatic in the moment, yet they accumulate across teams and over time. Gallup's latest global workplace report places the macro-level cost of weak engagement at **US\$10 trillion** in lost productivity, which shows how strongly employee experience and business performance are linked.

### Presenteeism

Presenteeism is one of the least visible yet most expensive effects of workplace stress. Employees may still show up, attend meetings, and remain active, yet they are not operating at full capacity. That means organizations carry the cost of reduced performance without seeing the clearer signal that absence provides. Deloitte's 2024 UK analysis estimated that poor mental health costs employers **£51 billion per year**, with **presenteeism alone accounting for around £24 billion**, making it the single largest contributor.

### Absenteeism and Sick Leave

Stress can move from hidden strain to visible absence when employees reach a point where continuing becomes difficult. Recent UK benchmarking from CIPD found that **the average level of employee absence reached 9.4 days per employee per year in 2025**, the highest level in more than 15 years. In the same report, **64% of organizations** said they had seen **stress-related absence** in the last year. This matters for continuity, service quality, and workload distribution, since absence rarely affects only one person.



## The Hidden Cost on Organizations

### Turnover and Retention Problems

Stress can quietly push employees to disengage from the organization long before they formally leave it. Over time, stressful environments can weaken commitment, reduce attachment, and increase the appeal of other opportunities. Replacing people is costly in direct and indirect ways. SHRM notes that the cost of replacing an employee can range from **50% to 200% of annual salary**, depending on the role level.

### Team and Culture Impact

Workplace stress does not stay contained within individuals. It can spread into relationships, communication, morale, and trust across the team. Employees under pressure may become less patient, less collaborative, and less able to respond constructively to tension. CIPD's 2024 Good Work Index found that **a quarter of UK employees**, estimated at **around 8 million people**, experienced workplace conflict in the past year. The same report found that people who experienced conflict were more likely to report **excessive workload, pressure, exhaustion, and negative effects on their mental and physical health**, and they were **twice as likely** to say they might quit their job.







06





What Causes  
Workplace Stress?

## What Causes Workplace Stress?

We view workplace stress as something that is often shaped by the work environment itself, not only by the individual's ability to cope. Stress does not usually appear in isolation. In many cases, it grows from patterns in how work is designed, managed, communicated, and experienced every day. For that reason, organizations need to look beyond personal resilience and examine the conditions that may be creating strain in the first place.

Below, **we present eight common organizational drivers of workplace stress**. These factors often overlap, and their effect tends to become stronger when several of them are present at the same time.

-  **Workload and Time Pressure**  
Stress increases when employees are expected to handle too much work in too little time.
-  **Role Ambiguity and Unclear Expectations**  
Stress grows when people are not clear about their responsibilities, priorities, or what is expected from them.
-  **Poor Communication**  
Incomplete, inconsistent, or unclear communication can create confusion, frustration, and unnecessary pressure.
-  **Lack of Support from Managers**  
Employees are more likely to feel stressed when they do not receive enough guidance, understanding, or practical support from their managers.

-  **Low Control or Autonomy**  
Stress becomes more likely when employees have high demands but little control over how they carry out their work.
-  **Job Insecurity**  
Uncertainty about employment, contracts, or future stability can create ongoing worry and tension.
-  **Toxic Work Relationships**  
Conflict, disrespect, exclusion, or blame within the workplace can make the work environment emotionally draining.
-  **Always-On Work Culture**  
A culture of constant availability can reduce recovery time and make stress feel continuous.

07

What Organizations  
Can Do

# What Organizations Can Do

- **At Labayh Business**, we believe reducing workplace stress requires action at the organizational level, not only advice for employees on how to cope individually. The most effective response is one that identifies stress early, addresses its causes, and creates work conditions that are healthier and more sustainable.

## Assess Stress Risks

Organizations can start by identifying where stress is showing up through surveys, pulse checks, listening sessions, and manager observations.

## Improve Job Design

Stress can often be reduced by setting more realistic workloads, clarifying roles, and helping teams prioritize more effectively.

## Build Supportive Leadership

Managers should be equipped to recognize signs of strain, hold regular check-ins, and communicate with empathy and clarity.

## Strengthen Psychological Safety

Employees should feel safe speaking about pressure, asking for help, and raising concerns without fear of judgment or negative consequences.

## Promote Healthy Work Norms

Organizations can reduce unnecessary strain by setting clearer boundaries after working hours, improving meeting practices, and encouraging proper use of leave.

## Provide Access to Support

Employees should have access to counselling, wellbeing resources, referral pathways, and early support services when stress begins to rise.

## A Simple Framework for Action

### Prevent

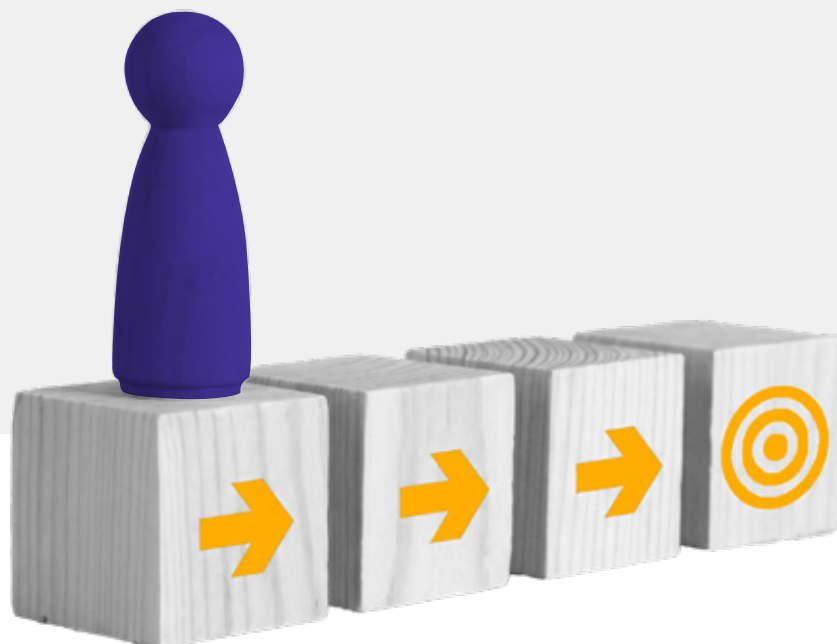
The first step is to reduce avoidable sources of stress within the system itself. This includes reviewing workload, improving role clarity, strengthening communication, setting healthier work norms, and making sure employees have the support and resources they need to work sustainably.

### Notice

Organizations need to identify signs of stress early before they grow into larger problems. This means paying attention to patterns such as fatigue, disengagement, repeated mistakes, tension within teams, rising absence, or changes in morale, and taking these signals seriously.

### Respond



When stress is already affecting employees, the response should combine support for the individual with action on the root cause. This may include manager conversations, temporary workload adjustments, access to support services, or changes in team practices that are contributing to the strain.



08

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