

# 5 Ways to Improve Employee Mental Health

Adapted from the American Psychological Association (APA)

The workplace—where many spend most of their waking hours each week—is often the most structured and controlled environment in workers' lives, and often their primary means of social and emotional support. The workplace is a critical setting for understanding and supporting mental health. Basic care for employees' psychological well-being is the fundamental expectation—aka table stakes—for today's competitive and successful businesses. APA's 2024 Work in America survey finds younger workers feel stressed, lonely, and undervalued.

Equipping workers to manage daily stress and handle the inevitable challenges that affect their mental health costs money, time, and energy. But evidence shows that the cost of failing to support employees' psychological well-being is often far higher.

Employees with high levels of stress are more likely to miss work or to show lower engagement and commitment while at work, which can negatively affect your organization's bottom line. Even before the pandemic, employee stress levels were high. A 2017 analysis found the estimated cost of job stress nationwide may be as much as \$187 billion, with 70% to 90% of those losses resulting from declines in productivity. And the pandemic has only worsened the situation.

Mental health conditions, sometimes incited or exacerbated by stress-inducing or unsupportive work environments, can be just as costly to employers. The American Psychiatric Association Foundation's Center for Workplace Mental Health estimates that the cost of depression alone to the U.S. economy is more than \$210 billion annually in the form of absenteeism and lost productivity. According to the Integrated Benefits Institute, depression costs employers \$17 per employee per year in disability leave payments. People with anxiety and depression are also more likely to develop potentially costly problems with their physical health.

Positive and supportive workplace practices, on the other hand, can boost employee physical and psychological health, company morale, and your bottom line. APA's 2023 Work in America survey confirmed that psychological well-being is a very high priority for workers. Specifically, 92% of workers said it is very (57%) or somewhat (35%) important to them to work for an organization that values their emotional and psychological well-being. In addition, 92% said it is very (52%) or somewhat (40%) important to them to work for an organization that provides support for employee mental health.

Fostering a positive work environment and making mental health resources available can also help attract top talent to your organization. Even if you're already committed to protecting and enhancing your employees' mental health, it can often be difficult to identify practical ways to support your employees and enact meaningful ways to make a difference. Applied psychological research in work settings strongly supports five components that are essential to these efforts.

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## 1. Train your managers to promote health and well-being

Leadership needs to be on board to create a psychologically healthy culture. Managers and supervisors who work directly with employees are key to implementing and sustaining your policies and procedures and creating a generally supportive environment. Mid-level managers are often the gatekeepers of employee well-being—they are the ones who publicize the benefits and resources your organization offers. Without their buy-in, these opportunities aren't necessarily top of mind for many staff.

Research shows that supervisor and manager training in employee wellness and mental health helps supervisors learn how to support employees and recognize the signs of stress and mental health issues, which helps reduce turnover and absenteeism.

Consider training your managers in skill sets that support mental health and positive relationships. Research shows leaders with just three hours of mental health awareness training report improved attitudes about mental health and a higher motivation to promote mental health at work.

Educating managers to respect work-life harmony—essentially, to view their employees as whole people with complex lives—can help employees better manage their work and life responsibilities and goals and improve job performance and employee satisfaction. A study by the National Institute for Occupational Safety and Health (NIOSH) Total Worker Health program showed that training leaders in work-life balance improved their employees' personal and job well-being. The program increased job satisfaction and reduced turnover intentions.

Training managers on how to promote physical and mental health can also help them lead by example. One study found that U.S. Army leaders who were randomly assigned to training about the importance of sleep learned how to improve their sleep and taught their soldiers how to improve their sleep. Other research shows leadership training that includes sleep promotion can reduce turnover and improve job satisfaction.

Equity, diversity, and inclusion trainings are also connected to supporting employee mental health. They require leaders and managers to understand and carry out their organizations' inclusive policies and practices, welcome

diverse points of view, and foster a psychologically safe workplace. A welcoming and safe work climate builds trust among leadership and employees, contributes to job satisfaction, and helps minimize job-related stress.

Also, it's not enough to offer resources without connecting the dots. Organizations should coach managers and supervisors to understand the range of health benefits and programs and to nurture their employees to access those resources.

#### 2. Increase employees' options for where, when, and how they work

Changes over the past several years have led to an unprecedented overhaul of how Americans work. Today's employees want control over where they work—whether it is fully in-person, fully remote, or a hybrid of the two—and they're more satisfied when they are given the chance to decide, according to APA's 2024 Work in America survey.

Research has long supported providing employees with a degree of control over their work environments. An employee's sense of autonomy (PDF, 258KB) has been shown to increase their motivation and performance, which can directly impact an organization's bottom line. Relatedly, survey data (PDF, 763KB) suggest that organizations that invest in remote-friendly (i.e., more autonomous) work are viewed as creating more psychologically safe and inclusive work environments.

Virtual or hybrid work can provide flexibility for people with caregiving responsibilities and even facilitate opportunities for employees of all levels to share ideas by taking meetings out of the often-intimidating conference room setting. However virtual and hybrid work may not be the solution for everyone. The value of a virtual or hybrid approach may depend on an employee's role, personality, life circumstances, and work style. Similarly, flexible work schedules may be important for some but not others depending on the timing. The key is to give employees the agency to select from an array of reasonable options that balance business needs with their circumstances.

Take a critical look at what you require from your staff and prioritize effectiveness. Ensure that principles of

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flexibility and support for effective use of such flexibility are infused throughout the work environment, for instance by ensuring your managers understand the importance of flexibility for themselves and their direct reports. Research suggests that workers with supervisors who prioritize family/ work harmony experience greater job satisfaction and are less likely to leave their jobs (and incite costly turnover expenses). Agencies should allow employees to choose from among reasonable work options that balance business needs and employee well-being.

### 3. Reexamine health insurance policies with a focus on employee mental health

For many employees, benefits that promote well-being are more important than ever. According to a February 2022 Gallup poll, 64% of U.S. employees ranked pay and benefits as very important when deciding whether to take a job with a different organization. Further, 61% cite work-life balance and better personal well-being as "very important." Employees are looking to employers for support.

Research supports the connection between mental health disorders and decreased work productivity. Treatment for conditions like depression is significantly associated with improved productivity.

Providing a range of policies, resources, and management trainings that foster a healthy and flexible work culture are fundamental strategies for supporting employee mental health. Occupational psychology considers these primary intervention strategies aimed at preventing major stress and mental health conditions. But even with excellent preventive strategies in place, mental health issues will arise. Employees will need support and comprehensive health insurance benefits that cover psychological services are essential.

At a minimum, your organization's health insurance benefits should reflect the federal Mental Health Parity and Addiction Equity Act, which requires health insurers to provide coverage for mental health, behavioral health, and substance use disorders that is comparable to their physical health coverage. This law applies to all commercial insurance plans, union-negotiated plans, and the Federal Employees Health Benefits Program.

If your organization's insurance coverage already aligns with federal policy, consider enhancing your plan to remove both perceived and actual barriers to employees looking for psychological support. For example, choose a plan with out-of-network mental health benefits so employees can access clinicians who may not be in network with your provider. You should also ensure that information about your mental health benefits and resources are easily accessible on your organization's website, understandable, and that your resources support employees across the continuum of mental wellness.

APA offers additional guidance for employers on what they need to know about mental health parity laws.

#### 4. Listen to what your employees need and use their feedback to evolve

A robust body of research suggests that when employees feel they have a voice in organizational decisions, they're more likely to remain in those jobs. Research shows that the psychological benefits are especially great when leaders not only solicit employee feedback but explicitly use it to inform their decisions.

Use tools like anonymous surveys, town hall suggestion boxes, and focus groups to gather feedback on companywide policies and create specific opportunities to listen to employees of diverse backgrounds. Then, share the results in a transparent way, develop a plan to address one or more of the issues identified, and make changes. It's not enough to use employee feedback to improve your organization—you must communicate any positive policy changes you've made based on employee input.

Proactively communicating support to your employees also matters. Survey data found that employees value optimistic, supportive messages from senior leadership (PDF, 392KB). Research has found that when CEOs regularly send encouraging company-wide emails, employees report higher rates of engagement and a deepened commitment to the organization. All-hands meetings, video messages, and social media are effective ways to communicate empathy and support.

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### 5. Take a critical look at equity, diversity, and inclusion policies

Providing an inclusive and equitable work environment is integral to fostering a psychologically healthy workplace and supporting the mental well-being of employees. Experiences of interpersonal and organizational inequity and discrimination are highly connected to stress and can propel people to leave their jobs.

APA's 2024 Work in America survey found that employees with a cognitive, emotional, learning, or mental disability, were more likely to report a toxic work environment. Workers living with a physical disability were also significantly more likely to say that access to resources needed to do their job would have a positive impact on their productivity.

Research shows companies with high levels of diversity perform better, especially when management is diverse. Studies have also found that companies with diverse management tend to be more productive, by up to \$1,590 per employee each year. Policies that effectively ensure equity among all employees encourage the participation of more diverse voices and the generation of innovative ideas, both of which can benefit overall organizational health. Diversity is necessary to help businesses thrive. When employees of different abilities or socioeconomic backgrounds feel they have equal access to job promotions and other related incentives, they'll be more likely to contribute meaningfully to their workplace. Provide practical tools and resources to develop equity, diversity, and inclusion (EDI) skills and knowledge and to foster inclusivity, such as by using APA's inclusive language guidelines.

Evaluate your company policies and programs to ensure the best and current practices around EDI, including supporting people of color, LGBTQ+ populations, and people with disabilities. Ask advisers and consultants with relevant expertise to guide your review process.

Also consider conducting an audit of your organization's ongoing EDI work. An audit helps identify areas of high engagement as well as gaps in your EDI policies. It can also inform your organization's EDI goals and determine where to make changes and improvements.

Revisit your recruitment policies to include diverse areas and universities to ensure you are seeking out talent with a variety of experiences and from a variety of backgrounds. If you are enacting company-wide diversity initiatives, ensure that C-suite leaders participate alongside managers and other employees to encourage and demonstrate buy-in at the top of the organization.

#### References:

https://www.apa.org/topics/healthy-workplaces/improve-employee-mental-health



