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The Impact of Employee Mental Health and Well-being on Workplaces

Employee well-being refers to the overall state of employees' physical, mental, social and financial health, which can often be influenced by various workplace dynamics (e.g., workload, connections with co-workers and available resources).

While employee well-being plays a key role in employee retention, it also has a significant impact on business performance. As a result, it's vital for organizations to take employee well-being seriously and do what they can to foster a culture that promotes well-being.

The following article provides more information on employee well-being and outlines several workplace well-being initiatives for employers to consider.

The Important Role of Mental Health in Employee Well-being

Over the years, many organizations have attempted to promote employee well-being by offering workplace solutions aimed solely at maintaining physical health. These solutions may include serving nutritious meal options on-site, offering smoking cessation programs or providing discounted memberships to local gyms.

While such solutions can certainly help employees make healthier lifestyle choices and reduce their risk of chronic illnesses, promoting employee well-being requires organizations to develop initiatives that address all aspects of workers' overall health and happiness. Specifically, employees' mental health must be considered.

Mental health consists of individuals' emotional, psychological and social well-being. It affects how individuals communicate, form relationships, contribute to their communities and cope with adversity. In times of distress, individuals may suffer from poor mental health. Emotions associated with poor mental health include grief, stress, sadness or anxiousness.

It's important to note that mental health differs from mental illness. In particular, emotions stemming from poor mental health are not diagnosable conditions but rather temporary feelings. On the other hand, mental illnesses pertain to a wide range of clinical mental health disorders (e.g., anxiety and depression). These disorders are chronic and affect how individuals think, behave and function in their daily lives. Yet, individuals who experience prolonged periods of poor mental health may eventually develop mental illnesses.

In any case, mental health is a key factor in determining employees' well-being—one that organizations can't afford to ignore. In fact, recent research from the Centers for Disease Control and Prevention (CDC) found that nearly three-quarters (71%) of U.S. adults experience at least one adverse symptom of stress (e.g., feeling overwhelmed or anxious) each year. Furthermore, mental health can make a difference in employees' physical health. According to the CDC, poor mental health can increase individuals' likelihood of developing a range of chronic conditions, such as diabetes and heart disease.

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Considering these findings, it's clear that employers must account for employees' mental health when addressing their overall well-being.

How Employee Well-being Impacts the Workplace

Employees' mental health and well-being can impact employers in various ways. Here are some key business objectives that may be influenced by overall workplace well-being:

- **Business performance**—Employee well-being can make all the difference in business performance. According to the National Center for Biotechnology Information (NCBI), mental health concerns in the workplace can contribute to increased absenteeism rates, lost productivity, decreased customer satisfaction and reduced profits. In addition, the NCBI reported that work-related stress is a leading cause of poor job performance among employees, negatively affecting employers as a whole.
- **Stakeholder perception**—Apart from business performance, employee well-being can also impact stakeholder perception. According to a recent report from the Harvard Business Review, the vast majority (91%) of working adults believe that a company's culture should support mental health. As such, employers who disregard their employees' mental health and well-being are more likely to be perceived poorly by stakeholders, resulting in reduced workplace morale, reputational damages and lost business. Such negative stakeholder perception could have lasting impacts on an employer's brand, limiting its ability to attract top talent and remain profitable for the foreseeable future.
- **Workplace safety**—If organizations encounter employee mental health and well-being concerns on-site, workplace accidents and related injuries are likely to follow suit. According to the National Safety Council, instances of both moderate and severe mental health distress have been linked to a greater risk of workplace accidents. This is likely because employees facing mental health concerns are often less focused, engaged and aware of potential safety

hazards, resulting in poor decision making and unnecessary risk-taking. Taking a closer look at specific mental health concerns, between 60% and 80% of workplace accidents stem from workers experiencing stress-related distractions or fatigue on the job, according to research from Eastern Kentucky University. These accidents not only lead to injured employees but also contribute to higher workers' compensation costs for employers.

Evidently, ignoring employees' mental health and well-being can result in significant consequences for organizations. That's why it's crucial for employers to adopt effective workplace well-being initiatives.

Steps Employers Can Take

In order to promote employees' mental health and well-being, organizations should consider implementing the following measures:

- **Foster a supportive workplace culture.** First and foremost, it's critical for employers to promote a company culture that prioritizes employees' mental health and well-being. In doing so, employers will be able to show their employees that they value them beyond their work contributions and are invested in their overall health and happiness. Having a supportive workplace culture in place will also help employers lead by example within their workforce, highlighting the importance of maintaining work-life balance and establishing a more open dialogue surrounding mental health topics.
- **Establish a long-term strategy.** In addition to fostering a supportive workplace culture, employers need to have long-term strategies for promoting employees' mental health and well-being. Such strategies should be well-documented and clearly outline the steps organizations are taking to keep their workers healthy and happy. They should also list the specific objectives employers are trying to accomplish through their well-being initiatives. By having long-term strategies in place, organizations will be able to better identify the effectiveness of their well-being initiatives, calculate the return on

investment for these initiatives and determine when initiatives need to be updated or changed. Key well-being initiatives for employers to consider within their long-term strategies include:

- o Conducting routine well-being awareness training and mental health screenings with all employees
- o Providing employees with a variety of well-being resources and helplines
- o Having managers conduct monthly check-ins with employees to discuss any issues that may be negatively impacting their mental health (e.g., excessive workloads or conflicts with co-workers) and find proper solutions
- o Educating managers on how to recognize symptoms of mental health distress and mental illness among employees as well as how to effectively respond to a mental health crisis
- o Creating an employee assistance program to allow employees to seek additional help for mental health concerns as needed
- o Offering greater work flexibility (e.g., remote work and flexible hours) or extra paid time off to help employees maintain work-life balance
- o Hosting on-site events, classes or similar offerings to allow employees to take a break from work and unwind (e.g., company picnics, mindfulness classes and exercise groups)
- o Reviewing all workplace policies to ensure they align with employee well-being initiatives and promote a supportive culture

Conclusion

Overall, it's evident that employee well-being is a matter that organizations of all sizes and sectors should take seriously. By understanding how employee well-being impacts key business objectives and making a conscious effort to keep workers happy and healthy, employers can reduce their workplace well-being exposures and maintain successful operations.

For more employee well-being resources, contact us today.