



EXECUTIVE SUMMARY

There is a workplace mental health crisis in America. Burnout, exhaustion and hopelessness are more common among workers than ever before, while pandemicrelated stress continues to chip away at productivity.¹ The need to act is dire: Of the nearly 53 million U.S. adults with a mental illness, only 46% have accessed mental health services.² While workers need more support from their employers, they don't necessarily know where to turn within their organizations.

The solution is hiding in plain sight: the human resources (HR) department. HR professionals can play an essential role in curating mental health resources, connecting workers with support and educating people managers about supporting their staff—all of which help to create a workplace culture that is mental-health-friendly. To better understand the opportunity at hand, the Society for Human Resource Management (SHRM) collaborated with Otsuka America Pharmaceutical, Inc. (Otsuka), to complete its 2022 mental health workplace benefits study. Conducted in January 2022, the study draws on the perspectives of HR professionals, shining a never-before-seen light on mental health and wellness in America. The 2022 mental health workplace benefits study shares findings on what is and isn't working when it comes to addressing mental health—and why.

This study is not an endpoint, but a beginning. It provides a blueprint for organizations to meaningfully contribute to a healthier, more productive America—a world of work where employers and employees may thrive together.

1 IMPACT OF THE PANDEMIC ON MENTAL HEALTH, SHRM, 2020

2 MENTAL HEALTH INFORMATION, NATIONAL INSTITUTE OF MENTAL HEALTH

2022 MENTAL HEALTH WORKPLACE BENEFITS STUDY **RESULTS-BY THE NUMBERS**

Employers are leading the charge to improve mental health in America.

of organizations currently offer workplace mental health resources or plan to offer such resources in the next year

Offering mental health support benefits employers and employees.

> of HR professionals believe that by offering mental health resources, organizations can improve the overall health of employees

of HR professionals believe offering mental health resources can increase productivity

of HR professionals indicated that offering mental health resources can increase employee retention

of HR professionals think offering mental health resources can attract new talent

Organizations can do more to help improve employees' mental health.

of HR professionals claim

41%

offering mental health resources is a high priority for their organization

of HR professionals believe their organization does not offer enough mental health support

THE PANDEMIC HAS WREAKED HAVOC ON EMPLOYEES' MENTAL HEALTH-AND COMPANIES' BOTTOM LINES

America's mental health crisis is multifaceted, resulting in a wide range of residual consequences. U.S. workers experiencing mental health issues are not only at risk for other health issues but also less productive in professional situations.³ As a result, companies' bottom lines suffer:

\$1 trillion

worth of lost productivity for the global economy due to anxiety and depression, according to the World Health Organization.⁴

In the words of another respondent,

"Today's American workforce is a mental wreck across the board." As one HR professional put it,

"Everyone is experiencing mental health challenges due to our very disruptive and changing times."

Mental health is inextricably linked to economic vitality. Conversely, mental health issues lead to economic sickness. Every industry is adversely affected, though some feel that they are more affected than others. Based on SHRM's study, HR professionals in the health care sector (61%) are most likely to indicate that their workers experience more mental health issues than employees in other industries, in large part due to pandemic-induced stress at work. Significant numbers of HR professionals in the nonprofit (47%), government/public administration/ military (41%) and education (39%) sectors similarly claim that their employees are more likely to experience mental health issues than workers in other industries. When survey respondents were asked why they believe workers in their respective sectors experience more mental health issues than employees in other industries, a highpressure work environment was the most commonly cited reason.

3 MENTAL HEALTH POLICIES AND PROGRAMMES IN THE WORK PLACE, WORLD HEALTH ORGANIZATION, 2005

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Therefore, the incentive for organizations to address mental health issues is twofold. First and foremost, action on mental health is inherently valuable to those experiencing mental health issues, as they gain access to resources designed to help address the situation. With support from their employers, employees with mental health issues stand a better chance of remedying feelings of burnout, exhaustion and hopelessness, while also reducing stress.

Taking organizational action is just *the right thing to do.*

The second incentive for organizations to act is increased productivity. Employers that move to address mental health issues among their workforces can empower employees to eventually add more organizational value. When employers take strong action, their bottom lines benefit. But organizations can only strengthen their bottom lines if they first understand that mental health is a business issue: When mental health wanes, business falters. Employers need to recognize the pivotal role they play in addressing mental health issues and mitigating business risk in the process. Mental health must become a top priority.

As an HR professional concluded,

"I believe there are mental health issues in most industries. The types of issues can vary, but all industries can be affected."

In the words of another expert,

"We are a 24/7 business, and burnout is a reality. Work/life balance is difficult to achieve in our type of business since most employees are constantly on call. That alone adds a ton of pressure from all angles but especially from your home life and family members."



BARRIERS TO EMPLOYERS OFFERING MENTAL HEALTH SUPPORT

In 2022, the response to the mental health crisis can best be summarized as a mixed bag. On the bright side, corporate America has begun to pay attention to the situation in recent years, as the pandemic crystallized mental health issues in unprecedented ways.

As a concerned HR professional put it,

"It isn't a big priority to [executive] staff or doesn't appear to be. No one informs management or staff of the mental health options available to them."

> Most employers now take mental health seriously. Nearly 78% of organizations currently offer workplace mental health resources or plan to offer such resources in the next year. But more progress is needed. While mental health has become a priority for most organizations, it is not necessarily a top priority. Fewer than one

third of HR professionals (32%) claim offering mental health resources is a "high priority" for their organization. Another 41% of HR professionals indicate it is a "medium priority," a perspective that fails to adequately treat mental health as the crisis point it has become.

Nearly

78% of organizations currently offer workplace mental health resources or plan to offer such resources in the next year.

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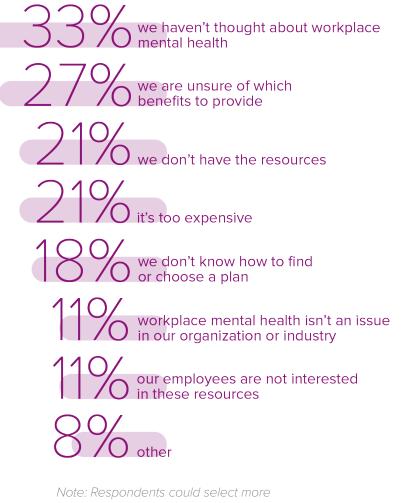
Numerous barriers to addressing mental health remain. For organizations not offering mental health resources, the most common reason cited is a general lack of recognition, with some employers failing to even consider mental health in the agendasetting process, let alone acting to improve it. One-third of HR professionals say their organization hasn't thought about offering mental health resources, while 27% indicate their organization is unsure which benefits to provide. Roughly 1 in 5 HR professionals (18%) claim their organization is unsure how to find or choose a plan for providing mental health resources.

Too often, uncertainty leads to paralysis and, as a result, people don't get the help they need. According to one HR professional, mental health is "not recognized as a real issue by management." Another respondent claimed mental health simply "isn't seen as a priority."

A lack of serious consideration isn't the only barrier to mental health action. Another is a lack of capacity. Some organizations cannot necessarily justify an investment in mental health resources. About 1 in 5 HR professionals (21%) say their organization doesn't have the resources to address mental health, while another 21% believe it is too expensive to act.

When employers are not willing or able to provide mental health benefits, employees cannot access the help they need. Such barriers lead to inaction that only exacerbates the mental health crisis, making idleness all the more devastating.

WHY AREN'T ORGANIZATIONS OFFERING MENTAL HEALTH **RESOURCES TO THEIR EMPLOYEES?**







WHAT EMPLOYERS ARE DOING TO COMBAT THE CRISIS

Fortunately for U.S. workers, most organizations are not idle. Proper agenda-setting is leading to direct mental health assistance, and increasingly so.

> With nearly 4 out of 5 organizations (78%) currently offering or planning to offer mental health resources, employers have adjusted to the new demands of a pandemic economy. Of organizations providing such resources:

73%

offered mental health coverage

as part of employee health care plans prior to the beginning of the pandemic, with **11%** introducing the benefit after the pandemic began. An additional **8%** plan to offer this benefit in the next year.

73% offered employee assistance programs (EAPs)⁵

prior to the beginning of the pandemic, with **10%** introducing the benefit after the pandemic began. An additional **8%** plan to offer this benefit in the next year.

26% offered workshops on mental health

and resilience prior to the beginning of the pandemic, with **21%** introducing the benefit after the pandemic began. An additional **19%** plan to offer this benefit in the next year.

Across economic sectors, the COVID-19 pandemic has become an impetus to shift organizational priorities, although action varies by industry. Of organizations that offer mental health resources, those in government/public administration/military (91%) are more likely than organizations in manufacturing (80%) and construction/ utilities/agriculture/mining (80%) to offer mental health coverage as part of employee health care plans. Additionally, workshops on mental health and resilience are far more common in education (65%) than in manufacturing (29%). With greater financial flexibility, America's largest employers are understandably better equipped to combat mental health issues, but smaller employers are also taking important steps. Of organizations that offer mental health resources, extralarge organizations (those with 5,000 or more employees) are most likely (93%) to provide access to EAPs, with 70% of small organizations (those with less than 100 employees) doing the same. Similarly, extra-large organizations that offer mental health resources are most likely (66%) to offer mental health and resilience workshops, with one-third of small organizations that offer mental health resources providing such workshops.

Of organizations that offer mental health resources, percentage that offer mental health coverage as part of employee health care plans by organizational size:	81% small 10-99 employees 84% medium 100-499 employees 85% large 500-4,999 employees
	90% extra large 5,000+ employees
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Of organizations that offer mental health resources, percentage that offer EAPs by organizational size:	70% small 10-99 employees 85% medium 100-499 employees 87% large 500-4,999 employees
	9370 extra large 5,000+ employees
Of organizations that offer mental health resources, percentage that offer workshops on mental health and resilience by organizational size:	33% small 10-99 employees $43% medium 100-499 employees$ $54% large 500-4,999 employees$ $66% extra large 5,000+ employees$

Large or small, organizations that are taking action have provided others with viable models. Those considering taking action on mental health in the future can look to the first adopters for inspiration. Although, a majority of HR professionals (58%) think their organization provides enough mental health support.



41%

believe their organization does not offer enough help

Cost is often a stumbling block, with employers either lacking or perceiving a lack of adequate resources.

If cost was not an issue, the top three mental health resources that organizations wish to provide (but aren't already providing) are:

> 73% mental health coverage as part of employee health care plans 68% workshops on mental health and resilience 66% mental health support apps

> > Note: Respondents could select more than one option.

Across working America, millions of employees continue to lack access to the mental health support they need. Those employees hope the first adopters will inspire secondary action as quickly as possible.

WARNING: ACTION WITHOUT ASSESSMENT IS INADEQUATE

Organizations be warned: On mental health, uninformed action is inadequate. Responses to the mental health crisis need to be supported by regular assessment, whereby employers monitor and measure the efficacy of existing workplace mental health resources. That way, they can adjust and bolster those resources as needed. Low-efficacy mental health resources do little to benefit employees; their presence alone is not enough to combat a crisis.

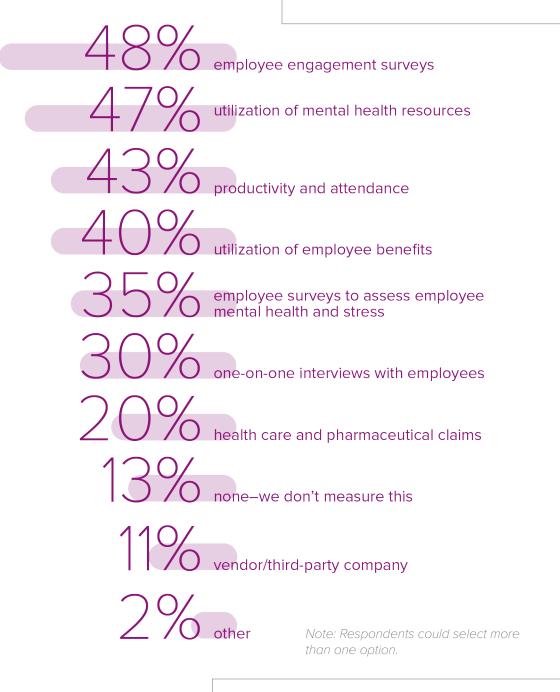
Although the majority of organizations do assess the efficacy of their mental health resources, there are some that do not.

13%

of HR professionals say their organization does not measure the efficacy of these benefits

with **41%** of them citing limited resources as a reason why.

One-third of HR professionals attribute the absence of assessment to a general lack of knowledge, while 21% admit to lacking staff members with the skills needed to analyze efficacy. Another 18% of HR professionals indicate their organization simply isn't interested in collecting assessment-related data, limiting the potential impact of their mental health resources. HOW ARE ORGANIZATIONS MEASURING THE EFFICACY OF THEIR MENTAL HEALTH RESOURCES? Organizations that struggle to conduct regular assessments can look to other employers as role models. The top three ways organizations monitor and measure the efficacy of existing mental health benefits are employee engagement surveys (cited by 48% of HR professionals), mental health resource utilization rate reports (47%), and attendance and productivity data (43%); most HR professionals express satisfaction with such assessments. To track efficacy, organizations may also lean on third-party vendors and oneon-one interviews with employees, among other tools.



Given the challenges of a pandemic economy, organizations cannot be satisfied with action alone. It needs to be reaffirmed with evaluation and re-evaluation. Act, assess, then act again accordingly.

WHY DOES ACTION MATTER?

The impact of organizational action on mental health—supported by assessment cannot be overstated. From psychological wellness to stress alleviation, employees benefit directly.

A resounding 94% of HR professionals indicate that by offering mental health resources, organizations can improve the overall health of employees.

Over half,

51% of U.S. workers, agree

that gaining access to more robust workplace resources would help improve their mental health.⁶

Additionally, 90% of HR professionals claim that providing mental health resources can help prevent burnout—which is a significant concern in today's workplace. In fact, half of all U.S. workers agree they have felt burned out from their job in the past two weeks.⁷ Eliminate those feelings, and job satisfaction is bound to skyrocket. Employees aren't alone in reaping benefits; employers prosper, too. Most HR professionals (94%) believe organizations that provide mental health resources convey a sense of compassion toward their workers. In addition, public perception of organizations that act on this issue may also improve.

When workplace culture (and the workforce's perception of it) improves, business output naturally increases. Employers find new ways to survive and thrive, empowering the employees who drive their success.

Nearly

9/10

of HR professionals (88%) believe offering mental health resources can increase productivity, while **78%** say offering such resources can boost organizational return on investment.

In a hypercompetitive labor market, a focus on mental health can also spell the difference between attracting talent and not. As organizations compete to recruit and retain workers, they differentiate themselves from the pack by including mental health support in benefits packages.

of workers (35%) believe mental health benefits are more important than higher pay or salary.⁸ A similar percentage (29%) say mental health perks, such as meditation or yoga, matter more than higher pay or salary.⁹

Indeed,

58%

of employees claim a healthy work/life balance is more important than financial compensation.¹⁰ HR professionals cite additional benefits:

86%

indicate that offering mental health resources can increase employee retention.

72%

believe offering such resources attracts new talent.

In fact, more than half of U.S. workers (53%) are likely to leave their current job if offered a new job with significantly better mental health benefits, such as counseling, therapy or even yoga.¹¹ One organization's loss of talent is another's gain.

In the midst of a public health crisis, organizations find themselves at a crossroads. How employers respond to that crisis will impact business sustainability in the short term and growth in the long run. Providing mental health resources and benefits has the power to unlock the potential of current employees while attracting new workers who can sustain and grow the business. Organizations have an opportunity to simultaneously improve the overall health of U.S. workers and enable those workers to reach their full potential, unleashing better business results in the process.

At today's crossroads, the bottom line is at stake. The employer/employee relationship is on the line.



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WITH SHRM RESOURCES AVAILABLE, ORGANIZATIONS ARE NOT ALONE

To make action a reality, organizations need help. They need SHRM, which offers a wide range of resources and tools on the topic of mental health.¹² With SHRM's help, organizations gain the ability to reinvent their workplace culture to create a mental-healthfriendly environment.¹³ For instance, there are SHRM-approved best practices for managing EAPs, and HR professionals can use those recommendations to tailor delivery models and program components to their specific workplaces.¹⁴

Successful implementation of EAPs and other benefits is impossible without communication. It is not an overstatement to suggest workplace culture falls apart without proper communication. To take on mental health issues, employers must continue to ask for feedback from their employees about the mental health benefits of high interest. Organizations can use surveys and one-on-one interviews to gain a better understanding of workplace sentiment and then adapt their action plans based on workers' responses. Feedback is also integral to assessment, so that employers can pursue *informed* action.

Workplace culture depends on people managers, who serve on the front lines of communication at work. They form the backbone of culture, interacting with employees daily. Positive interactions boost job satisfaction, whereas negative ones lead to turnover (and worse).¹⁵

Knowing the stakes, organizations need to train people managers about mental health and the importance of addressing it proactively. In any organization, people management brings the highest level of efficacy when it is empathetic. People managers obviously need to care about their employees, but they must also understand *how* to care first and foremost. Empathy flows from training. People managers who are shown proper procedures and how to best implement them can truly adopt strategic goals to be mindful of mental health issues.

12 CREATING A MENTAL HEALTH-FRIENDLY WORKPLACE, SHRM

- 13 MENTAL HEALTH, SHRM
- 14 MANAGING EMPLOYEE ASSISTANCE PROGRAMS, SHRM
- 15 THE HIGH COST OF A TOXIC WORKPLACE CULTURE, SHRM, 2019

2022 OUTLOOK: A HEALTHIER AMERICA IS A MORE PRODUCTIVE AMERICA

The extent of America's mental health crisis is alarming. Tens of millions of U.S. workers are experiencing mental health issues and are less productive because of it, inundating organizations with a vast array of new challenges. Mental health issues such as burnout and stress are hampering short-term productivity and long-term business growth.

Without mental health resources, employees will keep struggling to add value to their organizations. And employers that fail to offer such benefits to their workers will struggle to stay afloat. Hundreds of billions of dollars are at stake.¹⁶ In many ways, the U.S. economy—not to mention public health—hangs in the balance.

The time for organizations to act is now. Only 32% of HR professionals indicate that mental health is a high priority for their organization. The mental health crisis needs to become the top priority. It is not enough to acknowledge mental health issues in passing, without giving it real thought. It is not enough to think about mental health issues without acting to address them. Nor is it enough to act without assessing the impact of mental health resources. HR departments are indispensable, but they too need broader organizational support in the agenda-setting process.

Guided by HR professionals, SHRM, and SHRM Foundation's various toolkits and resources, organizations can make workplaces healthier for all and the U.S. economy more productive than ever before, although we have a long way to go.

We cannot afford to wait—not in 2022, not ever.



METHODOLOGY

SHRM MEMBER SAMPLE

The 2022 Mental Health Workplace Benefits study was conducted from January 4 through January 24, 2022. Online surveys were conducted with a sample of 1,783 adults who are members of SHRM. Respondents were required to be SHRM members who work in human resources at organizations with 10 or more employees. Respondents represented organizations of all sizes—from 10 to more than 25,000 employees—in a wide variety of industries across the United States.



NON-SHRM MEMBER SAMPLE

The 2022 Mental Health Workplace Benefits study was conducted from January 4 through January 24, 2022. Online surveys were conducted with a sample of 1,629 adults who were not members of SHRM. Respondents were required to work in human resources at organizations with 10 or more employees. Respondents represented organizations of all sizes—from 10 to more than 25,000 employees—in a wide variety of industries across the United States.

A B O U T S H R M

SHRM, the Society for Human Resource Management, creates better workplaces where employers and employees thrive together. As the voice of all things work, workers and the workplace, SHRM is the foremost expert, convener and thought leader on issues impacting today's evolving workplaces. With 300,000+ HR and business executive members in 165 countries, SHRM impacts the lives of more than 115 million workers and families globally. Learn more at **SHRM.ORG** and on Twitter @**SHRM**.



A B O U T S H R M F O U N D A T I O N

Founded in 1966, the SHRM Foundation is the 501c (3) philanthropic arm of the world's largest HR professional society, SHRM. The SHRM Foundation mobilizes the power of HR for positive social change in the workplace. Its robust programming and resources, meaningful partnerships, and evidencedbased research are educating and empowering HR professionals to hire diverse talent, build inclusive workplaces, prioritize workplace mental health and wellness, develop skills, equip young people to pursue a career in HR, and help employees find purpose at work and beyond. Learn more at **SHRMFOUNDATION.ORG**.



A B O U T O T S U K A

Otsuka Pharmaceutical Co., Ltd. is a global healthcare company with the corporate philosophy: "Otsuka–people creating new products for better health worldwide." Otsuka researches, develops, manufactures, and markets innovative products, with a focus on pharmaceutical products to meet unmet medical needs and nutraceutical products for the maintenance of everyday health.

In pharmaceuticals, Otsuka is a leader in the challenging areas of mental, renal, and cardiovascular health and has additional research programs in oncology and on several under-addressed diseases including tuberculosis, a significant global public health issue. These commitments illustrate how Otsuka is a "big venture" company at heart, applying a youthful spirit of creativity in everything it does.

Otsuka established a presence in the U.S. in 1973, and today, its U.S. affiliates include Otsuka Pharmaceutical Development &

Commercialization, Inc. (OPDC) and Otsuka America Pharmaceutical, Inc. (OAPI). These two companies' 1,700 employees in the U.S. develop and commercialize medicines in the areas of mental health, nephrology, and cardiology, using cutting-edge technology to address unmet healthcare needs.

OPDC and OAPI are indirect subsidiaries of Otsuka Pharmaceutical Company, Ltd., which is a subsidiary of Otsuka Holdings Co., Ltd., headquartered in Tokyo, Japan. The Otsuka group of companies employs more than 47,000 people worldwide and has consolidated sales of approximately \$13.3 billion.

All Otsuka stories start by taking the road less traveled. Learn more about Otsuka in the U.S. at <u>WWW.OTSUKA-US.COM</u> and connect with us on LinkedIn and Twitter at @OtsukaUS. Otsuka Pharmaceutical Co., Ltd.'s global website is accessible at WWW.OTSUKA.CO.JP/EN/.



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