

# How you can prioritize your employees' mental health

Healthy employees are productive employees:  
Learn how you can help them be both



## How to keep your employees and your business healthy

We're happy to see you here, digging into another educational resource developed to help you prioritize your employees' mental health and keep your business running smoothly.

### Supporting employees is good for them and for your business

Mental health has emerged from the shadow of stigma to become a major talking point in American life. Actors, musicians and athletes have stepped forward as advocates, encouraging people to talk about their issues and seek help if they need it.

However, there's one place where mental health issues can still carry a stigma: the workplace. And there, employee burnout isn't the exception; it's the norm.

Almost two-thirds of employees in one survey **reported experiencing burnout** in the last year. The same survey revealed that 72% of employees said burnout had affected their performance. As a fellow human being, you should already be inclined to help employees manage their mental health. But healthy employees are also good for business.

Employees who feel safe and comfortable in their jobs are more likely to stay in them and recommend their employer to friends and colleagues. They're less likely to let their stress or feelings of burnout show to customers. And they're likely to be more engaged in their work and feel proud of what they do for your business. Also, it's more expensive to recruit and hire a new employee than retain an existing one, so your business has a financial and a human interest in helping employees manage their mental health.



And yet, despite some progress, employers have work to do in prioritizing employees' mental health. Many workers are still hesitant or afraid to mention emotional issues to their supervisors. Too many businesses pay lip service to issues of mental health or bury them in HR documentation without taking any meaningful action. Those businesses that have taken mental health seriously have made progress in helping their employees feel safe and satisfied.

As a small business, your operation has advantages in dealing with mental health that larger organizations don't necessarily enjoy. While bigger companies might have more money to spend, your business can provide a genuinely caring culture where people feel comfortable with their work and each other.

## Work weighs heavily on employees' mental health

Of course, there are many factors that can lead a person to feel depressed, hopeless or otherwise in crisis. Work is only one frame of the tapestry of our lives. But it's a big one—after all, an employee who works 40 hours a week spends nearly a quarter of the week, day and night, working. We see our coworkers almost as much as we see our families (sometimes more) and likely more than we see our friends.

A positive work culture matters for everyone's mental health. A Paychex survey revealed that almost 60% of employees said their jobs had **at least a moderate impact** on their mental health. An American Psychological Association (APA) study found that 92% of workers said it was important that an employer values their emotional and psychological well-being, confirming what seems obvious: Workers want their employers to respect and support their mental health.

Most business owners probably think they're doing just that—but they might be wrong. The APA found that 55% of workers said employers thought their workplaces were more mentally healthy than they actually are. More than three-quarters of workers reported feeling workplace stress in the last month. And in alarming numbers, employees reported experiencing negative impacts of workplace stress, including emotional exhaustion (31%), not feeling motivated to do their best (26%), a desire to quit (23%) or lower productivity (20%).

## Not prioritizing employee mental health can put a dent in your bottom line

All of this can have a material impact on a business. Among business leaders, 40% told Paychex that mental health issues among employees led to decreased revenue, while 39% said they led to decreased profitability. Another 30% of business leaders said problems with employees' mental health had led to a loss of customers. In fact, the business leaders themselves said workplace stress had affected them negatively, with consequences including worse sleep and less time spent with family.

Then, of course, there's the old (and true) maxim that it's more expensive to find and recruit a new employee than to retain an existing one. While numbers abound on just how expensive it is to hire a new employee—the Society for Human Resource Management says the **average cost is about \$4,700**—the numbers can get scary. Some recruiting experts say the true cost is **three to four times the position's salary**. In other words, hiring for a job that pays \$60,000 per year could cost your business \$180,000. Put another way, happy employees can save you money.

## Mental health remains a stigma in the workplace


Americans are famous for not taking vacations, much to the consternation of Europeans—many of whom have a minimum number of vacation weeks mandated by their governments. Our hard work has done us a lot of good, boosting our economy to be the strongest in the world, but it does come with consequences.

For the most part, vacations themselves aren't the real issue, although they do play a role in helping employees maintain mental well-being. The real issue is the reason many employees don't take vacations: They fear losing their jobs or maybe not getting a coveted promotion. They feel the need to prove themselves constantly.



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The same goes for talking about mental health in the workplace. Although the stigma around talking about psychological and emotional well-being is disappearing in our broader culture, it remains stubbornly present in our offices. Paychex found that more than half of survey respondents said they weren't comfortable talking to their supervisors about mental health. Almost a third of them feared that discussing mental well-being might lead to being fired or furloughed, while 29% feared it would cost them a promotion.



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### What's causing workplace stress?

Pretty much every human endeavor that's worth doing involves some level of risk and, therefore, stress. Work is no different. There aren't many jobs that won't involve some element of pressure to deliver sales numbers, serve customers or meet a deadline. But individual moments of stress aren't really the biggest issue for most employees. Patterns are what matter, along with money.

One survey from SimpleTexting found increased workload to be the **number one cause of workplace burnout**, followed closely by stagnant wages. Simply put, employees don't want to do more work without making more money. Sure, there will be projects that require quick turnarounds or last-minute requests from customers, but the overall trend here is what's

important. Consistently working more without an increase in compensation is unappealing to employees. There's nothing new about this—it's been an issue for nearly as long as commerce has existed. But it's still a problem.

There's more to workplace stress than just money and workload, although 70% of employees told SimpleTexting that a pay raise would help them feel less burned out. Still, a lot of the issues center around flexibility and control. Remote work is a good example. The SimpleTexting survey found that 55% of non-remote workers said they'd feel less burned out if they could work remotely, while 85% of remote workers don't want to go back to the office full time.

### Employees want input into how and where they work

More than just remote work, employees want choices—and the feeling that they have some control over both their jobs and their work environment. Mind Share Partners found that among hybrid workers, those who had some say in where and when they worked were less likely than those who didn't have a say to **report a negative impact on their mental health**. They were also less likely to leave their jobs. They felt prouder to work for their employers and more comfortable talking to supervisors or HR about mental health issues.

The issue of agency goes beyond work location. Nearly half of respondents to an isolated survey said they **craved a more flexible work environment**. Only 40% of workers told the APA their employers had established a culture in which time off from work is respected. And nearly 32% of respondents to the SimpleTexting survey said their employers could prevent them from quitting by giving them more time off.



Of course, there are other issues that affect employee mental health, including discrimination, which disproportionately affects LGBTQ workers and people of color. Many of those employees also say they feel as though they don't belong at their jobs. Owners of small businesses should be aware of how their employees feel about a sense of belonging, but smaller organizations can often be more welcoming to a diverse workforce than larger ones. Small businesses can cultivate a feeling of camaraderie in a way bigger companies rarely can.

### **What can your business do to prioritize employees' mental health?**

As the owner of a small business, you can set your own policies and craft your own work culture. In that sense, you have a lot more control over your operation than larger companies have, and you can have a more positive and direct impact on your employees' mental health.

How can you prioritize the well-being of your workers? You can offer mental health benefits such as medical coverage and an employee assistance program. But there are also some softer practices to consider:

#### **Adopt a culture of flexibility**

Consider offering flexible paid time off for employees—essentially, letting them take time off as long as you or their boss approves it. In other words, don't offer two or three weeks of vacation time; instead, don't count vacation days at all. Let employees take them when they need them and when they're feasible. Many larger companies have moved to this model successfully in recent years without sacrificing productivity.

But beyond changing your vacation policy, be as understanding as you can if an employee needs to leave work early to coach a kid's soccer game, make it to a play or concert on time—or just take a much-needed mental health break. The durations of these absences are likely to be hours or even minutes, in some cases, rather than days. The difference they make can be significant.


Also, let employees give hybrid or remote work a try if you haven't already and if your business model allows for it. You might find that it saves you money on office space and equipment as well.

#### **Balance work and pay**

Running a small business, particularly a startup, is expensive. Profitability can be a challenge. Any employee who takes a job with a small business has to understand that the pay might not be what it would be with a larger organization. But you can make up for salary with understanding. Before assigning a new project or task to an employee, consider how much it will add to the employee's existing workload.

Ask yourself: Is it fair to burden one person with the task? Would a team be more appropriate to handle it? Could you possibly push the timeline out a little bit? It's better to have an engaged employee take an extra few days to do something than to have a burned-out worker do a poor job or quit altogether, leaving you with one fewer person to get work done.

You won't be able to give a raise to everyone who asks for one, but be prepared to justify the workload you're giving to each individual employee and explain your rationale.



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### **Keep your lines of communication clear**

Nearly 20% of employees told us that they wanted better internal communication from their employers. The clearer you can be about your expectations, the better. Let employees know what you need from them, and work with them to determine how they can best do their jobs. Consider their mental health and stress levels when you talk to them.

No one is asking you to be a therapist or solve anyone's psychological or emotional issues. What you *can* do is cultivate a culture in which talking about mental health is not just acceptable but normal. Reassure employees that they can talk about being stressed without risking their jobs. Let them know that they have some agency over what they do, and when and how they do it.

You don't have to bow to their every whim; you just need to show them that it's OK to tell you when they're not OK. When you let employees communicate with you openly and honestly, you gain their respect and get the best out of them.

### **Mental health is not a passing fad**

The COVID-19 pandemic was a watershed moment in many ways for communication about mental health, but the conversation around psychological and emotional well-being is not one that will, or should, end any time soon. Mental health is critical for the survival of a civilized society as a whole, and it can be just as important for your business. With some patience and thoughtfulness, you can create an environment in which you and your employees can feel safe, satisfied and ready to move forward together.

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## Summing it all up

We hope this eBook will help you find ways to prioritize your employees' mental health and create a safe and positive work culture. If you'd like an experienced guide to assist you in the financial areas of your business—someone who can provide personalized advice based on your specific business situation—and would prefer to work with a trusted advisor, we're available to help.

Just click the **GET IN TOUCH** button and complete the brief form or give us a call. We look forward to hearing from you!