

Lyra

2024 WORKFORCE MENTAL HEALTH

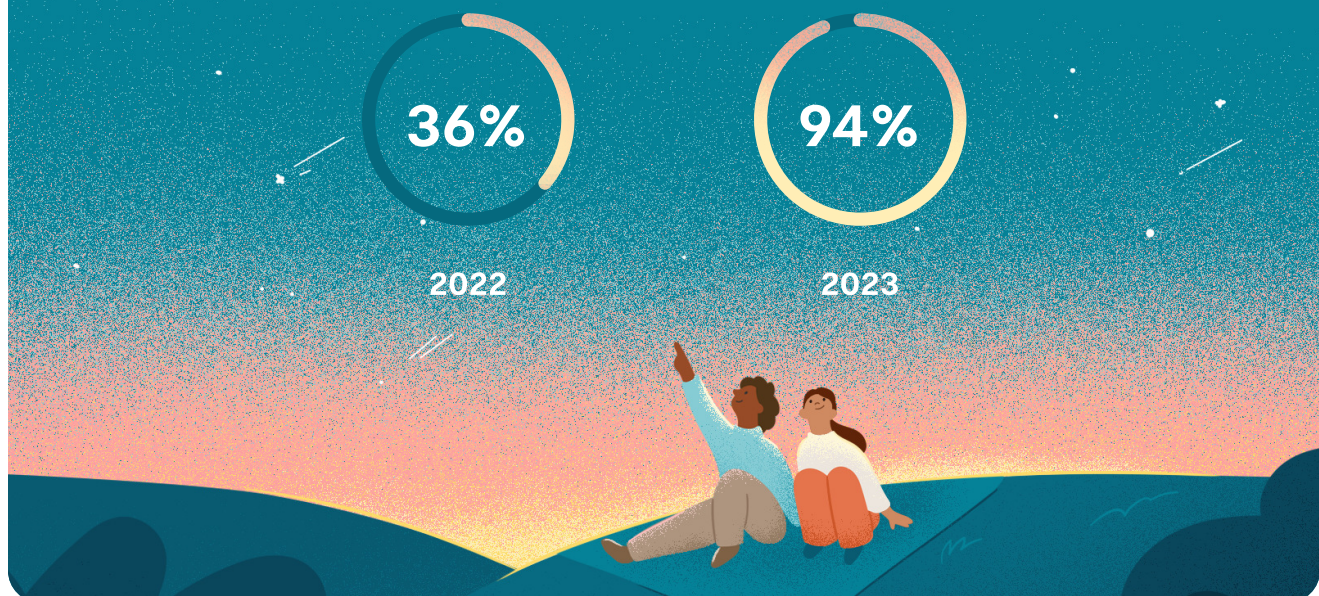
Trends Forecast



Each year we ask hundreds of employee benefits leaders from companies with global workforces to share their experiences and perspectives on workforce mental health. We aim to better understand how companies are working to support their employees, hear about key investments and priorities, uncover obstacles, and shine a light on new approaches and opportunities.

One of the most striking takeaways from this year's survey: 94% of respondents believe that offering mental health benefits is "very important" to prospective employees—nearly triple the rate of benefits leaders who said this a year earlier (36%). And 84% say creating a mentally healthy work culture has risen in priority for their company over the past year.

Employee benefits leaders who believe that offering mental health benefits is "very important" to prospective employees:



We're also encouraged to see that employers in this year's survey are increasingly offering robust mental health benefits and resources that support all employees' unique mental health needs.

Over three years after protests against racial injustice sparked a long-overdue dialogue about diversity, equity, inclusion, and belonging (DEIB) in boardrooms across industries, a growing number of benefits leaders—29% vs. 21% the past two years—say achieving company DEIB goals is one of their top challenges. Based on this feedback and our own observations with employer partners, we expect to see employers in 2024 take a more personalized, culturally competent approach to serving their diverse workforces' mental health needs. This will include [culturally responsive support](#) for historically underrepresented employee populations.

Supporting each worker's well-being also means unlocking access to care for the full spectrum of mental health needs and care preferences. For example, the recent college graduate struggling with loneliness and anxiety requires different mental health support than the overworked company leader juggling work and family demands. And the employee who bears the often-invisible weight of discrimination due to their ethnic background or gender identity faces disparate mental health challenges from their cis-gender, white peers.

Our survey gives us a timely glimpse into these and other trends that will shape mental health in the workplace in the year ahead. Read on for our top predictions about workforce mental health in 2024 along with key insights from Lyra's clinical, HR, and [Workforce Transformation](#) leaders.

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We're seeing a new philosophy emerge among HR leaders: that mental health is for everyone in their organization...and that mental health benefits are as fundamental to offer as physical health benefits.

– Stephanie Frias,
Chief people officer at Lyra

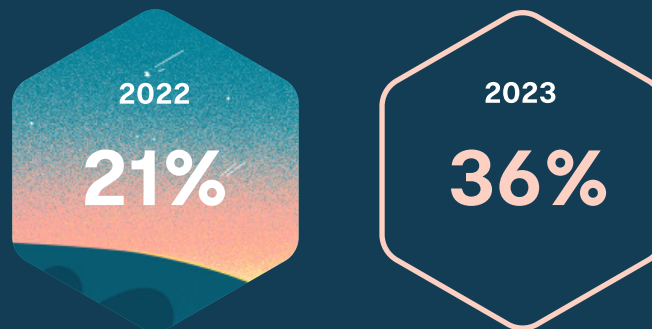


1. As workforce stress and anxiety persist, employers will prioritize care across the spectrum of mental health needs

Even as employers strive to prioritize mental health benefits, we continue to see 2024 as a year where stress and anxiety among workers remain high. And benefits leaders' concerns about their employee populations grew again this year, with more than 1 in 3 respondents reporting that their organization's mental health declined in the past year. That's up from 1 in 5 just a year ago.

In addition, 36% of benefits leaders believe that employees struggled with severe or chronic depression over the past year, up from 21% of benefits leaders who reported this in 2022. Survey respondents also say the number of complex mental health diagnoses among their workforces—such as post-traumatic stress disorder (PTSD), bipolar disorder, and attention-deficit/hyperactivity disorder (ADHD)—rose.

Benefits leaders who believe that some of their employees struggled with severe or chronic depression:



When employees are suffering, businesses suffer, too. The [World Health Organization \(WHO\)](#) reports that an estimated 12 billion working days are lost every year globally to depression and anxiety, costing companies worldwide \$1 trillion per year in lost productivity.

In 2024, we expect that workplaces will invest more—and more deeply—in workers’ mental health. At the same time, employers will be more aware of mental health needs beyond milder challenges like stress. A [growing acceptance of neurodiversity in the workplace](#) is an important starting point, but more must be done to serve these populations.

More awareness and declining [stigma](#), especially at the executive level, is opening new opportunities for benefits leaders to address a broader and deeper set of mental health issues for their people. In 2024, we expect employers to invest more in connecting their diverse workforces with specialized care for their unique mental health challenges. Whether related to substance use disorders (which 34% of respondents cited as an issue affecting their workforce—up from 26% the year prior), severe depression, or self-harm, employers realize the benefit of addressing serious conditions with the right care.



It’s important to work with a mental health care provider who specializes in the issue you’re struggling with, who will use proven treatments for your specific challenges. That has been shown time and again to be more effective. Part of why Lyra’s clinical outcomes are so outstanding is the technology behind our provider matching and our ability to pair the individual to the right care the first time.

– Alethea Varra, PhD,
Vice president of clinical care at Lyra

To achieve the goal of helping people get the care they need, companies can start by ensuring their mental health services include specialized care offerings for needs such as alcohol or [substance use disorders](#). Communicating the availability of these resources to those who can benefit from them is equally important, as is reducing cultural stigma around discussing these mental health conditions. And finally, training managers to observe and take action to support people in need of specialized care is critical.

The good news: Organizations that develop comprehensive mental health programs not only see a real impact on individual well-being, but also [measurable returns](#) in cost savings to the company and improvements in employees’ on-the-job performance and ability to engage in a meaningful way at work.

2. Companies will strive to create work environments that safeguard mental health

In the past several years, there's been an undeniable shift in employees' attitudes toward the role of work in their lives, with growing numbers of people unwilling to sacrifice their mental health for a job or opting out of potentially hazardous career opportunities despite a challenging economic environment.

Many companies also recognize that the work environment itself can contribute both positively and negatively to workers' mental health. These employers understand their responsibility to step in, evaluate the work experience, and address what are known as [psychosocial risk factors](#) at work.

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The United States Surgeon General and the World Health Organization have joined governments across the globe in sounding the alarm by compelling employers to examine how work may be driving mental health distress. Employers are now urged to evaluate the impact of workplace factors on employee well-being.

– Joe Grasso, PhD,
Senior director of Lyra's
Workforce Transformation team



Examples of psychosocial risk factors include work overload, low job control, exposure to trauma, workplace violence, bullying and harassment, and poor managerial support. These work factors can have an outsized impact on employees' health, including higher risk of psychological distress and [burnout](#). The employer bears the cost in the form of [diminished productivity](#) (29% of survey respondents say employees are taking more sick days due to mental health challenges, and 32% say poor mental health is causing workers to make more mistakes), higher health care costs, and attrition.

The vast majority of benefits leaders (82%) believe it's their company's responsibility to create conditions that prevent employees from developing work-related mental health problems. To do so, more organizations are investing in a practice known as [work design](#), an approach that strives to create a healthier work environment and better working conditions. Using work design, employers can proactively address and mitigate mental health risks. Additionally, 68% of benefits leaders report providing resources to support employee well-being at work, such as workshops and peer champion programs.



The employers that get it right are those that recognize that a workplace culture of well-being and a culture of high performance can, and should, go hand-in-hand. Especially in the long term, studies show that, when employers design work in ways that curb needless stressors, both individual well-being and business outcomes fare better.

– Joe Grasso, PhD,
Senior director of Lyra's Workforce Transformation team



82%

of benefits leaders believe it's their company's responsibility to create conditions that prevent employees from developing work-related mental health problems.

Employers can also take the following steps to cultivate a more supportive environment that may help reduce worker stress:

- Conduct regular risk assessments to identify [psychosocial workplace hazards](#) and employees' potential exposure to these hazards, which can negatively affect mental health. Potential hazards include excessive workload, poor supervisory support, workplace bullying, or discrimination.
- Encourage regular conversations between managers and their direct reports where each can share feedback on key aspects of the work experience such as workload, resourcing, manager and co-worker support, recognition and reward, and career development.

By focusing on work design and job crafting, companies can help prevent burnout and distress while [boosting engagement](#) and [retention](#). When organizations combine a supportive, [psychologically safe](#) environment with healthy work design and robust mental health benefits, both employees and businesses can thrive.

3. Employers will strengthen support for historically marginalized populations

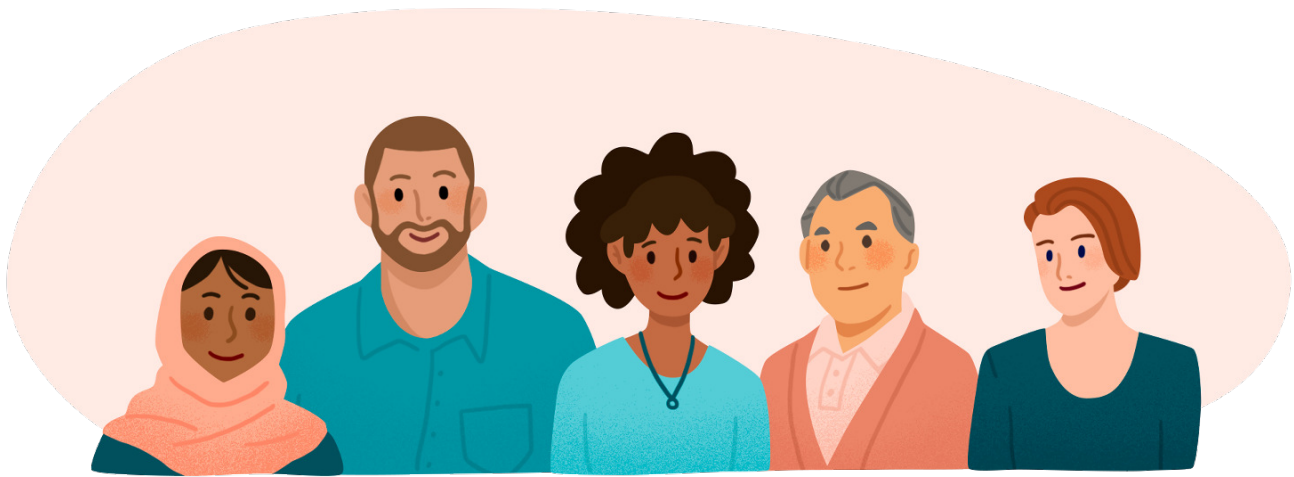
In 2024, we expect more organizations to offer comprehensive, tailored mental health support to meet the needs of underrepresented employee groups. Recognizing the importance of supporting every person in the organization, survey respondents told us their top benefit-related priority for the year ahead is “implementing or extending benefits programs to support employee sub-populations,” such as [BIPOC](#) and LGBTQIA+ workers.

The driver for this work is creating a welcoming, productive environment for everyone and recognizing that diversity builds strength for employers—expanding their ability to recruit, retain, and engage talent with the widest range of experiences and skills. In our survey, 29% of benefits leaders ranked achieving company DEIB goals among their top three benefit-related challenges for 2024, up from 21% in 2023.

Benefits leaders who ranked achieving company DEIB goals among their top three benefit-related challenges of the year:



Across industries, employers are also seeing the need for access to the right care providers, especially for underrepresented populations. Research, including a study in [JAMA Network Open](#), shows that some people are more likely to rate their doctors highly and engage in care if their provider shares identities that are important to them. For example, the client and therapist may speak the same language or have a shared understanding of what it’s like to have a particular identity, which can make therapy more efficient.



How will companies identify those employees in greatest need of emotional support? In 2024, we anticipate data reporting will become more prevalent, enabling organizations to understand which subpopulations are engaging in care and whether certain groups are experiencing particular stressors or impacts in the workplace. This can help employers make smarter decisions about how their benefits can best serve all employees.

This intel can also help companies determine if any subpopulations are forgoing needed care. They can match that data with information about employee performance and, where needed, reach out to remind groups about available resources. Organizations can also determine which programs are being most used, which may inform their future benefits strategy.

One related theme to look for in 2024 is the rise of employee resource groups (ERGs). Companies are increasingly seeing the influence of ERGs on [workplace wellness](#), stigma, and culture. By inviting ERGs that represent a range of diverse populations to review benefits strategies, companies can ensure that the benefits offered meet all employees' needs.

4. Employers will expand efforts to address loneliness and isolation

Growing worker loneliness has been eye-opening for some businesses that assumed the issue was mostly pandemic-related and, thus, would become less prevalent with each passing year. Instead, our survey found that benefits leaders were about as likely to list loneliness as a mental health challenge for their workforce this year compared to last year (14.4% versus 14.2%), despite pandemic restrictions on social distancing being far behind us.

Because [loneliness and isolation](#) can have devastating impacts many employers are looking to help their workforce overcome these challenges. In 2024, we expect to see renewed emphasis on activities that bring people together—remotely or in-person—in the workplace.

Recognizing the significant health consequences of this challenge, in 2023 the [U.S. Surgeon General](#) urged companies and communities to prioritize building social connections with the same emphasis as other critical health issues, such as smoking, obesity, and substance use disorders.

The Surgeon General’s report on loneliness dovetails with concerns many workers are expressing over the [unintended consequences](#) of remote and hybrid work. Loneliness and social disconnection in the workplace are growing challenges in organizations that no longer have a central office or worksite. Thinking creatively about how to bring people together, especially for those in mostly virtual roles, is critical. Even for hybrid and in-person jobs, companies are considering how to facilitate more regular social connection at work.



While a remote-friendly workplace is attractive, the model risks feeling isolating for some. Having the office as an option to create opportunities for team meetups and on-sites is important, including for those who are looking to build foundational connections early in their career.

— Stephanie Frias,
Chief people officer at Lyra

5. Mental health-related resources for managers will remain a priority

“Work-related managerial stress (e.g., dealing with teams and supervision)” was the number-one issue benefits leaders in our survey identified as negatively impacting employee mental health. Navigating work stress isn’t a skill all managers innately have, nor is it something most employers provide effective training and resourcing around. In 2024, we expect that to shift.

Employers are more aware than ever of the critical, frontline role managers play in supporting workforce mental health. Last year, 68% of benefits leaders reported that manager training was an integral part of their company’s workforce mental health strategy. This year, that number soared to 93%, demonstrating a growing recognition of the common challenge managers face in supporting their team members’ mental health and dealing with their own [work-related stress](#).

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Managers are caught between their teams demanding a more transformational leadership style that prevents burnout and promotes meaning at work, and a lack of effective resourcing from their employers to know how to follow through.

– Joe Grasso, PhD,
Senior director of Lyra’s
Workforce Transformation team



Most employers (60%) provide managers with some resources to support mental well-being at work, such as e-learning courses. Based on our work with hundreds of organizations, we find that these courses tend to focus on training managers to spot signs of distress and provide a referral to mental health resources. While this content is valuable, these efforts may still fall short of what many managers feel they need, as the content may not teach people how to manage in ways that prevent workplace distress and proactively [promote positive mental health](#).



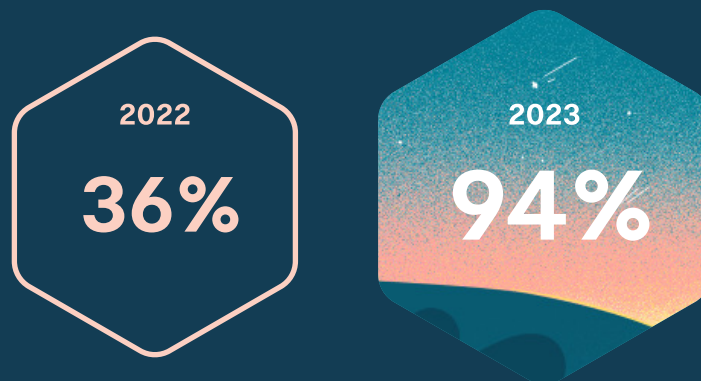
In 2024, we believe employers will focus more on training managers to implement structural solutions that help meet the mental health demands of their teams in a more strategic way. This will likely include plans to alleviate job-related stress and prevent burnout via intentional work design and healthy management practices.

6. HR and benefits leaders will continue to advocate for meaningful mental health support

In 2022, just 36% of the benefits leaders we surveyed believed that mental health benefits were “very important” to prospective employees when evaluating a job offer. In 2023, that number leapt to 94%. This gives us confidence that the shift toward prioritizing [workforce mental health](#) will continue this year.

Awareness, interest, and investment among employers are at all-time highs. Today’s HR and benefits leaders recognize their critical role in workers’ physical and mental well-being and that the right benefits and support can make a measurable difference.

Benefits leaders who believed that mental health benefits were “very important” to prospective employees:



To explore how Lyra can help support mental health in your workplace in 2024, [request a free consultation](#).

Methodology

To better understand the experiences and attitudes of employee benefits leaders related to workforce mental health, Lyra Health conducted a survey of 250 individuals via an online survey from PureSpectrum between Aug. 18 and Sept. 6, 2023. All respondents were at least 18 years of age and living in the U.S. when the survey was completed.

All respondents also self-identified as manager-level or above, working in their organization's "employee benefits" department at companies with 1,000 or more employees.

PureSpectrum partners with the top online sample providers to supply a network of diverse, quality respondents to their client base. The survey data comes from traditional, actively managed, double-opt-in market research panels.



About Lyra Health

Lyra Health helps leading companies improve access to effective, high-quality mental health care for their employees and their families. With Lyra's innovative digital care platform and global provider network, members receive the best care and get better faster.

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