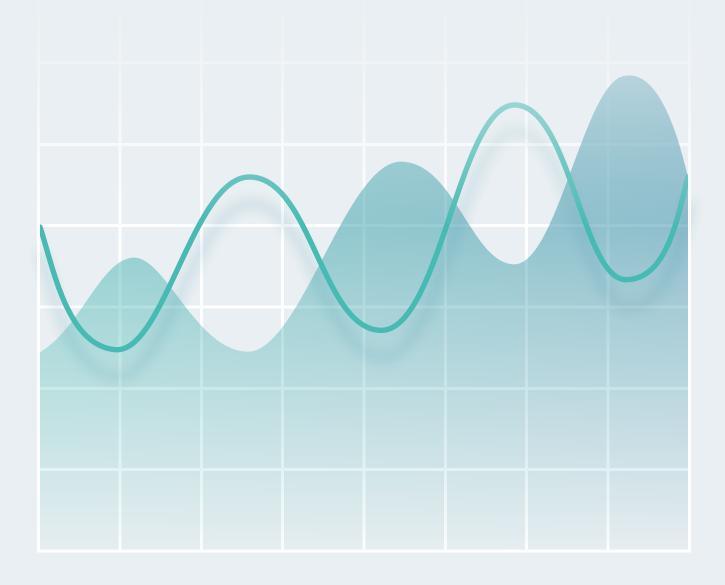
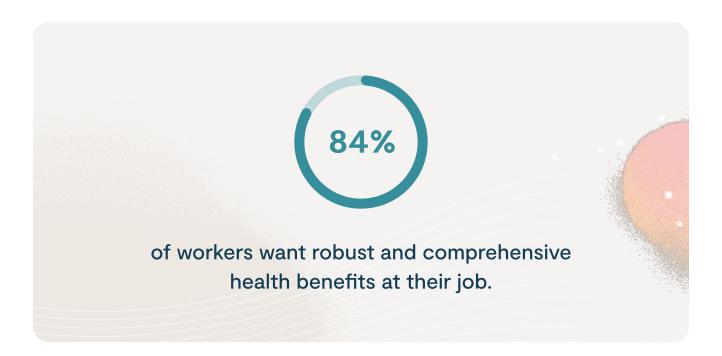
# 2023 Workforce Mental Health Trends Forecast



any of us have had to <u>focus more on our mental health</u> to navigate what has felt like an increasingly heavy world over the past few years. There's also been a <u>major shift in awareness</u> among workers and their employers that our mental health needs don't stop when we clock in for the day.

Regardless of industry or role, employees increasingly expect their employers to offer mental health support. In Lyra Health's most recent <u>State of Workforce Mental Health survey</u> of 1,000-plus workers, 84 percent said "robust and comprehensive" mental health benefits were an important factor when considering a new job.



And <u>companies are striving to meet their new responsibility</u> to create an environment of psychological health and safety—at both an individual and organizational level. The <u>World Health Organization</u> (WHO) recently called on businesses across the globe to provide work that "simultaneously prevents workers from experiencing excessive stress and mental health risks; protects and promotes workers' mental health and well-being; and supports people to fully and effectively participate in the workforce, free from stigma, discrimination or abuse."

In our new survey of more than 250 employee benefits leaders, most said they believe it's an employer's responsibility to prevent work-related mental health problems in their workforces.



of employee benefits leaders surveyed believe it is an employer's responsibility to prevent work-related mental health problems from developing among employees.

So how can employers tackle workforce mental health needs in the year ahead? And where can they focus their efforts to make the biggest impact for employees as well as their bottom line? We've pulled insights from our survey of benefits leaders, and paired them with curated recommendations from our <a href="Workforce Transformation">Workforce Transformation</a> team, which partners with employers to foster more mentally healthy workplaces.

Read on for our top predictions about workforce mental health in 2023.

#### 1. Employees will expect to own their schedules

For many workers (especially "knowledge workers"), having autonomy over when, where, and how they work doesn't just make them happier, it also makes them more productive. Offering flexible hours and letting employees set their schedule will remain top of mind for employers in order to attract and retain talent in 2023.

41%

Companies offering flexible work options in 2021

53%

Companies offering flexible work options in 2022

On top of giving workers more autonomy, the vast majority of benefits leaders we surveyed say their organization is integrating mental health into their culture. Many have already implemented or are considering offering personal mental health days, companywide mental health days off, policies discouraging work email or messaging after hours and on weekends, and a practice of encouraging employees to take breaks throughout the workday.



Many employees are not interested in returning to what work life looked like prior to the pandemic... Understanding your workforce's needs and designing the work itself can help employers unlock a world of opportunity to be leaders in this space.

Kendall Browne, PhD
program manager of workforce mental health at Lyra



of benefits leaders say their company offers a four-day workweek.

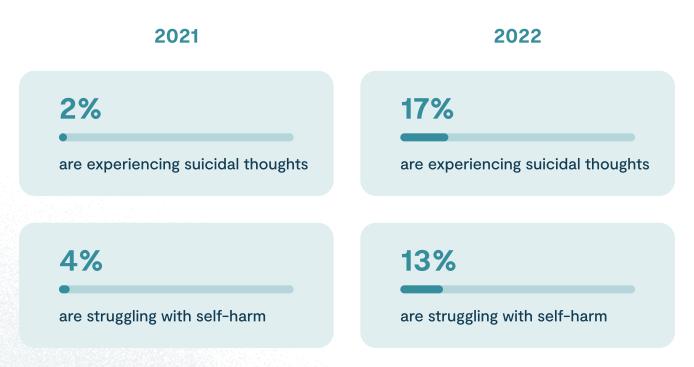
Even the formerly rare perk of a four-day workweek is likely to become much more common in the year ahead (especially given <u>fresh data</u> underscoring its advantages): 45 percent of benefits leaders say their company already offers this perk, while 43 percent say they're considering offering it in 2023.

#### 2. Complex mental health needs will lose some stigma

Issues that have historically been taboo are now being confronted head on as **employers report increasing concern about substance use disorders in their workforces, among other complex mental health needs**. More than 1 in 4 respondents said they believe their organization's employees are dealing with "alcohol or substance use disorder." The growing worry comes amid rising rates of substance use disorders <u>worldwide</u> and overdose deaths in the U.S. since the pandemic started, with a new study published in <u>JAMA Network Open</u> attributing 1 in 5 deaths among U.S. adults to excessive drinking.

Similarly, <u>complex mental health disorders</u> emerged in our survey as a key workforce mental health challenge: 33 percent of respondents said they believe employees in their organizations are experiencing a complex mental health condition such as "PTSD, bipolar disorder, or ADHD/ADD." (This is up from 17 percent of benefits leaders who said the same in the fall of 2021.) This year's survey saw a spike in concerns about acute mental health episodes that require specialized care.

#### Benefits leaders believe that some of their employees:



With so much at stake, we expect to see more employers invest in workforce mental health solutions that offer access to specialized care for these complex mental health needs, and more training for people leaders to spot the signs an employee is in distress.

#### 3. Supporting employees will mean supporting their families

In March of 2022, the American Academy of Pediatrics <u>declared a national emergency</u> in children's and teens' mental health, noting the significant setbacks kids and teens have faced since the pandemic started. It's a burden that weighs on the entire family. Among benefits leadings from our survey, 1 in 4 say many of their workers are <u>dealing with a child's mental health issue</u>.

In the year ahead, we predict that employers will increasingly focus on <u>supporting the</u> mental health of both caregivers and children.



of benefits leaders in our survey agreed with the following:



Mental health support for the entire family has become a more urgent priority for my company in the past year.



It is beneficial to my organization to provide robust support for children and teens.



It is beneficial to my organization to provide personalized mental health support for parents and caregivers. 66

You provide these benefits to help employees live happy, healthy, and productive lives. If you care about your employees' health and well-being, you care about their children's health and well-being.

Kendall Browne, PhD
program manager of workforce mental health at Lyra

This growing investment may also be driven by more awareness than in the past of how children's mental health issues affect parents' work attendance and productivity.

Focusing on the mental health needs of younger people isn't just for parents' benefit. As these children mature into adults, they, too, will enter the workforce. Equipping them with the tools to better manage their mental health and well-being today will save employers money in the long run. A historic lack of focus in this area is already costing companies. According to a report by the Employee Benefit Research Institute, younger employees make up a disproportionate share of employer spending on treatment for mental health and substance use disorders.



of mental health and substance use disorder treatment spending was for employees under 25, who make up 36% of the population.

Employee Benefit Research Institute (EBRI)—2022

## 4. Employers will focus on equipping managers to help employees thrive

The best managers don't simply keep their employees productive—they put in the effort to make sure their team members feel fulfilled, recognized, and valued. This responsibility can add an emotional burden on top of an already stressful workload for supervisors. In fact, our survey finds that "work-related managerial stress" is the second-most cited factor that benefits leaders believe is adversely affecting their employees' mental health—second only to COVID-19.

In 2023, we expect to see employers offer more support and mental health-related training to these employees who find themselves on the frontlines of workforce mental health. Here's why:

- More than two-thirds of benefits leaders surveyed (69 percent) agreed that "managers are an integral part of our organization's workforce mental health strategy." And 64 percent agreed that "the role of managers has become more difficult since the COVID-19 pandemic began."
- Yet, 30 percent did not agree with the statement, "Managers at our organization have the resources and training they need to ensure that the work experience supports employee mental health"—indicating a recognition of gaps in training that need to be filled for many employers.



People usually get promoted to manager because they are good at their jobs, not because they are skilled at supporting people and their well-being, and it can feel like a daunting task. Employers must give managers the tools they need to be empathetic and effective leaders.

Kendall Browne, PhD
program manager of workforce mental health at Lyra

Many companies may already be providing managers with training to identify signs of distress. But to better support managers, more employers should offer training that will give them proactive skills and tools to foster high-performing teams that are engaged, communicate well, and avoid burnout before it happens.

#### 5. Mental health resources will go global

For <u>many companies</u>, the workforce isn't confined to a single office or time zone. With workers living in different countries speaking different languages, employers must <u>offer access to quality mental health resources</u> that respect all of those cultures. In 2023, we expect a growing number of companies to prioritize more culturally responsive care.

We see a need for better communication to support employees amid difficult current events, with particular emphasis on communication tailored to language and cultural expectations of employees worldwide. Sixty-seven percent of benefits leaders agreed that "it is important to our organization to offer parity (same experience for employees no matter where they live) in global mental health benefits."

Nearly half of these benefits leaders (48 percent) say they've already implemented tools to reach parity, and an additional 38 percent say they're considering doing so next year.

67%

of benefits leaders leaders agreed that "it is important to our organization to offer parity in global mental health benefits."



In the U.S., to be in therapy is almost a badge of honor. In other countries—particularly Asia—there is some stigma attached and yet employees face much the same mental health challenges as elsewhere. Growth in mental health services, I believe, reflects recognition of the work and life stressors that affect workers and their consequences for the employer.

#### - Dr. Anita Williams Wooley

associate dean, research; professor of organizational behavior and theory, Tepper School of Business, Carnegie Mellon University

According to the WHO's <u>new guidelines on workforce mental health</u>, depression and anxiety are costing the global economy \$1 trillion every year. Offering mental health services to employees around the globe doesn't just impact their health and well-being, it impacts businesses' bottom line as well.

### \$1 trillion

Depression and anxiety's annual cost to the global economy

- World Health Organization

## Workforce mental health will remain top priority in 2023

The forces that impact our mental health show no signs of slowing, which means companies will need to make a concerted, ongoing effort to support their employees' well-being. The effort and attention paid today will help employees be more open with their mental health needs, more resilient in the face of adversity, and more present at work, at home, and in their community. The employers that understand this will continue to <u>reap the benefits</u>, in 2023 and beyond.

### Methodology

Lyra Health conducted a survey to better understand the experiences and attitudes of employee benefits leaders related to workforce mental health. We gathered responses from 253 individuals, via an online survey from PureSpectrum, between Sept. 19 and September 29, 2022.

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.

To explore how Lyra can help support your workforce's mental health in 2023, get a free consultation.



## **About Lyra Health**

<u>Lyra Health</u> 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.