

# Employee mental health and benefits plans — expectations vs reality

The pandemic has created many unique challenges for employees and workers. However, in other cases, it has simply shined a spotlight on existing challenges that aren't likely to go away. One such area that has received increasing focus is on employee mental health. Even more specifically, how employee benefits plans and policies do, or don't, support it.

Employees want more support for mental health, and the focus isn't going away. Fortunately, many employers are catching on to the trend and realize that this will be a key conversation in 2021 and beyond. However, not enough employers cite plans to make adjustments and implement changes that match up with these employee needs and expectations. This means many employers could fall short in this department, leaving unhappy employees to become disengaged or to start looking for employment elsewhere.

So, what should employers consider as they engage in the conversation around mental health and employee wellbeing? To start the conversation, we have 2 great datasets to examine. The first, by Mercer, examines how employers are looking at employee benefits plans and what they're prioritizing in 2021. The second, by Willis Towers Watson, looks at employee attitudes towards their employment and benefits programs. In some areas, the overlap is encouraging. However, data shows that many employers may be missing the mark.

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## **Employees want a work-life balance, but to remain connected**

Pre-pandemic, only 14% of workers said they work remotely most, or all, of the time. Now 31% do. If you extend that out to those who work remotely “sometimes,” the number is 53%. Many of these employees, especially among parents, cite feeling an improved sense of work/life balance. So it should come as no surprise that an emphasis on work/life balance is something more employees expect.

However, this comes with its own set of challenges. 39% of employees worry more remote work will negatively impact their careers. This is especially true for younger workers and those with children. Additionally, employees working primarily from home are twice as likely to feel disconnected than employees onsite. Employers will have to tangle with finding ways to keep employees connected as well as giving remote employees equal opportunities for career advancement, even if they have less “face-time” around the office.

## **What are employers doing about it?**

Work/life balance is key to employee mental health, and remote work is playing a large factor in that. Currently, only 40% of employers offer flexible work hours for parents to care for their children during the day. This number may decrease as more workers start to return to the office. However, employers should be cautious and cognizant of employee expectations. These surveys have shown that employees given extra flexibility are reluctant to give it up.

Out of those currently working from home, 38% hope for a more flexible mix of on and offsite work in the future, and there's good reason for employers to consider this. 91% of employees report having equal or improved work performance since the start of the pandemic. Many employers have learned quickly that remote work can be just as productive as in-office work, if not more so — in some cases. So be thoughtful before simply instituting a full return to work for all employees. While not all jobs can be done remotely, many can. Even if employees can only work one day a week remotely, where they can handle tasks that don't require them to be onsite, it could make a big difference for many.

## **Mental health is top of mind for employees and employers**

Most can understand the challenges the pandemic has brought to mental health and wellbeing. From increased stress and anxiety to social isolation and more, employee mental health is suffering. 29% of overall employees say their mental and emotional health has worsened as a result of the pandemic. This is especially true for younger employees, with 47% of Gen Y employees and 65% of Gen Z employees reporting poor mental health. Additionally, 42% of overall employees claim their social connections have worsened. These numbers are pretty grim, but some data may suggest the pandemic is only partially to blame.

In 2020, 34% of employees said they felt socially connected. This is down from 39% in 2019. 41% say they were emotionally balanced in 2020, only a 5% drop from 46% in 2019. Overall, 2019 numbers didn't look great either. Like with many societal challenges, it appears that the pandemic was not the sole cause, but instead highlighted and exacerbated existing issues.

While this news is unfortunate, if not necessarily surprising, it does give organizations an opportunity to address these issues. Fortunately, many employers are realizing the dire situation and starting to respond. 75% of employers cited behavioral health as an employee well-being priority for 2021, significantly higher than any other priority measured. This is good news. However, only 29% of those same employers surveyed said they plan to add programs/services to expand access to behavioral health services, which leads one to question what actions they plan to take instead.

## **Employers can start taking some actions now**

Still, not all solutions have to be wrapped in formal benefits packages. For example, many employees said they feel socially disconnected. This is a problem employers can address through targeted means like creating opportunities to strengthen employee connections and working to build a sense of community. While remote work may make that more challenging, it's far from impossible.

Additionally, stress and anxiety are not outside an employer's ability to influence directly. Wages and workload are two key factors influencing this. Let's look at one example.

22% of employees surveyed saw an improvement in their finances during the pandemic, however, upon further investigation, these improvements aren't necessarily sustainable or healthy. A better financial situation does not necessarily mean a stable one. Many of these employees saw increased wages because of increased hours, but some are still struggling financially. Out of that group, 9/10 reported increased stress and anxiety. That's 40% higher than those financially struggling but whose hours were not impacted by the pandemic.

The rather unsurprising lesson? Financially insecure employees working long hours have poor mental health. Additional mental health benefits aren't likely to improve upon their mental wellbeing nearly as much as higher pay and reduced work hours.

Employers are right to consider mental wellbeing as a key priority in 2021. Employees who are disengaged and whose mental health suffers are more than twice as likely to leave a position, resulting in costly turnover for employers. However, those who opt only to look at surface-level fixes and not reflect more deeply on the cause of employee dissatisfaction and mental health challenges may not see the gains they wish to make.

**Additional Resources:**

- [43 signs of mental health problems at work and how to respond](#)
- [Willis Towers Watson 2020 Global Benefits Attitudes Survey](#)
- [Mercer 2020 US National Survey](#)