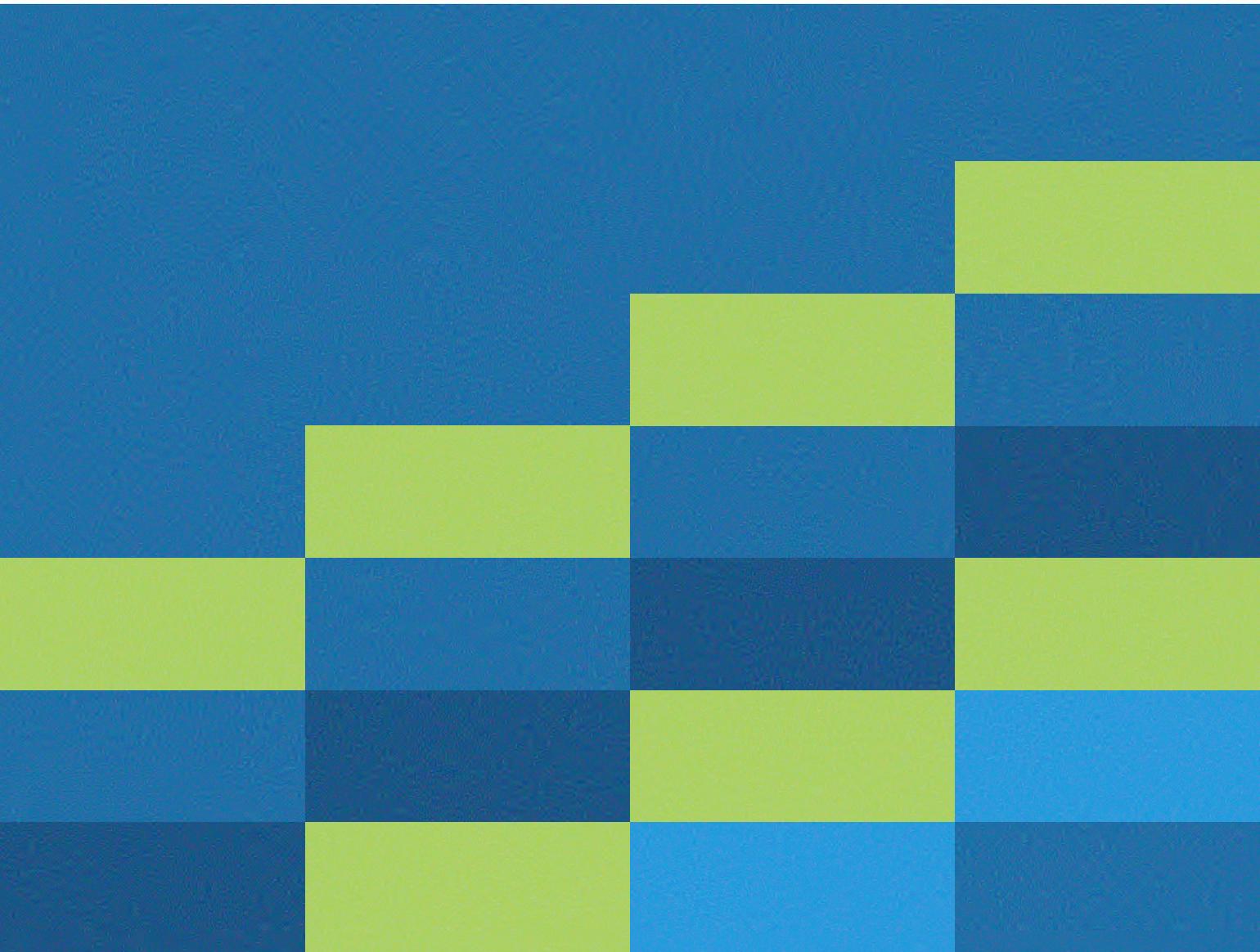




Mental Health: A Path to a Resilient Workforce and Business Recovery

MetLife's 18th Annual
U.S. Employee Benefit
Trends Study 2020

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▶ INTRODUCTION

The pandemic and its aftershocks have upended life—and work—as we know it.

▶ Visit [metlife.com/ebtmentalhealth](https://www.metlife.com/ebtmentalhealth) to explore additional insights and studies.

With a modern-day collision of financial, social, and physical worries, COVID-19 is the perfect storm of stressors. These strains endanger employee mental health—which also threatens business productivity.

Above all, people are afraid that they or their loved ones will contract the virus, but there’s an undercurrent of other stressors, too.

Children at home add new pressures for working parents. Market volatility over the short- and long-term threatens livelihoods and retirement, while job insecurity puts paychecks and health insurance in jeopardy. Social and racial upheaval coupled with polarized politics compound the challenges.

As this mix of tensions preoccupies employees and blurs the lines between home and work, employers are on alert. Most of them foresee a mental health breaking point very soon. Some think we’re already there.

A Crisis Looms



2 in 3 employers say a mental health crisis in the U.S. will come within three years.



1 in 5 employers says the U.S. is already in a mental health crisis.



9 in 10 employers say their organization is not completely ready for a mental health crisis.

5.5 million

employees no longer feel mentally healthy, a drop of 7% since April 2020.



Unprecedented Times

This plague of lasting stress has rattled the workforce, yet many workers themselves often don't realize they're affected. Worse still, the traditional HR tools to manage stress haven't been tested against the unique array of challenges of 2020 and beyond. The times are unprecedented, and employers will need to rethink their approach to help workers make it through as well as possible.

That rethinking requires innovations in culture, improved leadership behaviors, and enhanced support for stress and mental health. Most importantly, it requires creating an environment that destigmatizes emotional needs to foster well-being and accelerate employee resilience.

Resilience in the workforce is critical. By helping to build resilience among employees, employers can help workers manage and rebound from stress while maintaining well-being. As employers become more resilient, it will have a positive impact on business recovery.

The most resilient employees have better mental health than the least resilient.

89% vs 49%

How Employers Move Forward

As businesses reckon with these trends, they have a long road ahead—and the actions employers take now can support a thriving and more resilient workforce for years to come.

This report outlines those actions based on data collected during early July 2020. That data tells the story of the current state of workers' mental health, the prevalence of burnout and depression, the importance of employers building resilience among employees, and how to build resilience into business recovery plans.

Indeed, new challenges await both workers and employers. Those stressors are mighty, but they can be managed with a resilient culture for supporting mental health.

Employer Actions on the Road to Business Recovery

- ▶ **Recognize** that a mental health crisis is here¹
- ▶ **Understand** the relationship between employee well-being and business prosperity.
- ▶ **Rethink** the approach to mental health in the workplace.
- ▶ **Create** an environment that supports mental health and builds resilience.
- ▶ **Expand** the support and resources for employees, including employee assistance programs (EAPs) and employee benefits.

01

Mental Health of the Workforce: Where We Are Now

No matter the job or the industry, COVID-19 has wreaked havoc on working life—introducing new stressors workers have never before faced.

For essential employees like healthcare workers or delivery drivers, every working day invites more physical health risk. They worry about themselves, as well as bringing harm back home.

Others face different stressors. Employees who transitioned to remote work have seen their personal and professional selves collide at home. And for those out of work, their world has introduced new challenges and risks as well.

90% of non-essential workers are still working at least some time at home, and

54% of them say they are very concerned about returning to work.

These shifts and strains have made work more stressful², impacting workers' mental health.

▶ **38% of adults report symptoms of anxiety disorder or depressive disorder**, an increase of 27% since 2019.³

Work Looks Different

▶ **Remote Work:**

64%

of employees who can work from home now do so exclusively.

▶ **Essential Work:**

68%

of essential workers are concerned about going to work.

▶ **Out of Work:**

57%

of organizations have had to place employees on furlough or temporary leave.



Why Worker Mental Health Matters

Because poor mental health is deeply entwined with worker output, our current moment’s barrage of new challenges threaten business health.

Productivity, Engagement, and Mental Health

86% of employees who rate their mental health as good are productive, vs. 60% of those who do not

79% of employees who rate their mental health as good are engaged, vs. 47% of those who do not

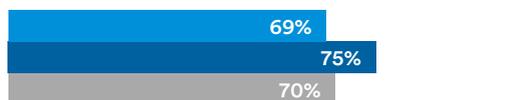
We’ve already seen these effects materialize. Worker productivity and engagement is decreasing from an initial bump in the spring.

■ pre-COVID ■ April 2020 ■ July 2020

Productivity:



Engagement



Why the April Bump in Productivity?

Productivity and engagement increased at the start of COVID-19 as business leaders focused on improved communication and workplace safety: By late March, 1 in 2 workers felt like their employers had communicated a clear response plan.⁴ Employees also went above and beyond to keep their jobs intact amid unemployment fears. But this level of output isn’t sustainable—and as the pandemic intensified, worker performance is being impacted by the weight of new stressors, resembling pre-pandemic levels. We may see these bumps and dips continue.

A Multidimensional Threat

Employee mental health is not a new focus for employers; stress and burnout was a major focus for employers before COVID-19. But in light of the scale of the pandemic, now is the first time that so many of these problems risk going unaddressed.

For employees with preexisting anxiety, depression, or stress, new challenges can amplify old difficulties, but for others, it's the first time they've had to navigate a mental health issue, and they could be unaware of the signs.

- ▶ **Only 26% of employees** report having to seek help for a mental health issue, including stress and burnout, at any time in the past.

Employers could help address those barriers if they were adequately prepared for them. However, it seems that many are not.

Barriers to Workplace Mental Health Programs

▶ What's stopping you from getting help?

Doubts about the effectiveness of programs

40%

Stigma from co-workers, friends, and family; fear of discrimination

31%

Company culture isn't supportive enough

28%

It's too expensive

14%

Too hard or time-consuming to deal with

10%



Gaps in Readiness Spell Trouble Ahead

Many, but not all, employers have begun to recognize that holistic wellness deserves increased priority as a measurable business objective.



1 in 3 employers do not consider improving mental well-being as an important objective.



1 in 3 employers are not highly concerned about the mental health of their employees in either the short- or long-term.

Company size is a factor.

Midsize and large businesses (100+ employees) are more worried about mental health than other size organizations and report feeling better prepared for employee mental health challenges.

A Chasm Between Intent and Action by Company Size

For all the preparations employers make, there's a disconnect between good intentions and effective actions. This disconnect varies by company size: Though a majority of all employers consider employee mental health valuable, small businesses may not have as many resources as their larger counterparts to create effective programs to support it. That's especially true with the tremendous pressure regional stay-at-home recommendations and policies have put on their businesses.

Employers: Do you have a wide range of programs designed to prevent mental health problems?

- ▶ **5,000+ employees:** 68% say yes
- ▶ **100 to 5,000 employees:** 70% say yes
- ▶ **Fewer than 100 employees:** 38% say yes

Top Mental Health Programs

- #1** Employee assistance programs
- #2** In-person or virtual counseling
- #3** Wellness or well-being programs
- #4** Stress management programs
- #5** Employee resource groups

The Breaking Point Nears

Mental health feeds into performance output and a company's bottom line—and given COVID-19, there's about to be an entirely new set of stressors in public health and economic stability.

Employers can see the writing on the wall, but very few of them have the infrastructure in place to robustly support the mental health of their employees at scale. Even still, infrastructure from a pre-COVID era likely won't hold up. Burnout, stress, and depression all lurk in new and unfamiliar forms.



02

New Risks of Stress, Burnout, and Depression

Employees have always had stress—from work and finances to home life and other factors. But that stress often varied by individual circumstances.

Today's stressors include and go beyond the immediate public health and economic realities. American workers are struggling socially, as many say social distancing is causing them stress or anxiety.

These new sources of stress have compounded the magnitude of American workers' worries into something bigger, which, left unaddressed, has lasting impacts on mental health, as well as increased risks for burnout and depression.

41% of employees feel stressed, burned out, or depressed at work regularly.

When Stress Coincides With Burnout and Depression

Stress is a formidable threat to employee well-being and can have further negative impact on a worker's professional life if it coincides with either burnout or depression, or both.

Defining the Problem

- ▶ **Stress:** A physical or emotional response to challenges or demands. When it's long-lasting, stress becomes chronic with overall health impacts.⁵
- ▶ **Burnout:** A prolonged workplace stress that leads to feelings of exhaustion, demotivation, and reduced job performance.⁶
- ▶ **Depression:** A chronic disorder consisting of feelings of sadness, fatigue, and other physical and emotional symptoms.⁷

Why are employees stressed?

- ▶ Experiencing financial problems: **81%**
- ▶ Fears of job security, workload, and other workplace issues: **77%**
- ▶ Getting coronavirus or having a loved one get it: **60%**
- ▶ Having to socially distance from loved ones: **47%**
- ▶ The upcoming U.S. presidential election: **44%**
- ▶ Social justice issues: **41%**
- ▶ Not having access to healthcare because of COVID-19: **35%**

Employee Misperceptions About Signs and Symptoms

- ▶ Ask an employee whether they feel burned out or depressed, and it's likely that few will say they do. But ask them whether they experience symptoms linked with burnout and depression, and those numbers tick up.

Burnout

Only **30% of employees say they "feel burned out" at work, but 64% of employees report feeling at least five of the signs of burnout** as defined by the World Health Organization, including:⁶

- ▶ Feeling emotionally drained
- ▶ Feeling physically drained
- ▶ Feeling mentally checked out at work
- ▶ Feeling too much pressure to succeed
- ▶ Having to hide personal concerns while at work

Yet, when presented with the World Health Organization definition of burnout, 1 in 2 employees reported experiencing burnout in the past six months.

Depression

Only **17% of employees say they "feel depressed" at work, but 41% of employees report feeling at least five of the signs of depression** as defined by the Patient Health Questionnaire screening tool,⁸ including:

- ▶ Feeling tired or lethargic
- ▶ Having trouble with sleep
- ▶ Feeling down, depressed, or hopeless
- ▶ Loss of interest or pleasure in doing things
- ▶ Restlessness

Unpacking Financial Stress

Employees report being extremely stressed about money. This aligns with life before the pandemic—financial health is the top contributor to overall mental well-being.

Employees with good financial health are twice as likely to report having good mental health compared to those with poor financial health.

83% vs **37%**

But to whatever extent they were before COVID-19, the new coronavirus has exacerbated financial concerns to a whole new level:

- ▶ **Before COVID-19:** 52% of employees reported feeling major financial stress.
- ▶ **Since COVID-19:** 81% of employees report feeling major financial stress.

Biggest Sources of Financial Stress

- ▶ Long-term savings: **47%**
- ▶ Medical bills and other unexpected expenses: **46%**
- ▶ Stock market volatility: **46%**
- ▶ Ability to retire as planned: **41%**

Forging a Path Forward

Stress, burnout, and depression are impacting workers' mental health—but because COVID-19 has added new pressures and strains, many employees may not yet recognize they need help.

This is especially true for people who've never before experienced a mental health problem—about two-thirds of the workforce. More worryingly, even if workers do self-identify with the warning signs, many do not feel confident in seeking out support.

So where do you begin? Because stress can contribute to depression and burnout—which impact mental health and business viability—it seems the answer starts with stress. Yet, in our new normal, stress is here to stay.



03

What is Workforce Resilience and Why Does It Matter?

Everyone experiences stress differently. Employees who can adapt and prosper amid uncertainty and change are resilient. They have mental fortitude, an optimistic outlook, and the support to bounce back from adversity.

Workforce Resilience and Mental Health

Resilience protects employees' mental health from sources of stress, burnout, and uncertainty.

Compared to the least resilient employees, the most resilient employees...

- ▶ ...have better mental health (89% vs. 49%)
- ▶ ...are more likely to be holistically well (73% vs. 24%)
- ▶ ...are less likely to be burned out (12% vs. 55%)
- ▶ ...are less likely to be stressed (14% vs. 57%)
- ▶ ...are less likely to be depressed (6% vs. 31%)

So how did they build the armor of resilience? And how do you replicate those resilient traits for the greater workforce in an era when stress is not just pervasive, but growing?

That's what employers want to know as they plan their business recovery.

67% of employers say increasing employee resilience is a key objective for their organization.

76% of employers say resilience is very important to business recovery.

Workplace Wellness to Meet the Moment

Employers can foster workplace resiliency among employees by providing them with a range of support, including programs and behaviors. Doing so is a key strategy to help workers cope with stress—and even help guard employees against more serious mental health issues like burnout and depression.

Ultimately, this leads to positive impacts on productivity, engagement, and a stronger, more adaptable COVID-19 comeback.

04

How to Drive Resilience in the Workforce

Businesses must support workers with current mental health issues, and also help maintain good mental well-being for everyone. To do that, companies will need to create a workplace that:

- ▶ **Promotes** mental health awareness, including education on holistic well-being.
- ▶ **Mitigates** barriers and stigma, including concerns of privacy, trust, cost, and not feeling issues are serious enough to get help.

- ▶ **Fosters** positive responses to adversity, including individual and shared stressors.
- ▶ **Supports** employees across the triad of resiliency pillars—supportive, cultural, and personal.

To make these essential and interconnected components of mental wellness come to life in every workforce, we recommend three strategies focused on leadership, culture, and organizational support:

1. Show that mental health is a priority.

Just 1 in 3 employees says the leaders in their organization lead by example with mental health—such as managers sharing their own difficulties with stress, burnout, depression, or other mental health problems.

To foster resilience, companies need to signal to employees that mental health is a shared problem, that they recognize it, and that they'll take tangible steps to change it. Mental health must be acknowledged and addressed visibly—and that starts with leadership.

The swift and transparent responses employers took during COVID-19 is a good model. Workers felt their leaders provided proactive, frequent, clear,

and action-oriented communication. And perhaps most importantly, leaders led by example when acknowledging the challenges of the changes to their work and personal lives. If employers could treat employee mental health similarly, they can be better equipped to grow resilience among their workforce.

Normalizing these types of conversations will have several positive effects among employees: Not only can they help reduce stigma and fears of discrimination, but they can also raise awareness of the signs of mental health issues.

2. Build an open and supportive workplace culture.

If mental health initiatives are to be successful, employees need to feel empowered—and not marginalized—for using them. That requires an open culture in which mental health is discussed without fear or shame.

What is an open culture?

An open culture addresses mental health problems while also helping preempt them. It fosters regular and honest conversations about mental health, trains personnel about the signs of mental health problems, helps employees feel unafraid of making decisions and mistakes, and supports self-care for everyone in the organization.

Even though most businesses believe they have such a culture, employees beg to differ.

Does your organization have a supportive and open work culture?

75% of employers say yes

47% of employees say yes

leadership, middle management may be woefully unprepared to carry those initiatives through at scale.

Rethinking Training

Managers should get trained on:

- ▶ Recognizing the signs of stress, burnout, and other mental health issues among their teams.
- ▶ How to talk to employees about stress, burnout, and mental health.
- ▶ Solutions and resources that are available to employees in need.

Managers are also on the frontlines of helping employees navigate new stressors to preempt future problems. Not only should they prioritize manageable workloads, but they should also encourage employees to take paid time off—especially as the signs of stress and burnout become more apparent.

Ingredients of an Open Culture: Awareness

Even with so many workers experiencing sustained stress, workplaces many not know the warning signs of future mental health risks. Awareness is essential to help employees and employers recognize symptoms and deliver resources to help.

Currently, employers are treating mental health communications the same as their standard benefits—but mental health requires a more active approach to overcome barriers to care, like stigma and inability to self-diagnose.

Ingredients of an Open Culture: Training

Managers have a direct impact on the stress of their employees, yet the vast majority of them lack formal training on mental health issues. This means despite the mental health investments made by upper

PTO During a Pandemic:

Despite increased stress from COVID-19, **34% of employees say they're taking less time off now** than they were before the pandemic. More than half of them cited reasons of work overload, job security concerns, and stress.

Managers must **help employees set boundaries**—which are even more precious now as home and work collide. Establishing breaks for lunch, encouraging employees to minimize calls or emails after work, and creating start and end times in calendars can help recalibrate the work-life balance.

3. Create organizational support.

Providing employees with the tools and resources to manage stress and mental health issues is key to building resilience, no matter what comes.

- ▶ Just 44% of employees who seek help seek it from their employers.
- ▶ Still, those who do get help from their employer experience good results: 77% of employees using employer resources were satisfied with them.

Employer-sponsored programs like EAPs dually benefit employees: Not only can workers access specific help to manage stress and get advice and guidance for personal challenges, they could also receive financial consultations with CFPs or even assistance so they don't have to pay out-of-pocket expenses. This financial buffer can save employees money on services like counseling, as well as help them proactively prepare for unexpected events, like COVID-19, that cause added strain. And as we know, financial stress is the #1 driver of mental health stress.

Spotlight on EAPs

- ▶ **What are they?**
Employee assistance programs (EAPs) are employer-sponsored programs that help workers manage a range of issues for themselves or other members of their household—from mental health, work-life, or substance abuse to legal matters and childcare. Support can be given in-person or virtually.
- ▶ **What is their impact on resilience?**
Employees with access to EAPs are more likely to be resilient than those without (63% vs. 46%). That's in large part to their ability to help workers reduce stress, improve mental health, and be more successful in work and life. Why do employees like them? EAPs give employees a safe space to discuss concerns so that they can reduce stress while talking with others who are supportive. Workers also report that they appreciate how EAPs protect their privacy.
- ▶ **What will make them effective?**
Utilization. EAPs are effective, but only if employees use them. Businesses will need to increase awareness of available programs, provide education on how to use them, and regularly review their EAP offerings to see if additional sessions or services should be added.

Building A Foundation of Financial Resilience with Employee Benefits

Employee benefits provide financial support to employees when they need it most; this gives workers a stable foundation of financial resilience to bounce back. Without that critical support, unexpected costs could hit their wallets hard—leading to increased stress and poor mental health.

But while benefits have traditionally focused on medical insurance, employers should expand the focus: In a time where the risk of major illness is larger for everyone, the need for benefits like life insurance, hospital indemnity insurance, and critical illness insurance has increased and is of universal importance.

Above all, employers should be evaluating their benefits mix to ensure it meets the new needs and risks that the virus has brought to the workforce. Come open enrollment, communication of those benefits will become critical as workers seek additional opportunities to protect themselves and their families.

Getting Back to Business With Workforce Resilience in Mind

As employers and employees reckon with the magnitude of current issues and their importance in the world of work, new stressors enter the fold every day. Between coping with the pandemic, rising unemployment, social unrest, and political disarray, 2020 has been turbulent. Workers of all walks of life are stressed. Worst of all, that stress probably won't let up for some time.

That's why focusing on mental well-being—and more specifically, building employee resilience—can help employees cope with those stressors, even as a mental health crisis looms.

As employers manage a number of challenges around recovery, mental health directly feeds into these other issues. A holistically healthy workforce can help businesses pivot from chaos, overcome adversity, and recover—strong as ever.



MetLife's 18th annual U.S. Employee Benefit Trends Study (EBTS) has been updated with a new Mental Health Deep Dive. This study was conducted in July 2020 and includes two surveys: an employer survey consisting of 1,000 benefits decision makers and influencers at companies with at least two employees, and an employee survey consisting of 2,000 interviews with full-time employees, aged 21 and over, at companies with at least two employees. All studies were fielded by Rainmakers CSI – an international strategy, insight and planning consultancy.

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