

MENTAL HEALTH IN THE WORKPLACE: A STRATEGIC IMPERATIVE FOR ORGANISATIONS

Creating Resilient Workplaces Through Awareness, Support, and Action



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**“
MENTAL HEALTH IS
NOT A LUXURY. IT'S A
BUSINESS IMPERATIVE”**

-ARIANNA HUFFINGTON



Workplaces are increasingly recognising the impact of mental health on employee well-being, productivity, and organisational culture. Proactively addressing mental health challenges supports employees and enhances overall business performance. This whitepaper explores the necessity of workplace mental health initiatives, key organisational challenges and fears, the journey towards mental health literacy, and the solutions available to organisations.

The **Business Case** for Mental Health

Mental health conditions are no longer challenges faced and hidden away by individuals, they have a profound economic impact, costing the global economy an estimated \$1 trillion per year in lost productivity (Bovopoulos et al., 2016).

In Australia alone, workplace mental health issues contribute to \$10.9 billion annually in absenteeism and presenteeism, placing a significant strain on businesses (Atanda et al., 2020).

However, organisations prioritising employee mental well-being see tangible benefits. Research shows an average return on investment of 4:1, for every dollar spent on mental health initiatives, businesses save four dollars through increased productivity, reduced absenteeism, and stronger workplace engagement (Bovopoulos et al., 2016).

Investing in mental health is not only the right thing to do but also a smart business decision that drives sustainable performance.

Did you know?



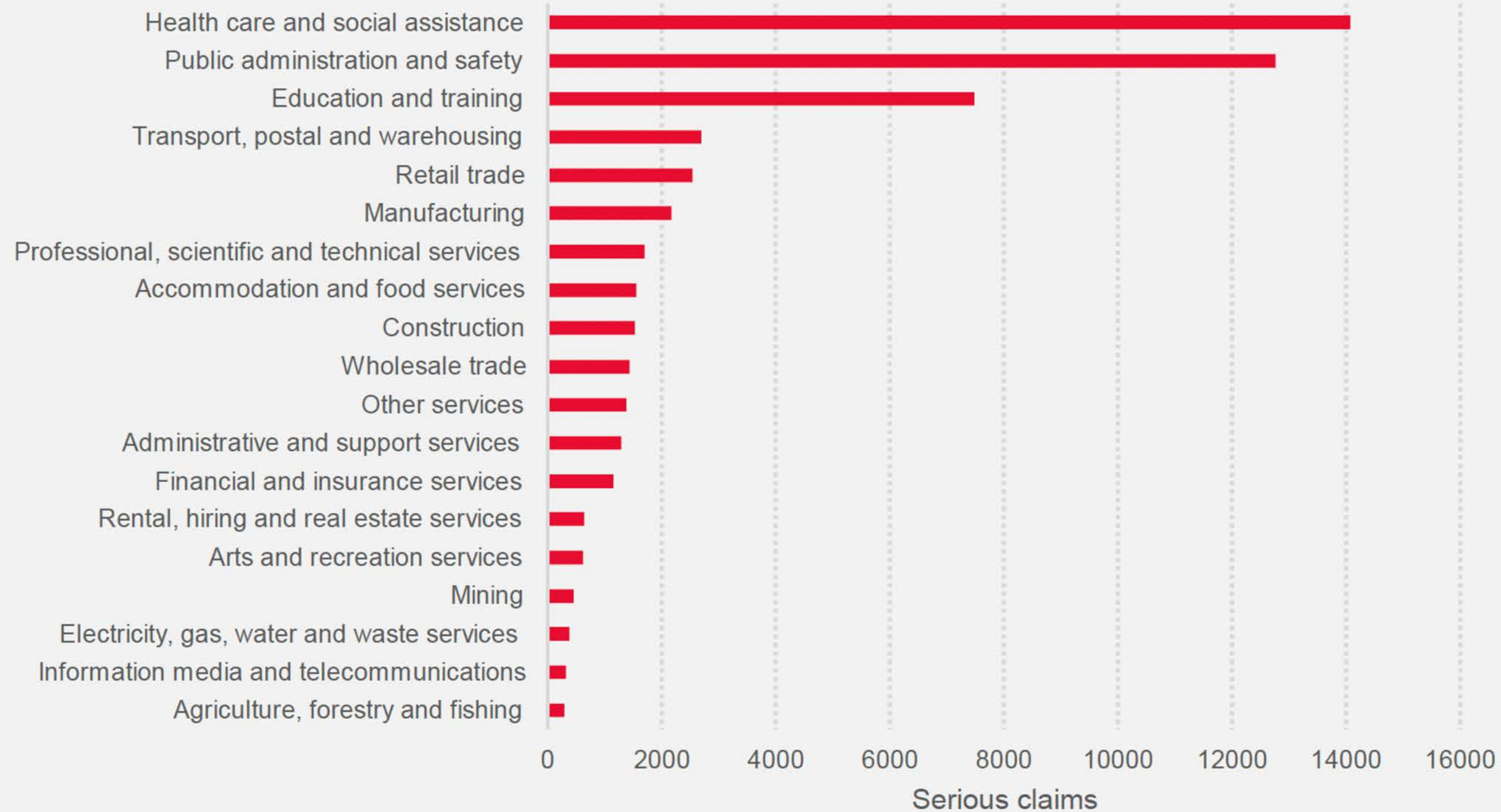
In 2020-21, the median time lost for mental health conditions was 34.2 working weeks per serious mental health claim compared to 8.0 working weeks per serious claim for all physical injuries and diseases.

Source: Safe Work Australia 2024



Number of serious claims for mental health conditions by industry, NDS (2017-18 to 2021-22p)

Source: Safe Work Australia 2024



Breaking the **Stigma**

Despite growing awareness of mental health in the workplace, 60% of employees experiencing mental health challenges still do not seek support, often due to stigma and fear of professional repercussions (Bovopoulos et al., 2016). Many worry about being perceived as weak, facing discrimination, or jeopardising career opportunities if they speak up. However, organisations that take a proactive approach to mental health by fostering open conversations, equipping leaders with the right tools, and embedding supportive policies, see real change. **Research shows that workplaces with structured mental health initiatives experience a 20-25% reduction in stigma**, leading to greater employee confidence in accessing support programs (Morgan et al., 2018). **When organisations prioritise mental health visibly, employees feel safer seeking help, contributing to a healthier, more engaged, and resilient workforce.**



Did you know?

The most common type of mental health condition claim in 2021-22p was anxiety/stress disorders (45.8%)

Source: Safe Work Australia 2024



Equipping Leaders and Employees with Practical Skills

Workplace mental health training empowers employees with the confidence and skills to support their colleagues effectively. Research shows that 75% of employees who received mental health training felt more confident in recognising and responding to mental health concerns among their peers (Kitchener & Jorm, 2004).

This training increases awareness and fosters a culture of care and early intervention. In fact, **92% of trained employees reported a significant improvement in their ability to support co-workers, creating a more supportive and psychologically safe workplace** (Kitchener & Jorm, 2004).

When employees are equipped with the right knowledge and tools, they become active contributors to a culture where mental health is acknowledged, supported, and prioritised.





Challenges Organisations Face

Workplace mental health is a growing concern, yet many organisations find it challenging to manage the complexities of stress, support, and compliance while sustaining or expanding business operations.

One in five employees experience a mental health condition each year, with workplace stress being a major contributor, yet many businesses lack the necessary structures to address these challenges effectively (Bovopoulos et al., 2016).

A key barrier is the confidence gap among leaders. **31% of managers feel equipped to address mental health concerns within their teams, leaving employees without the support they need** (Atanda et al., 2020). Even when formal support systems exist, 85% of organisations offer Employee Assistance Programs (EAPs), yet utilisation rates often fall below 5%, highlighting gaps in accessibility, awareness, and trust in these resources (Atanda et al., 2020; Bovopoulos et al., 2016).

Legal and compliance risks further complicate the landscape. With 75% of businesses unaware of their obligations under psychosocial safety regulations, many organisations may be operating without adequate policies to protect their employees and themselves (Bovopoulos et al., 2016).

At the same time, balancing productivity and well-being continues to be a challenge, as 40% of employees are hesitant to take mental health leave because of concerns regarding workload pressures or the perceived judgment of their colleagues.

Organisations cannot afford to ignore these challenges. Without proactive strategies, businesses risk compliance issues, declining employee engagement, increased absenteeism, and diminished productivity. **The question is no longer whether workplace mental health matters, it's how organisations will take meaningful action to address it.**

Concerns Holding Organisations Back

What if mental health issues affect performance and we can't talk about it?

While businesses openly recognise the importance of mental health, there are unspoken fears that often prevent leaders from taking decisive action. One of the most pressing concerns is how mental health impacts performance, yet 64% of leaders feel uncomfortable addressing these issues due to fears of legal risks or HR complications (Bovopoulos et al., 2016). Without clear guidance, managers may either avoid the conversation altogether or struggle to navigate it appropriately.

Will encouraging conversations about mental health open 'Pandora's Box'?

Another common worry is whether encouraging open discussions will lead to an overwhelming demand for support that the organisation is not equipped to provide. Leaders fear that raising awareness will uncover deeper challenges, stretching already limited resources and placing pressure on teams to handle issues they feel unprepared for.

What if we train people and they get it wrong?

Even when organisations commit to mental health training, there is anxiety about getting it wrong. Many worry that employees may overstep boundaries, provide incorrect advice, or feel personally responsible for complex situations. The risk of unintended consequences can lead businesses to hesitate, delaying much-needed initiatives. Yet, the data tells a different story.

Do mental health initiatives really make a difference?

Organisations that have implemented workplace mental health training have seen help-seeking behavior improve by 26%, proving that proactive efforts do make a measurable impact (Morgan et al., 2018). Furthermore, the question of confidentiality and trust plays a critical role, employees are far more likely to seek support from a trained peer than from HR, reinforcing the need for a trusted, internal support system that employees feel safe using.

These fears are understandable, but inaction is not the solution. By implementing well-structured, evidence-based mental health initiatives, organisations can overcome these challenges, creating a workplace where both employees and leaders feel confident, equipped, and supported.



The Impact of Mental Health First Aid



Evidence-based training

A proactive approach to workplace mental health requires more than just awareness, it demands practical, evidence-based strategies that empower employees and leaders to take meaningful action. Mental Health First Aid (MHFA) provides organisations a structured framework to build a supportive, psychologically safe workplace while driving measurable improvements in employee well-being and business performance.

MHFA is backed by strong research and proven results. Studies show that training improves knowledge of mental health conditions by 31-72%, equipping employees with the ability to recognise signs of distress and respond appropriately (Kitchener & Jorm, 2004). Just as importantly, it increases confidence in providing support to colleagues by 46-58%, with these effects lasting up to six months (Morgan et al., 2018). **When employees feel prepared to step in and help, they create a culture where mental health is openly acknowledged and supported.**

At the core of MHFA is a structured, practical approach for assisting colleagues experiencing mental health challenges. This step-by-step process ensures that employees are equipped to offer support in an effective and appropriate way.



Cultural and behavioural change

The impact of MHFA extends beyond individual interactions; it drives real cultural and behavioural change. Workplaces that implement MHFA training experience a 23% reduction in stigma and a 32% increase in mental health-related conversations, fostering an environment where employees feel safe discussing mental health and seeking help when needed (Bovopoulos et al., 2016).



MHFA benefits business

Beyond its cultural benefits, MHFA also delivers tangible business outcomes. **Organisations that train employees in MHFA report a 25% reduction in absenteeism and a 21% improvement in productivity**, demonstrating that investing in mental health is a people-first decision and a sound financial strategy (Atanda et al., 2020).



A Step Towards Compliance with Psychosocial Safety Laws

Additionally, MHFA supports compliance with psychosocial safety laws. As workplace mental health regulations continue to evolve, organisations are expected to take proactive measures to create psychologically safe environments. MHFA aligns with these legal obligations, ensuring businesses meet their duty of care while fostering a mentally healthy workforce.

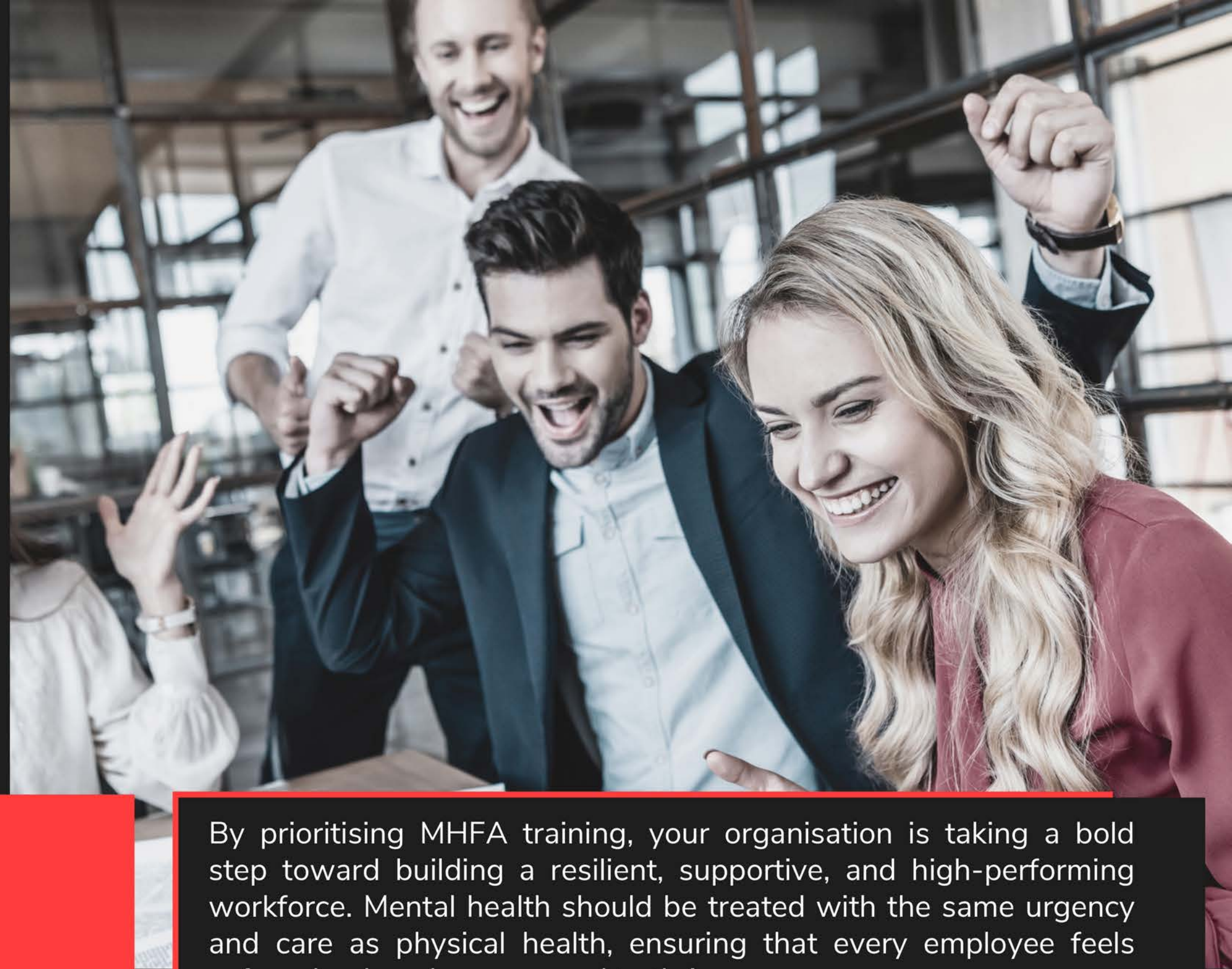
By implementing MHFA, organisations take a meaningful step toward transforming workplace mental health, moving beyond awareness to action, building trust, reducing stigma, and creating a culture where employees feel supported and empowered to thrive.

Investing in mental health initiatives is not just an ethical decision - it's a strategic one. Organisations prioritising mental health create environments where employees feel supported, engaged, and empowered to perform at their best. **The journey to a mentally healthy workplace starts with awareness but is realised through action.**

So, what's next?

Building a safe and mentally healthy workplace starts with action, not intention, and Mental Health First Aid (MHFA) training is one of the most effective ways to equip employees with the skills to recognise, respond to, and support mental health challenges.

- Start by assessing your organisation's current mental health culture.
- Identify gaps in awareness, leadership confidence, and existing support systems.
- Then, select key employees to undergo MHFA training, creating a network of mental health champions across teams and leadership levels.



By prioritising MHFA training, your organisation is taking a bold step toward building a resilient, supportive, and high-performing workforce. Mental health should be treated with the same urgency and care as physical health, ensuring that every employee feels safe, valued, and empowered to thrive.

Let's work together to create workplaces where mental health is not just acknowledged but actively supported, because when employees thrive, so does the business.

**“
TAKE CARE OF YOUR
EMPLOYEES, AND THEY WILL
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BUSINESS. IT’S AS SIMPLE
AS THAT”**

-RICHARD BRANSON



Mara has worked with:



Your Instructor

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Mara Morgan is a dedicated professional with a passion for unlocking the potential of individuals, teams, and organisations. With a career spanning the not-for-profit, government, and corporate sectors, she brings a wealth of expertise in leadership development, team dynamics, and organisational strategy. Her ability to distill complex challenges into clear, actionable solutions ensures impactful outcomes for her clients. Mara delivers high-quality leadership and team development programs that empower organisations to thrive in an ever-changing landscape. She is highly skilled at fostering collaboration, building capacity, and enabling leaders to navigate complexity with confidence and clarity.

A passionate advocate for well-being and resilience, Mara facilitates Mental Health First Aid training, executive coaching, and peer support programs, equipping organisations, leaders and teams with the tools they need to succeed sustainably.

Mara's approach is underpinned by her deep understanding of human behaviour, strategic thinking, and a commitment to creating meaningful change.

NEXT STEPS

If implementing Mental Health First Aid training in your workplace or equipping your employees with the skills to support mental health is of interest to you, please reach out to our team to discuss our MHFA training programs. Together, we can create a workplace where mental health is supported with confidence, stigma is reduced, and your people feel empowered to thrive.



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www.lumian.com.au/mentalhealthfirstaid



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