

**ECONOMIST  
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# **Bridging the gap**

**Empowering managers to lead  
with innovation and care**



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# About this report



*Bridging the gap: Empowering managers to lead with innovation and care* is a report produced by Economist Impact and supported by Lyra Health. Drawing on a bespoke research program, which includes stakeholder interviews and a survey of 1,600 United States- based Human Resources (HR) managers, people managers, and general employees, this report examines the challenges people managers face in supporting employee mental health, and explores how technology, such as Artificial Intelligence (AI), alongside global best practices and other solutions, can help to address these gaps and empower managers to support their teams effectively.

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- **Charles Alberts**, global head of well-being and people experience, Clifford Chance
- **Réka Deák**, head of diversity, equity, inclusion and belonging (DEIB) and well-being, Zurich Insurance
- **Gianna Driver**, chief people officer, OpenTable
- **Lynn Hurley**, global HR leader for a leading provider of digital identification and traceability software solutions
- **Rachel Plaistowe**, global head of well-being, Standard Chartered Bank
- **Julie Rust-Bodenmann**, sustainable performance consultant, coach, former global well-being lead, executive director, UBS

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This research was led and supervised by Kati Chilikova. The research was conducted by Alcir Santos Neto and Charlotte Bullard-Davies. The report was written by Paul Tucker and edited by Kati Chilikova and Alcir Santos Neto. It was subedited and copyedited by Maria Ronald.

# Introduction

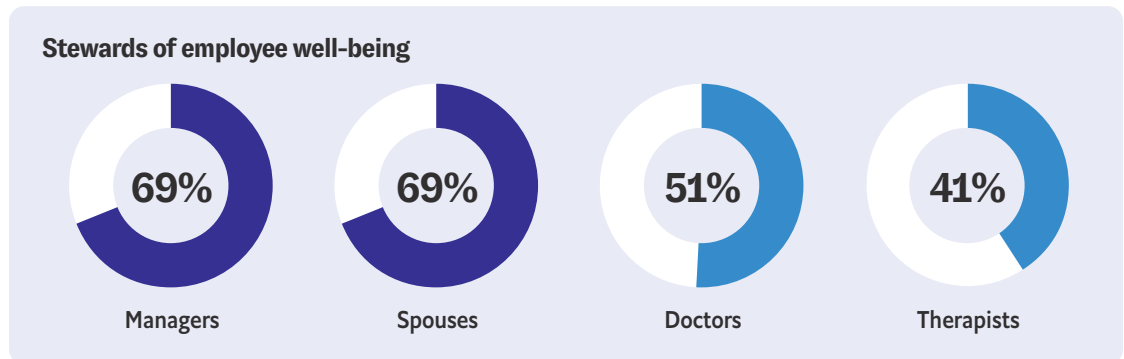
The covid-19 pandemic brought significant changes to the workplace, reshaping employee expectations around mental health, flexibility, and work-life balance, and amplifying the need for organizations to prioritize employee well-being.<sup>1</sup> Since then, the transition to hybrid or in-office work environments has seen the boundaries between personal and professional lives continue to blur.<sup>2</sup>

Now, as more organizations around the world roll out return-to-office policies, leaders find themselves navigating how to balance evolving employee expectations with business imperatives, all while ensuring employee well-being remains at the

center of workplace culture. Achieving this balance requires action at every level of the organization, with people managers playing a particularly pivotal role. Often closest to employees in their day-to-day experiences, managers face increased pressure to balance operational duties with team health; at the same time, they are uniquely positioned to identify and address early signs of stress or burnout.<sup>3</sup>

While, it is important to be clear that managers are not clinicians, they do have a responsibility to recognize when someone may be struggling, foster open dialogue, and connect employees with the appropriate support and resources.





That is why the role of managers as stewards of employee well-being cannot be overstated: managers (69%) have a greater impact on the mental health of their direct reports than doctors (51%) or therapists (41%), and equal to that of a spouse (69%).<sup>4,5</sup> Supportive management not only correlates with employee well-being; there are also clear business benefits.<sup>6,7</sup>

Yet, this may be a big ask of people managers. With managerial roles ever more strained by growing demands and diminishing support—often referred to as the “great flattening” of middle management—many managers are under significant pressure, with implications for both employee morale and the bottom-line.<sup>8,9</sup>

Research led by Economist Impact shows that currently, people managers lack the support needed to effectively protect employee mental health and well-being: over two-thirds of employees surveyed say that their managers are not trained, and only a small minority believe that their managers are adequately prepared. While 83% of people managers report feeling comfortable discussing mental health, fewer than two in ten (17%) feel properly trained or equipped to handle these conversations effectively. Managers’ own well-being is also at risk—research shows that they experience higher levels of workplace stress than both general employees and senior leadership, and supporting others’ mental health can worsen their own.

By identifying areas where managers feel unprepared and exploring innovative solutions, such as advanced training and digital tools, organizations can bridge the gaps and facilitate timely interventions to improve overall employee well-being. Equipping managers with the right training, tools, and resources will help organizations better support their teams, creating a healthier, more engaged workforce and a more resilient work environment, whether remote, hybrid, or in-person.



while **83%** of people managers report feeling comfortable discussing mental health, **fewer than two in ten (17%)** feel properly trained or equipped to handle these conversations effectively.

# Supporting people managers



## THE KEY ISSUE:

**People managers play an important role in improving employee mental health, but they are often overextended—expected to balance employee well-being with business goals. This can negatively affect their own mental health.**

Fair and supportive management correlates with employee well-being, trust, feelings of value and appreciation, psychological safety, and greater overall work health.<sup>6</sup> In addition, mental health training for managers has been linked to improved organizational outcomes, including better recruitment and retention, stronger business performance, higher customer satisfaction, and lower long-term mental health-related absences.<sup>7</sup>

Yet, managers are often overextended, expected to meet productivity goals while simultaneously supporting employee well-being.<sup>10</sup> Historically, “Managers primarily focused on managing,” says Lynn Hurley, global HR leader for a leading provider of digital identification and traceability software solutions. “Today, the concept of the ‘player coach’ has become standard, with

expectations of managers increasing even as the time available to meet those expectations decreases.”

Despite their central role in employee well-being, many people managers surveyed struggle with recognizing early warning signs (73%) and with responding consistently without clear training (66%). Nearly three-quarters (74%) also feel under-supported by leadership. These challenges create a structural bottleneck, where managers are expected to provide care but lack the necessary tools and backing to do so effectively.

Two key factors limit managers’ ability to support employee well-being: a lack of training and limited resources. In fact, 68% of employees surveyed said that their managers are not trained to support their mental health, a view echoed by 66% of managers themselves. “[Front-line managers] often lack training and confidence to have sensitive conversations with their team members, which remains a prevailing challenge,” says Charles Alberts, global head of well-being and people experience at Clifford Chance.

Even more concerning, only 16% of people managers agreed that they are provided with adequate resources, the weakest point in the support framework. “We put a lot on our people managers,” says Rachel Plaistowe, global head of well-being at Standard Chartered Bank.



**“We put a lot on our people managers. They’re asked to deliver business objectives, role model good conduct, support inclusive hiring, motivate their team [...] it’s crucial to encourage [and equip] them to ‘put on their own oxygen mask’ and build their own resilience, otherwise we can’t expect them to succeed in all those dimensions.”**

**Rachel Plaistowe**, global head of well-being, Standard Chartered Bank

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Challenges in supporting employee well-being have a direct impact on managers themselves: nearly three-quarters of survey respondents (72%), including 74% of managers, agreed that their manager faces high workload or stress. Research shows that burnout strongly predicts short-term intent to quit; employees

experiencing it are roughly six times more likely to plan to leave within the next three to six months.<sup>11</sup> Moreover, disengaged or burned-out managers tend to drive lower team engagement and contribute to higher turnover across their organizations.<sup>12,13</sup> To support both employee well-being and business performance, organizations must ensure that managers are properly supported within their roles. “[Managers] are people too,” says Réka Deák, head of DEIB and well-being at Zurich Insurance. “Mutual empathy and co-creation between employees and managers are essential.”



#### THE COMPOUNDING FACTORS:

**Support roles are often vulnerable to cuts and downsizing, leaving managers and remaining staff even more stretched.**

Globally, across different sectors and industries, organizations are embracing a “great flattening”—a reduction in administrative roles and middle management—leading to people managers having more staff report to them directly with fewer support resources.<sup>9,8</sup> As a result, their ability to support the well-being of team members is compromised. “When leaders look at resource allocation, administrative roles are often among the first to be reduced,” explains Ms Hurley. “However, those roles play a significant part in enabling managers to focus on strategic priorities. When support is removed, it can limit managerial capacity, making it more challenging to implement incentive programs effectively.”



This lack of structural support compounds stress and leaves many initiatives at risk of becoming unsustainable, surface-level fixes. Under-supported managers are left unprepared—in terms of time, training, and resources—to oversee the implementation of well-being efforts regardless of modality, from face-to-face check-ins and morale-boosting exercises to new digital tools, such as AI, all of which bring their own unique possibilities and challenges.



#### THE SOLUTION:

**Provide people managers with training, protected time, proactive, ongoing support, and structured workplace mental health processes; ensure mental health support is factored into any decisions regarding team restructuring.**

Only 17% of people managers surveyed report having sufficient preparation or access to resources to support their teams’ well-being. Yet, 83% feel comfortable discussing mental health concerns with direct reports. This mirrors wider research: managers often feel under-supported, even as they play a pivotal role in shaping workplace culture.<sup>14</sup> Bridging this gap requires equipping managers with the tools they need to support employee well-being.

Managers show both willingness and readiness to engage with mental health training, and when it is available, 78% participate. To act on this opportunity, organizations should take a preventive, proactive approach by embedding sustained support into structured initiatives that help managers build the skills needed to enable team well-being. This can include protected time not only for supporting their teams, but also for strengthening their own mental health

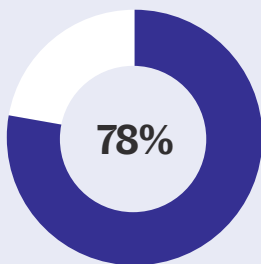
literacy and people management capabilities—for instance, through training in reflective supervision, emotionally supportive practices, and stress management strategies.<sup>15</sup> Attention must also be given to the stress and well-being challenges that managers themselves face. Mental health support, therefore, should be cascaded across all levels and tailored to those responsible for supporting others.

Managers must also be confident that mental health support will remain a business priority, even amid organizational turbulence or restructuring. This requires a sustained commitment from leadership, adequate provision of resources, and clear well-being policies that outline how resources should be used and ensure that support structures remain stable and accessible even during periods of change.<sup>16,17</sup> Furthermore, senior leadership should recognize the myriad demands placed on people managers as they balance employee expectations with organizational goals; this could translate into ensuring that managers have adequate administrative and staff support to carry out their many responsibilities, including implementing mental health initiatives.

**“You can have great policies in place, but if people don’t understand them or don’t know they exist, they won’t engage with them.”**

**Charles Alberts**, global head of well-being and people experience, Clifford Chance

Encouragingly, the majority of our survey respondents agree that their workplace culture is supportive (80%) and that stigma around mental health is low (82%). This strong cultural foundation should encourage organizations to anchor more consistent and practical support for managers within clear, sustainable mental health policy—including mechanisms to drive awareness and understanding. “You can have great policies in place, but if people don’t understand them or don’t know they exist, they won’t engage with them,” says Mr Alberts.



**of managers participate in mental health training when it is available, showing both willingness and readiness to engage with such programs.**





#### SURVEY INSIGHT:

#### What are the key capacity gaps people managers face in supporting employee well-being, safety, and work-life balance across diverse work settings?

- **Training deficit:** Employees feel that managers lack institutional backing to support their mental health—68% of general employees say managers are not trained to support mental health, while only 3% believe managers are adequately prepared.
- **Confidence gaps:** Three-quarters of people managers report a lack of confidence in identifying early signs of burnout or mental stress, and 72% say they lack access to resources to address the mental health needs of their direct reports.
- **Comfort v capability:** Most managers (83%) feel comfortable discussing mental health, but only 17% feel adequately resourced to handle conversations effectively.



# Human-centered digital transformation



## THE KEY ISSUE:

**Digital mental health tools, including AI-powered platforms, are on the rise, but trust and privacy concerns persist across management, HR, and general employees alike.**

As organizations explore new ways to support workforce well-being, AI is widely viewed as a potential tool to improve workplace mental health, but concerns about bias, overreliance, privacy, and employee trust remain.<sup>18</sup> Some leaders prefer to delay adoption and see how digital and AI platforms are integrated elsewhere.<sup>19,20</sup> “[In some companies] leadership

can tend to take a more traditional approach,” explains Ms Hurley. “This sometimes creates a gap between leadership perspectives and the expectations of younger employees.”

In our survey, almost half (49%) of respondents, both people managers and general employees, report being uncomfortable with the use of AI-powered mental health tools. While privacy and confidentiality are the key concerns across roles (reported by 45% of people managers and 61% of general employees), specific worries vary. General employees are more worried about personal exposure and retribution (51%), while people managers focus on data handling risks (42%). This demonstrates the importance—and complexity—of issues surrounding privacy and AI.

**“We don’t want [AI] to be a replacement for leadership or management. We want it to be an assist.”**

**Gianna Driver**, chief people officer at OpenTable



Concerns around trust, privacy, and retribution rank high, with many fearing that “confiding” in chatbots could expose them to judgment or penalties. Discomfort was reported by one-third (34%) of general employees and almost half (45%) of managers. “We have to recognize there are still barriers around technology, particularly privacy and data security, and whether the data is being ethically used,” says Mr Alberts.

HR managers’ also worry about bias and fairness, which echo a broader concern, raised by 28% of people managers, that AI tools may replace—not support—human judgment and empathy. This may help to explain why discomfort with guided meditation tools (1% among people managers, 4% among employees) and personalized mental health tips (5% among people managers, 2% among employees) is much lower than with chatbots and virtual assistants. It also emphasizes the importance of recognizing AI-use as a support, rather than a substitute, for human connection. “We don’t want [AI] to be a replacement for leadership or management,” says Gianna Driver, chief people officer at OpenTable. “We want it to be an assist.”



**“AI can alleviate the burden of administrative work [and] create more time and space in people’s diaries ... tackling some of the root causes of workplace stress and burnout.”**

Rachel Plaistowe, global head of well-being, Standard Chartered Bank



#### THE COMPOUNDING FACTORS:

**Over-stretched management cannot keep pace with the rapid adoption of digital tools.**

Digital tools, such as AI-powered platforms, offer promising ways to address common drivers of stress and burnout, including overwork and repetitive administrative tasks.<sup>21</sup> “AI can alleviate the burden of administrative work [and] create more time and space in people’s diaries ... tackling some of the root causes of workplace stress and burnout,” says Ms Plaistowe. These tools also have the potential to help managers stay more attuned to their team’s well-being. “My AI coach might be able to let me know a team member is struggling,” says Ms Driver. “[It could tell managers,] ‘Here are some resources’, because [they] might be drowning silently.” She frames this as a vision of what AI could make possible in the near future—not replacing clinical care or human leadership, but offering managers an added layer of support to identify challenges earlier and connect employees with appropriate resources.

However, implemented poorly, AI-powered platforms and tools risk adding to the very burdens they are designed to alleviate, especially for already-stretched people managers. This can arise from a limited understanding of how the tools work, or from ineffective integration into unclear or poorly structured systems. In our survey, 27% of people managers said that they were uncertain about how to manage or escalate issues flagged by digital and AI tools. Coupled with fears that these technologies could replace human judgment and empathy, such uncertainties only add to the pressure many managers face with the adoption and integration of AI tools.



#### THE SOLUTION:

**Focus on ensuring that employee trust issues with digital/AI tools are dispelled through communication and listening, and make clear that human-facing support remains a key element.**

The successful adoption of AI-powered platforms hinges on employee confidence; without trust, even the most advanced technologies will fail. Just as employees require psychological safety with human leaders, they need protection against retaliation when engaging with AI. Equally important is the assurance that human connection will remain a central priority. Building this confidence requires organizations to prioritize

transparency, communication, and cultural reinforcement. “We’re living in a tech-enabled AI world,” says Ms Driver. “AI coaches can engage and walk me through my company’s benefit offerings ... but we must ensure trust and confidentiality.”

This presents an opportunity to build confidence through training, communication, and clearer positioning of AI as a support to, rather than a replacement for, human interaction. More broadly, it highlights the need for leveraging AI to reduce administrative burdens and improve access to personalized resources without replacing the invaluable human connection and empathy that managers bring to their teams.

“I think it’s only a matter of time until people gain trust in companies adopting AI for mental health,” says Ms Deák. “People once feared the internet tracking their data, and now they just click ‘accept cookies’. But with AI, we must ensure responsible, transparent use—and always provide a human option alongside the digital one.”



**The successful adoption of AI-powered platforms hinges on employee confidence; without trust, even the most advanced technologies will fail.**



**SURVEY INSIGHT:**

**How can technology—including AI—be used to help managers detect mental health concerns and connect employees to support?**

- **Comfort divide:** People managers are the most skeptical about AI, with 45% saying they feel uncomfortable using AI-enabled chatbots. HR managers (72%) report the highest comfort with AI to manage mental health, while general employees (51%) are generally cautious.
- **Privacy and retribution fears:** Confidentiality emerges as a top challenge of AI adoption, with 61% of general employees citing it as one of the top barriers. Half (51%) express fear of judgment or professional penalization.



# Taking culturally-tailored approaches



## THE KEY ISSUE:

**Multinational companies operate across diverse cultures and regions, meaning their mental health strategies cannot rely on a one-size-fits-all approach. People managers are often the first point of contact for employees, yet they face the challenge of supporting multicultural teams whose needs and attitudes vary widely.**

In 2023, 29% of European employees worked for multinational companies, while in 2020, 31% of US private-sector workers were employed by multinationals.<sup>22,23</sup> Such companies, by their very scale and influence, are uniquely positioned to pioneer employee mental health and well-being efforts. However, their global reach also poses unique challenges to people managers, who are often responsible for overseeing multicultural teams with diverse needs, values, and attitudes shaped by differences in demographics, work hours, work-life balance priorities, culture, and perceptions of mental health.<sup>24</sup>

Although mental health conversations have become more normalized—particularly since the covid-19 pandemic—stigma persists to varying degrees across geographies. Managers in multinational organizations, particularly those overseeing multicultural teams, are navigating uneven progress in destigmatizing mental health concerns. For example, says Ms Deák, “In the United Kingdom, employees are much more open to discussing mental health, [but] in parts of continental Europe, stigma still lingers, and that shapes how much people engage with workplace programs.” Beyond diverse attitudes, employees also require different types of well-being support, which are in turn impacted by the particular regulatory landscapes and resource infrastructure of geographies.<sup>25</sup>

Companies also face multifaceted challenges in ensuring equitable access to tools and resources for employee mental health. For managers, often the first point of contact, this complexity can be especially difficult to navigate. “It’s hard to generalize because every business is in a different place depending on its location and culture,” says Ms Hurley. In short, there is no one-size-fits-all approach that can be taken, either by people managers or organizations looking to support them.



#### THE COMPOUNDING FACTORS:

**Generation gaps in mental health preferences and expectations add another layer of complexity.**

In addition to geographical and cultural variation, managers are increasingly required to manage generational divides within their teams. Workplaces now have employees spanning five generations working side by side, each with distinct perspectives and needs around technology, mental health, and leadership support.<sup>26</sup> Younger employees are generally more enthusiastic about digital tools and AI for mental healthcare, seeing them as essential for innovation and engagement, while older generations tend to approach them with greater caution.<sup>27,28</sup>

Younger employees also place higher expectations on employer support for mental health or are at least more vocal about it. For example, 61% of Gen Z workers (an age group

expected to make up 30% of the workforce by 2030) say they would strongly consider leaving a job if another offered better mental health benefits.<sup>29</sup> This stance often contrasts with that of older generations, who may have come up in work cultures where mental health concerns were kept private or overlooked. “Many leaders are experiencing fatigue around discussions and initiatives related to workplace mental health, while many younger employees have grown up with these conversations and see them as essential,” confirms Ms. Hurley. “This dynamic reflects a clear generational difference.”

This generation gap leaves managers caught in the middle: they must balance the demands of younger, digital-native employees who expect rapid and tech-enabled action on mental health with the more cautionary approach of older generations and leadership that prioritizes stability and risk management. Managers, therefore, not only face heavier workloads with implementing mental health policies, but also the emotional burden of navigating the generation gap within their teams.

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### THE SOLUTION:

**Design tailored solutions that help people managers support employees' diverse needs, while aligning with organizational values.**

The experts we consulted advised that the best mental health practices acknowledge varied needs across different geographies, roles, generations, and communication styles. Effective strategies combine consistent global frameworks with local sensitivities, offering flexible, hybrid approaches that blend human and digital support.<sup>30</sup> Central to this balance is resilience—the capacity of individuals and organizations to adapt to stress, change, and uncertainty. “Designing jobs and work with well-being in mind” is how Ms Plaistowe describes the optimal approach. “To set individuals up for success at the outset, rather than expecting them to do more with less and risking burnout – particularly with the rise in the internal ‘gig’ economy. Ruthless prioritisation and the smart use of technology also play a key role here, as does encouraging colleagues to take agency and know when to say ‘no.’”

Part of the solution is to consult employees across the organization to better understand their needs and expectations about mental health. As Ms Driver explains, “By asking employees through surveys ... we understand what’s working for them.” Our survey reveals broader trends—for example, 28% of managers fear that digital tools will replace human judgment, and 89% of employees feel uncomfortable discussing mental health issues with their manager. However, capturing data on differences across regions, generations, and geographies will be essential to shaping targeted, inclusive approaches that equip managers to support diverse teams more effectively.

Ultimately, the impact of employee mental health initiatives must be both equitable and sustainable, which comes when well-being is integrated into everyday work design and adapted to the unique contexts of diverse employees across the employee life cycle. These efforts must also reflect and reinforce organizational values. Leadership plays a critical role in shaping a culture that not only reduces risk but also improves psychological safety, supports personal and professional growth opportunities, and meaningfully acknowledges employees’ contributions. “Well-being must be embedded in the flow of work, not bolted on as an HR program or benefit,” says Ms Plaistowe. “[Given the link to performance.] Otherwise, these programs will breed scepticism and your well-being agenda will sound hollow – particularly to younger workers.”



**“Well-being must be embedded in the flow of work, not bolted on as an HR program or benefit.”**

**Rachel Plaistowe**, global head of well-being, Standard Chartered Bank

**SURVEY INSIGHT:****What additional interventions are necessary to support people managers?**

- **Training:** Although 65% of HR managers believe their employers offer adequate mental health training, people managers (36%) and employees (21%) generally disagree.
- **Clear access to resources:** Three-quarters of HR (76%) and people managers (79%) say that their organization offers clear and accessible resources for mental health, yet only 39% of general employees agree.
- **Support for mental health at all levels:** Stress among managers can limit their ability to support their teams effectively—72% of general employees say that a high workload or stress impacts the support that managers can provide.



# Recognizing necessity— and opportunity



## THE KEY ISSUE:

**Commercial demands and the often short tenures of C-suite roles mean that workplace mental health can become a secondary priority.**

Our research highlights the perception that senior leadership's commitment to a comprehensive employee mental health strategy with sustained support is limited. For example, fewer than a third (31%) of general employees surveyed felt that their employers consider workplace mental health a priority. This may reflect a lingering perception of mental health initiatives as a "nice to have" rather than a business imperative, despite growing evidence that employee mental well-being directly supports individual productivity and staff retention.<sup>31</sup>

Another related challenge is the relatively short-term tenure of many chief executive officers

(CEOs), which can make it harder to design, implement, and sustain long-term mental health strategies that may not deliver immediate returns.<sup>32,33</sup> "Many CEOs are only in office for a few years ... so the question would be, 'why should I be the one to invest heavily in well-being when the rewards might be reaped several years down the line?'" says Julie Rust-Bodenmann, sustainable performance consultant, coach, former global well-being lead, executive director, UBS. This short-term mindset reflects a broader issue: mental health support is still not fully recognized as a business necessity, when, in reality, it is not only essential for employee satisfaction (and retention), but represents a clear opportunity to drive organizational productivity and long-term value. "How do I build the business case that this is not just good for team morale and well-being, it's also going to be good for performance?" says Ms Plaistowe. "[Commitment to employee mental health] needs to start with the C-suite, especially the CEO. I don't think it can be an HR topic. It needs to be owned by the business – both as a risk to manage, and an opportunity to maximize performance and attract the best talent."

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#### THE COMPOUNDING FACTORS:

**Mental health status and outcomes—and the positive business impacts of good employee mental health—are poorly tracked by companies, impacting awareness, buy-in, and future planning.**

Measurement remains one of the most significant gaps in mental health strategy, with most organizations still relying on benchmarking rather than predictive modeling tools that can inform forward-looking strategies. “Benchmarking reflects where organizations have been,” says Ms. Hurley. “We need to strengthen our ability to analyze data with a forward-looking perspective and build projection models for the future. This is an area where AI can be particularly valuable.” Even at the management level, over a third (36%) of people managers surveyed report never using tools, such as surveys or sentiment analysis, to assess team well-being.

**“Benchmarking reflects where organizations have been. We need to strengthen our ability to analyze data with a forward-looking perspective and build projection models for the future. This is an area where AI can be particularly valuable.”**

**Lynn Hurley**, global HR leader for a leading provider of digital identification and traceability software solutions

A comprehensive suite of data collection tools is needed to capture the current and future trends of employee mental health so that companies can track not only the business costs of stress and poor well-being, but also the return on investment (ROI) of mental health initiatives. Without these insights, the efforts to identify and support employee mental health risk becoming inefficient and unsustainable. Without comprehensive data, managers also lack the evidence they need to advocate for change or tailor support effectively. Without clear, data-backed outcomes and impact analyses, securing leadership buy-in for sustainable mental health programs is challenging. “I’m in HR, but I have to sell all the time,” says Ms Hurley. “It’s about showing leaders both the risks of not acting and the value of moving forward, so they understand the business case for mental health.” To ensure that mental health initiatives are effective, and to position them as a strategic priority, HR teams and people managers need access to meaningful and actionable data.





#### THE SOLUTION:

**Secure leadership buy-in by positioning mental health and empathetic leadership—from C-suite commitment to empowered people managers—as critical to long-term investment in organizational resilience. Equip people managers with comprehensive, forward-looking tracking and data analysis.**

To make workplace mental health support initiatives effective and long-lasting, organizations need to ground their choices in evidence rather than assumptions. “You need diagnostics to identify and mitigate your people risks effectively. Ideally you continuously track quantitative and qualitative health and well-being data at a granular enough level to enable targeted interventions and address hotspots. Often companies only focus on providing generic support for individuals, while the specific root causes of negative employee health in the company, which are often cultural in nature, go unaddressed,” says Ms Rust-Bodenmann. Ms Deák agrees, adding that procurement decisions, for instance, should be based on a comprehensive

understanding of the specific challenges. “Fall in love with the problem, not the solution,” she says. “Don’t just copy best practices or buy the newest app. First, diagnose what your workforce actually needs.” This approach gives leaders confidence that investments are evidence-based, thereby increasing the chance of success.

External data and independent evidence also reinforce buy-in. “We adopted Oxford University research showing companies with high well-being indexes deliver stronger returns,” says Ms Deák. “That helps keep mental health on the agenda.” But for Ms Rust-Bodenmann, there is also a personal angle to consider: “What really shifts companies isn’t just convincing leaders there is a business case, but when a leader intuitively ‘gets it,’ often because of their personal experience and conviction. If someone is skeptical, you’ll have to show them the huge impact you can have if you move the needle on mental health.” Not every C-suite candidate will have a personal mental health story that drives their commitment to employee mental health. However, building a strong business case around mental health should influence recruitment strategies, ensuring future leaders—from the C-suite to management level—see it as a critical priority. Ultimately, this will mean that people managers are both committed and better supported to oversee team mental health and well-being.



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**Réka Deák**, head of diversity, equity, inclusion and belonging (DEIB) and well-being, Zurich Insurance

# Conclusion

Nearly half of all employees surveyed (47% of people managers and 46% of general employees) report feeling stressed or overwhelmed at work at least a few times a week. Yet the very people tasked with supporting team well-being—managers—often lack the support, training, and resources needed to fulfill this critical role effectively. This strain is made worse by the hollowing-out of traditional administrative support roles, and the growing expectations to implement and manage new digital tools.

Our research indicates that providing effective support to managers is essential for organizations to effectively integrate employee mental health as a key aspect of overall well-being and business strategy. With this in mind, we arrive at the following calls to action:

- **Provide managers with structured training and protected time to strengthen their own mental health literacy and understanding of team members' mental health needs.**

Almost three-quarters of people managers surveyed report receiving insufficient support to address employee well-being. Organizations must ensure that managers understand how to access resources and feel equipped to respond to their employees' needs. Training could cover practical interpersonal skills, including reflective

supervision, discussions about emotionally demanding tasks, encouraging emotional expression, rotating tasks to reduce stress, and framing mistakes as learning opportunities.

- **Foreground trust and privacy when considering adoption of digital and AI tools.**

Confidentiality around the use of digital and AI tools is a concern for 61% of surveyed employees, while over half fear judgment and retribution for information shared with tools like chatbots. Although HR teams may feel confident about AI adoption, it is critical that organizations address employee concerns about privacy and trust, especially among managers who are expected to lead implementation, while maintaining confidence and psychological safety within their teams.

- **Ensure that human interaction remains a priority when adopting new technologies.**

For people managers, the fear that AI tools might replace human judgment and empathy is significant. To address this concern, companies must ensure that new tools are implemented to enhance human-led support, rather than replace it. People managers should be formally engaged in trialing, selecting, and integrating the implementation of new technologies, while simultaneously receiving ongoing support

## Bridging the gap: Empowering managers to lead with innovation and care

and feedback opportunities. As digital and AI solutions gain momentum, the pace of adoption must be managed carefully to avoid undermining trust and creating overwhelm, with people managers playing a key part in the rollout.

- **Implement forward-thinking data collection, monitoring, and analysis to help managers understand and address their team’s current and future mental health needs.**

Limited understanding of employee needs and expectations among management and senior leadership constrains the success of existing mental health support and hampers the design

of new tools and approaches that will genuinely help. Investing in data-driven insights would empower managers to tailor their actions, anticipate challenges, and make informed decisions that improve team well-being and overall performance.

- **Tailor approaches to meet the challenges presented to people managers by demographic, cultural, and generational variation.**

Multinational companies employ people with wide-ranging attitudes and needs, including those related to work and mental health.

Therefore, they should enable managers of such multicultural teams to offer mental health support that is tailored and equitable, rather than take a one-size-fits-all approach.

- **Empower people managers by securing C-suite commitment to workplace mental health—and demand it from prospective C-suite candidates.**

Less than a third of employees surveyed believe that their organization considers mental health a priority. This perception creates additional challenges for HR and people managers working to support employees, while balancing business goals. HR teams must continue to “sell” the case to C-suite leaders through a data-driven, necessity-plus-opportunity approach that underscores the business benefit. In the longer term, companies will need to embed a commitment to well-being such that it becomes a must-have for C-suite and managerial recruitment.

Organizations must bridge the gap between intention and action on workplace mental health. Managers are key to bridging this gap—often, they are the keystone. If companies do not empower and support managers, even the best mental health strategies will fall short. To unlock the full potential of employee well-being and drive business success, companies must decisively invest in their managers as drivers of effective change.

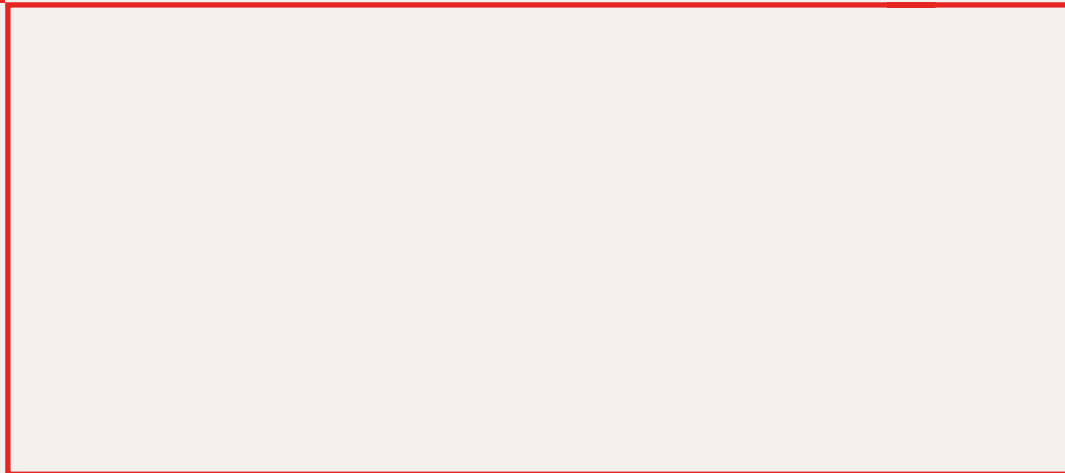


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