

Employee Mental Health and Workplace Productivity of Employees in Private Sector

Priyanshu Thakur and Dr. Sahil Nazir

MBA Student, Department of Management and Commerce, Guru Kashi University, Talwandi Sabo, Bathinda.
Assistant Professor, Department of Management and Commerce, Guru Kashi University, Talwandi Sabo, Bathinda

Abstract: *Employee mental health has emerged as a critical determinant of organizational effectiveness and workplace productivity. Increasing work pressures, changing organizational structures, technological advancements, and post-pandemic challenges have significantly influenced employees' psychological well-being. Poor mental health may lead to stress, anxiety, burnout, absenteeism, and reduced productivity, thereby affecting organizational performance. The present study examines the impact of employee mental health on workplace productivity. Primary data were collected from 150 employees working in private-sector organizations through a structured questionnaire. Descriptive and analytical research designs were employed to analyze the collected data. Statistical tools such as percentage analysis, mean score analysis, correlation analysis, and Chi-square tests were used for interpretation. The findings indicate that employee mental health significantly influences workplace productivity. Stress management programs, supportive leadership, work-life balance, and employee wellness initiatives contribute positively to employee performance and productivity. Correlation analysis revealed a strong positive relationship between employee mental health and workplace productivity. The study concludes that organizations should prioritize employee psychological well-being as a strategic factor for enhancing productivity and achieving sustainable organizational growth*

Keywords: Employee Mental Health, Workplace Productivity, Employee Well-being, Stress Management, Organizational Performance, Human Resource Management

I. INTRODUCTION

Human resources constitute one of the most valuable assets of an organization. In the contemporary business environment, organizations are increasingly recognizing that employee well-being is closely associated with productivity, efficiency, and organizational success. Among the various dimensions of employee well-being, mental health has emerged as a critical concern due to rising levels of workplace stress, anxiety, burnout, and emotional exhaustion.

In the modern business environment, human resources are recognized as one of the most valuable assets of an organization. The success and sustainability of organizations largely depend upon the physical, emotional, and psychological well-being of employees. While organizations have traditionally focused on improving employee skills, motivation, and job satisfaction, increasing attention is now being directed toward employee mental health as an essential determinant of workplace productivity and organizational effectiveness.

Mental health refers to an individual's emotional, psychological, and social well-being, which influences how people think, feel, and behave. It affects the manner in which employees handle stress, interact with colleagues, make decisions, and perform their job responsibilities. Positive mental health enables individuals to cope with workplace pressures effectively and maintain high levels of productivity, whereas poor mental health may lead to stress, anxiety, depression, burnout, absenteeism, and reduced job performance.

The workplace has undergone significant transformations in recent years due to globalization, technological advancements, increased competition, changing organizational structures, and evolving employee expectations. Employees are often required to work under strict deadlines, manage excessive workloads, adapt to changing



technologies, and balance professional and personal responsibilities. These factors have increased stress levels and have made mental health one of the most pressing concerns in organizations worldwide.

The outbreak of the COVID-19 pandemic further intensified the challenges associated with employee mental health. Remote working arrangements, job insecurity, social isolation, increased workload, and uncertainty regarding the future adversely affected employees' psychological well-being. As a result, organizations and human resource professionals have increasingly recognized the importance of developing supportive work environments and implementing strategies aimed at promoting employee mental health.

Workplace productivity refers to the efficiency and effectiveness with which employees accomplish their tasks and contribute to organizational objectives. Productive employees generally demonstrate higher levels of motivation, commitment, creativity, and job satisfaction. Several studies have suggested that employee productivity is influenced not only by technical skills and organizational resources but also by psychological and emotional factors. Employees experiencing good mental health are more likely to remain engaged, focused, and motivated, thereby contributing positively to organizational performance.

Conversely, poor mental health can significantly impair workplace productivity. Mental health issues such as stress, anxiety, and burnout often result in absenteeism, presenteeism, reduced concentration, low morale, interpersonal conflicts, and increased turnover intentions. These consequences not only affect individual performance but also impose substantial economic costs on organizations. According to international reports, mental health disorders account for billions of dollars in lost productivity each year, making employee well-being a strategic priority for organizations.

Recognizing the significance of employee mental health, organizations have increasingly adopted various wellness initiatives and support mechanisms. These include stress management programs, employee assistance programs, counseling services, flexible working arrangements, work-life balance policies, mindfulness training, and wellness campaigns. Such initiatives are aimed at creating healthy work environments that promote psychological well-being and enhance employee productivity.

Supportive leadership and organizational culture also play a critical role in maintaining employee mental health. Leaders who encourage open communication, provide emotional support, and foster trust contribute significantly to reducing stress and improving employee morale. A positive organizational culture characterized by fairness, recognition, and collaboration helps employees feel valued and motivated, thereby enhancing workplace performance.

The relationship between employee mental health and workplace productivity has attracted considerable attention from researchers and practitioners across the world. Numerous studies have established that psychological well-being is positively associated with employee engagement, job satisfaction, organizational commitment, and performance. Employees with sound mental health are better equipped to handle challenges, adapt to changes, and contribute effectively toward achieving organizational goals.

In recent years, mental health has become an important component of strategic human resource management. Organizations increasingly recognize that investing in employee well-being is not merely a social responsibility but also an economic necessity. Companies that prioritize employee mental health are likely to experience lower absenteeism, improved retention, enhanced productivity, and sustainable competitive advantages.

Therefore, understanding the relationship between employee mental health and workplace productivity is essential for organizations seeking to improve employee well-being and achieve long-term success. Against this background, the present study aims to investigate the impact of employee mental health on workplace productivity and identify the factors that contribute to employee well-being and organizational effectiveness.

II. LITERATURE REVIEW

Cooper and Cartwright (1994)

Cary L. Cooper and Cartwright emphasized that employee well-being is a critical determinant of organizational effectiveness. Their study highlighted that excessive stress and poor psychological health adversely affect employee productivity and organizational performance. They argued that organizations should adopt proactive stress management



practices and promote healthy work environments to improve employee well-being. The study concluded that supportive organizational policies contribute significantly to reducing stress and enhancing employee productivity.

Karasek and Theorell (1990)

Robert Karasek and Theorell developed the Job Demand-Control Model to explain how work-related stress influences employee health and performance. According to the model, employees facing high job demands and low decision-making authority are more susceptible to psychological strain and burnout. The study found that employees working in stressful environments exhibit lower productivity and reduced job satisfaction. The authors recommended increasing employee autonomy and providing organizational support to improve workplace well-being.

Maslach and Jackson (1981)

Christina Maslach and Jackson introduced the concept of burnout and developed the Maslach Burnout Inventory. Their study revealed that emotional exhaustion, depersonalization, and reduced personal accomplishment negatively affect employee performance and motivation. Burnout was identified as one of the major causes of decreased workplace productivity. The authors emphasized the importance of organizational interventions aimed at reducing stress and promoting employee well-being.

Danna and Griffin (1999)

Danna and Griffin examined the relationship between employee health and organizational performance. Their study demonstrated that employee well-being directly influences productivity, absenteeism, and organizational effectiveness. The researchers argued that organizations investing in employee health and wellness programs experience better performance outcomes. The study emphasized the need for comprehensive workplace health initiatives to improve employee satisfaction and productivity.

Wright and Cropanzano (2000)

Wright and Cropanzano investigated the relationship between psychological well-being and job performance. Their findings indicated that employees with better mental health exhibit higher levels of job satisfaction, organizational commitment, and productivity. The study concluded that psychological well-being is an important predictor of employee performance and should be considered a strategic organizational resource.

Harter, Schmidt, and Keyes (2003)

The researchers analyzed numerous organizations and found that employee well-being positively influences productivity, customer satisfaction, and profitability. Their study demonstrated that employees with positive mental health contribute significantly to organizational success. The authors emphasized the importance of fostering a supportive work environment to improve employee engagement and performance.

Quick and Henderson (2016)

Quick and Henderson emphasized the importance of occupational stress management and employee wellness programs. Their study highlighted that organizations implementing stress management initiatives experience reduced absenteeism, increased employee engagement, and improved productivity. The researchers concluded that promoting employee mental health is essential for achieving organizational success.

Jain and Cooper (2012)

Jain and Cooper examined stress management practices in organizations and found that supportive organizational cultures and employee assistance programs enhance psychological well-being. Their study concluded that stress reduction initiatives positively influence employee performance and organizational effectiveness. The authors recommended implementing wellness programs and promoting healthy work environments to improve productivity.

III. RESEARCH GAP

Although numerous studies have examined workplace stress and employee well-being, relatively limited empirical research has focused on the relationship between employee mental health and workplace productivity using primary data. Most existing studies have concentrated on developed countries and service industries, while comparatively fewer studies have explored the issue within the context of private-sector employees in emerging economies. Furthermore,



recent changes in work patterns and increasing mental health concerns necessitate updated research. Therefore, the present study seeks to bridge this gap by examining the impact of employee mental health on workplace productivity through primary data collected from employees working in private-sector organizations.

IV. OBJECTIVES OF THE STUDY

1. To examine employee perceptions regarding mental health.
2. To assess workplace productivity levels.
3. To identify factors influencing employee mental health.

V. HYPOTHESIS

H2: There is no significant relationship between employee mental health and workplace productivity.

H1: There is a significant relationship between employee mental health and workplace productivity.

VI. RESEARCH METHODOLOGY

Research Design

The present study employs a descriptive and analytical research design. Descriptive research helps in understanding employees' perceptions regarding mental health and workplace productivity, whereas analytical research facilitates the examination of relationships among various factors affecting employee well-being and performance.

Sources of Data

Primary Data

Primary data were collected through a structured questionnaire administered to employees working in private-sector organizations.

The questionnaire consisted of statements relating to:

- Workplace stress
- Anxiety and emotional well-being
- Work-life balance
- Supportive leadership
- Job security

Secondary Data

Secondary information was collected from:

- Research journals
- Books
- Published articles
- Organizational reports

Sample Size

A sample of 150 employees was selected for the study.

Sampling Technique

The study adopts the Convenience Sampling Method, under which respondents were selected based on accessibility and willingness to participate in the survey.

Statistical Tools Used

- Percentage Analysis
- Mean Score Analysis
- Correlation Analysis
- Chi-Square Test



VII. DATA ANALYSIS

Table 1: Gender Distribution

Gender	Frequency	Percentage
Male	88	58.7
Female	62	41.3
Total	150	100

Interpretation

Male employees constituted 58.7% of the total population whereas remaining 41.3% were the female respondents.

Table 2: Perception Regarding Mental Health

Response	Frequency	Percentage
Excellent	28	18.7
Good	64	42.7
Average	40	26.6
Poor	18	12.0
Total	150	100

Interpretation

A majority of employees perceive their mental health as good or excellent and as many as 18 respondents were considered to have the poor mental health.

Table 3: Workplace Productivity Level

Productivity Level	Frequency	Percentage
High	46	30.7
Moderate	70	46.7
Low	34	22.6
Total	150	100

Interpretation

Most employees reported moderate to high levels of productivity constituting 46.7% of the total population.

Table 4: Factors Affecting Mental Health

Factor	Frequency	Percentage
Work Stress	42	28.0
Work-Life Balance	34	22.7
Supportive Leadership	28	18.7
Job Security	22	14.6



Factor	Frequency	Percentage
Wellness Programs	14	9.3
Counseling Support	10	6.7

Interpretation

Work stress and work-life balance emerged as the most important factors affecting employee mental health.

Table 5: Mean Score Analysis

Variable	Mean Score
Stress Management	4.02
Supportive Leadership	4.14
Work-Life Balance	4.08
Wellness Programs	3.92
Mental Health	4.11
Workplace Productivity	4.18

Interpretation

Employees reported favorable perceptions regarding mental health initiatives and productivity.

Table 6: Correlation Analysis

Variables	Correlation Coefficient (r)
Employee Mental Health and Workplace Productivity	0.85

Interpretation

The correlation coefficient indicates a strong positive relationship between employee mental health and workplace productivity.

Table 7: Chi-Square Analysis

Particulars	Value
Chi-Square Value	17.86
Degrees of Freedom	6
p-value	0.003

Interpretation

Since the p-value is less than 0.05, the null hypothesis is rejected. Therefore, employee mental health significantly affects workplace productivity.

VIII. FINDINGS

The study revealed that employee mental health plays a significant role in determining workplace productivity. Work stress and work-life balance emerged as major factors affecting employee well-being. Employees experiencing better mental health reported higher levels of productivity and job engagement.



Supportive leadership and employee wellness programs positively influenced employees' psychological well-being. Correlation analysis established a strong positive relationship between mental health and productivity. Statistical testing further confirmed that employee mental health significantly affects workplace productivity.

IX. SUGGESTIONS

Organizations should implement stress management programs and provide counseling services to support employees' psychological well-being. Supportive leadership practices should be encouraged to create a positive work environment. Flexible work arrangements and work-life balance initiatives should be strengthened to reduce stress and enhance productivity. Regular wellness programs and awareness campaigns can contribute significantly to improving employee mental health.

Organizations should also establish employee assistance programs and promote open communication to address mental health concerns effectively.

X. CONCLUSION

The study concludes that employee mental health is a critical determinant of workplace productivity. Employees with better psychological well-being exhibit higher levels of motivation, engagement, and performance. Work stress, work-life balance, and supportive leadership significantly influence employee mental health and productivity. Organizations that prioritize employee well-being through stress management initiatives, counseling services, and supportive work environments are likely to experience improved productivity and organizational performance. Therefore, employee mental health should be regarded as a strategic factor for achieving sustainable organizational success.

REFERENCES

1. Cary L. Cooper, & Cartwright, S. (1994)
Cooper, C. L., & Cartwright, S. (1994). Healthy mind; healthy organization—A proactive approach to occupational stress. *Human Relations*, 47(4), 455–471. <https://doi.org/10.1177/001872679404700405>
2. Robert Karasek, & Theorell, T. (1990)
Karasek, R. A., & Theorell, T. (1990). *Healthy work: Stress, productivity, and the reconstruction of working life*. Basic Books.
3. Christina Maslach, & Jackson, S. E. (1981)
Maslach, C., & Jackson, S. E. (1981). The measurement of experienced burnout. *Journal of Occupational Behaviour*, 2(2), 99–113. <https://doi.org/10.1002/job.4030020205>
4. Danna, K., & Griffin, R. W. (1999)
Danna, K., & Griffin, R. W. (1999). Health and well-being in the workplace: A review and synthesis of the literature. *Journal of Management*, 25(3), 357–384. <https://doi.org/10.1177/014920639902500305>
5. Wright, T. A., & Cropanzano, R. (2000)
Wright, T. A., & Cropanzano, R. (2000). Psychological well-being and job satisfaction as predictors of job performance. *Journal of Occupational Health Psychology*, 5(1), 84–94. <https://doi.org/10.1037/1076-8998.5.1.84>
6. Harter, J. K., Schmidt, F. L., & Keyes, C. L. M. (2003)
Harter, J. K., Schmidt, F. L., & Keyes, C. L. M. (2003). Well-being in the workplace and its relationship to business outcomes: A review of the Gallup studies. In C. L. M. Keyes & J. Haidt (Eds.), *Flourishing: Positive psychology and the life well-lived* (pp. 205–224). American Psychological Association.
7. Quick, J. C., & Henderson, D. F. (2016)
Quick, J. C., & Henderson, D. F. (2016). Occupational stress: Preventing suffering, enhancing wellbeing. *International Journal of Environmental Research and Public Health*, 13(5), 459. <https://doi.org/10.3390/ijerph13050459>

