

What have six years of employer surveys on workplace mental health taught us?

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INTRODUCTION

When we joined forces with the Midlands Mental Health and Productivity Pilot (MHPP) to carry out a baseline study on workplace mental health in early 2020, we could never have anticipated the seismic impacts that were about to unfold with the onset of the COVID-19 global pandemic. That initial wave of fieldwork concluded just three days before the first lockdown in England. It gave us a unique pre-pandemic snapshot of workplace mental health in Midlands firms, and it compelled us to return to the field every year since, to track employer experiences of mental health issues as COVID-19 played out.

Wave 2 was conducted between January and April 2021, a period of intense business disruption due to COVID-19 restrictions, and wave three took place in early 2022 as restrictions eased. While the impacts of Covid-19 have subsequently receded, 2023 and 2024 saw other challenges for businesses and their employees, including the cost-of-living crisis. We returned to the field for the sixth time between January and March 2025.

What have we learned from six waves of data on workplace mental health in Midlands firms? This report draws on our unique longitudinal data set to offer a detailed account, from the employer perspective, of workplace mental health issues and their impacts on performance, and of the ways in which employers have approached and addressed them over the past six years, through the adoption of practices and initiatives. We consider also the causes and impacts of presenteeism and the growth of hybrid working that have characterised this turbulent period and shaped the world of work that we all now inhabit.

EXECUTIVE SUMMARY

What have six years of employer surveys on workplace mental health taught us?

Mental health-related sickness absence: a fluctuating picture. Reported levels of mental health related sickness absence fell in 2021 at the height of the pandemic. This may have been because increased levels of home-working and less commuting meant there were genuinely fewer mental health issues. Alternatively, mental health conditions may have gone unnoticed when people were either working remotely or observing social distancing rules¹, or employees may have been reluctant to disclose mental health issues for fear of losing their jobs². Levels of mental health sickness have fluctuated since then but have yet to regain pre-pandemic levels.

Larger firms are much more likely to report mental health related absence, in part because they are more likely to have embedded HR systems and policies, including better developed wellness initiatives and absence reporting approaches. Conversely, the smallest firms report less mental health absence. As our data shows, the smallest firms are much less likely to measure sickness absence or to record the reasons for it.

Firms in the production, construction, wholesale/retail and hospitality sectors are less likely to report mental health related sickness. This could reflect workforce differences including more lower-skilled, lower-paid jobs in production, and more self-employed workers in construction, who may be reluctant to take sickness absence, and a greater proportion of zero-hours and temporary workers in hospitality and retail who may feel the need to 'job protect'.

Greater prevalence of repeated mental health absences. Although overall levels of mental health sickness are lower in the 2025 findings than six years ago, and the proportion of firms reporting long-term mental health absences of four weeks or more is largely unchanged, by contrast more firms are now reporting repeated mental health absences (i.e., individuals taking multiple occasions of sickness absence, whether on a short or long-term basis). This jumped in 2023 to 47 per cent from 40 per cent and has been sustained since then. The largest firms are most likely to report repeated mental health sickness absence, partly reflecting the likely presence of formal monitoring of sickness absence.

Construction firms are substantially more likely to report repeated mental health sickness absence than firms in any other sector, reflecting a unique combination of high-stress environments, job insecurity, long hours and a traditional reticence to disclose mental health challenges³. They are also more likely than firms in any other sector to say that mental health absence affects their business.

Presenteeism: the new absenteeism? Presenteeism – routinely working beyond contracted hours or working when unwell - almost halved at the start of the pandemic but it rebounded dramatically in 2023, comfortably surpassing pre-Covid levels and has remaining elevated in every wave of data since then. Increased remote working has facilitated working when unwell, and the UK cost of living crisis during 2021 and 2022 may have driven job-

¹ <https://www.wbs.ac.uk/news/mental-health-sickness-creeping-back-up-in-the-post-covid-workplace/>

² <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2020/11/ERC-Insight-Workplace-mental-health-and-Covid-19-experiences-of-firms-in-the-Midlands.pdf>

³ <https://www.hse-network.com/the-silent-struggle-of-mental-health-in-construction/>

protecting behaviours including working extra hours, as a way of securing employment in a challenging market⁴. The continued rise in hybrid working may be contributing to increased levels of presenteeism, as employees can struggle to psychologically detach from work when working at home, leading to them working longer hours and working when unwell. Our data shows that this sustained rise in presenteeism is evidenced in firms of all sizes and in all sectors, which points to underlying shifts in our approach to work, driven by broader macro- environmental factors rather than specific industry or firm size issues.

The gap between attitude and action persists. Although three quarters of firms believe that they have responsibilities in respect of employee mental health, there is a substantive gap between attitude and action, with only half actually having any initiatives in place to address mental health. A further 30 per cent firms say that they would adopt initiatives if necessary, but around a fifth consistently report no plans to act. The smallest firms and those in the production, construction and wholesale/retail sectors are the most likely to have no plans to adopt initiatives. Given the extent of repeated mental health absence our data has uncovered, particularly in the construction sector, addressing this gap may pay dividends. Our data also shows that nearly half of firms with mental health absence say that it impacts on their business – and the sector most likely to report this is construction.

More firms adopted mental health initiatives in the wake of the pandemic - but uptake has stalled. At 50 per cent, the proportion of firms saying they have mental health initiatives of some kind in place is at its lowest since before the pandemic. The smallest firms and those in the production, construction and wholesale/retail sectors are the least likely to have mental health initiatives in place. These are also the firms that are most likely to say they have no plans to adopt initiatives in the future, and they are the lowest reporters of mental health absences (along with hospitality firms). Overall, this suggests a lower level of focus on, and engagement with, mental health issues in this group of firms. We also note a continued reliance on practices to deal with workplace mental health, and less uptake of strategic mental health initiatives such as having a mental health budget or a mental health lead at board level. Here again, the smallest firms are least likely to adopt strategic initiatives.

Hybrid working continues to creep up. The increase is evident in all sectors, apart from hospitality which clearly depends on face-to-face working. Although three quarters of firms with hybrid working say they encourage a good work-life balance for remote employees, there is still a strong reliance on informal methods of doing this. Although some studies have found positive impacts of remote working, such as increased job satisfaction and autonomy, evidence also points to a range of negative consequences including social isolation, burnout and overworking⁵ which can impact on staff themselves and on the organisation. This suggests that employers need to take the management and support of remote working staff seriously. Informal methods may have a place, but consideration should also be given to formal approaches.

Firm size matters when it comes to workplace mental health. Our six-year data set demonstrates beyond doubt that experiences of, and responses to, mental health in the workplace vary significantly by employer size. That the smallest firms report the lowest levels of mental health related absence may in part reflect an absence of formal HR systems to

⁴ <https://www.enterpriseresearch.ac.uk/is-presenteeism-the-new-absenteeism/>

⁵ <https://www.enterpriseresearch.ac.uk/wp-content/uploads/2025/02/SOTA64-Remote-working-and-employee-wellbeing-Wishart.pdf>

record and manage absence, and their comparatively lower levels of initiative uptake may be driven by time and resource constraints. But small firms are also more likely to report that mental health absences, when they occur, impact on the running of their business. Providing targeted support for these small business leaders - who are often multitasking in several roles - to help them identify and address mental health issues may enable them to navigate the mental health challenges while also attending to the wider needs of their business.

Sector differences are striking, reflecting workforce variations. The substantive sector differences that we observe suggest that employment status may be linked to mental health experiences and outcomes. Lower reported levels of mental health absence in some sectors, notably construction, wholesale/retail and hospitality, may mask actual levels of mental ill-health since these sectors have higher proportions of self-employed people and zero hours contracts. Staff may be reluctant to take sick leave for financial reasons and may be more easily replaceable if they do take leave. This raises the issue of job precarity, and of how employers in these sectors can be encouraged to support workers who are experiencing mental health challenges. As noted above, the disproportionate levels of repeated mental health absence in the construction sector suggests that sector-level factors including long hours, job insecurity, stress and stigma attached to mental health need to be addressed.

POLICY RECOMMENDATIONS

	Evidence	Interpretation	Policy Implications
SMALL FIRMS FOCUS			
1	Lower levels of mental health absence in the smallest firms	This may be due to issues with formally recording absence – which means that smaller firms may be unaware of the extent of their mental health-related absence. It may also reflect the workload and goals of small firm leaders who are often necessarily focused on keeping the business afloat.	Action to encourage the development and implementation of simple systems – easy to implement and maintain for busy leaders - to monitor the reasons for absence in the smallest firms, and to remind firms of the benefits of a psychologically safe working environment.
2	Small firms are less likely to adopt mental health initiatives generally, and strategic initiatives specifically. Small firms are more likely to rely on practices delivered by line managers yet are the least likely to train their line managers.	Qualitative research suggests this is down to resource constraints in part. Prior research indicates that firms that fail to adopt more strategic approaches risk missing out on better firm- and employee- level outcomes.	Policy initiatives focused on: <ul style="list-style-type: none"> • Providing compelling relevant evidence (e.g., case studies, based on small firms) for the efficacy of strategic initiatives. • Peer mentoring initiatives to pair firms that have adopted more strategic initiatives with those that have not yet done so, to accelerate change. • Helping smaller and more resource-constrained employers to evaluate the mental health initiatives available and to identify the best for their circumstances, may drive uptake. • Encouraging smaller firms to train line managers in managing mental health issues.
SECTOR-SPECIFIC FOCUS			
3	Lower reported mental health absence in some sectors, notably construction, wholesale/retail and hospitality	Higher levels of the self-employed and those on zero hours contracts (which may discourage sickness absence) may explain this. Employing more staff on flexible contracts may make staff more easily replaceable.	Policy initiatives to raise awareness of the implications of precarity on mental health, and on employer responsibilities to address this.
4	More repeated mental health absence, particularly in construction firms, and a greater likelihood of mental health absence impacting.	Data suggests a connection to high stress environments, lower job-security, long hours and stigma associated with mental health issues.	Programmes tailored for the construction sector (e.g., 'Mates in Mind') with employers to address stigma. Specifically: <ul style="list-style-type: none"> • Encourage employers in the sector to signpost employees and contractors to resources and services to help with stress.

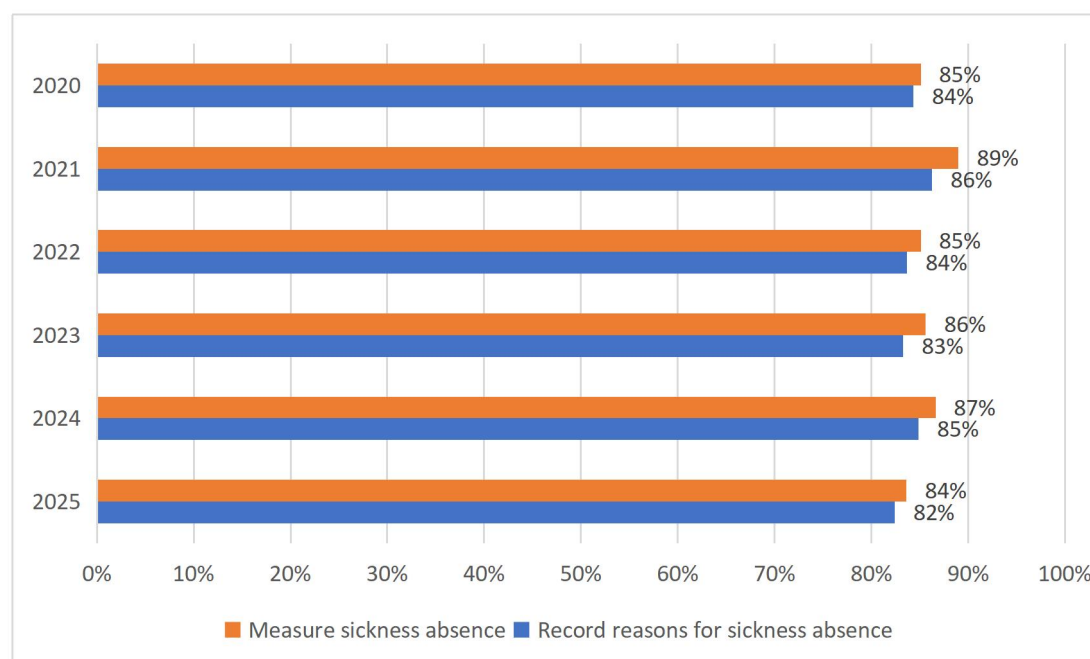
			<ul style="list-style-type: none"> Encourage use and promotion of EAPs for all employees. Provide adequate facilities for breaks during working hours.
5	Nearly a fifth of firms still do not have any mental health initiatives in place, and these firms are more likely to be in sectors that employ the self-employed and those on zero-hours and temporary contracts.	Non-engagement with mental health initiatives puts all employees in a firm at risk of not receiving help when they need it. The overrepresentation of workers on precarious contracts in these non-adopting firms, who are more at risk of poor mental health in the workplace, is a concern.	<p>Policymakers could encourage industry bodies and trade associations to showcase the benefits of adopting mental health initiatives to specific sector audiences with tailored sector-relevant messages.</p>
GENERAL FOCUS			
6	Sustained elevated levels of presenteeism reported in firms of all sizes and in all sectors.	Presenteeism is likely to drive negative outcomes as identified by prior research, including reduced productivity, impaired physical and mental health and elevated sickness absence.	<ul style="list-style-type: none"> Policy initiatives to raise awareness of the issue, for both employers and employees, may include signposting firms towards the resources already available from mental health expert organisations and professional bodies. The provision of online toolkits and resources to help employers to put in place simple structured procedures to assess their practices may also be particularly useful for more resource-constrained smaller firms.
7	Hybrid working continues to grow. But employers seem to manage remote employees informally and to focus more on positive outcomes than on potential challenges.	Extant research is clear about the risks of insufficient psychological detachment from work for those working at home, of the negative consequences of isolation such as overworking and burnout.	<p>Policy interventions to encourage firms to establish hybrid working policies, to clarify areas including responsibilities of supervisees and supervisors, access to resources to enable successful and safe remote working and expectations related to communications. Line managers may also benefit from additional training in managing staff remotely.</p>

1. EXTENT AND IMPACT OF GENERAL SICKNESS ABSENCE

The majority of firms say that they measure sickness absence and that they record the reasons for sickness absence (Figure 1.1). The smallest firms are the least likely to do both, reflecting the fact that they are less likely to have a formal HR function or dedicated HR-related staff member (Figure 1.2). As shown in Figures 1.3 and 1.4, around half of firms say they pay sick pay above the statutory level for at least some of their staff, with the largest firms most likely to do so. This has changed very little since we began our data collection in 2020. As then, we see some variation by sector with hospitality, construction and other services firms the least likely to pay more than statutory levels of sick pay.

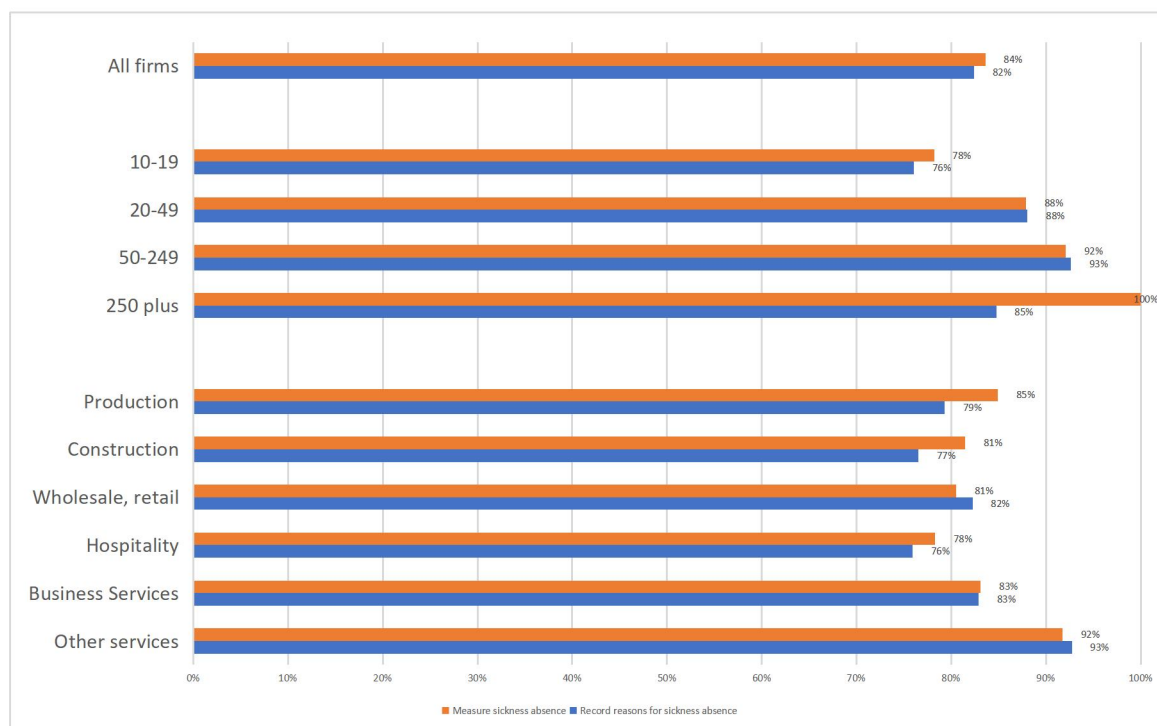
Reported levels of repeated sickness absence fell back substantially at the start of the pandemic, rebounding to pre-pandemic levels in 2022 and continuing to increase until 2024 when 40 per cent of firms reported some level of repeated absence. In 2025, this decreased slightly to 39 per cent (Figures 1.5 and 1.6). Reported levels of long-term sickness absence followed a similar pattern, as shown in Figures 1.7 and 1.8. Both repeated and long-term general sickness absence are now more prevalent than pre-pandemic and are more likely to be reported by smaller firms.

Figure 1.1 Proportion of firms that measure, and record reasons for, sickness absence, all firms, 2020 to 2025



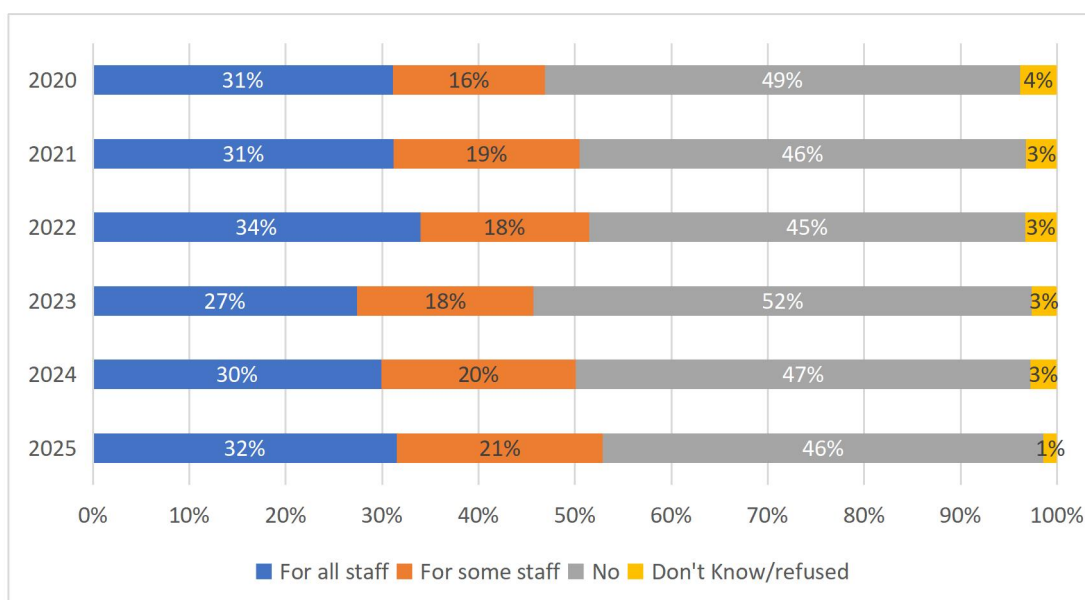
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 1.2 Proportion of firms that measure, and record reasons for, sickness absence, by sector and size, 2025



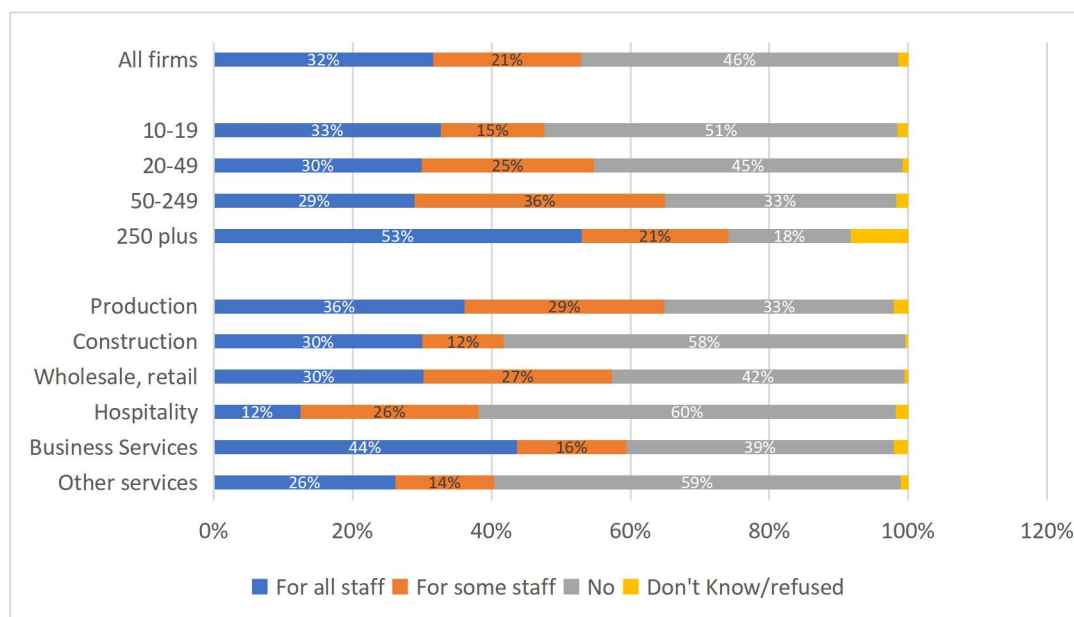
Base: 1226 firms

Figure 1.3 Proportion of firms that pay sick pay above the statutory level, all firms, 2020 to 2025



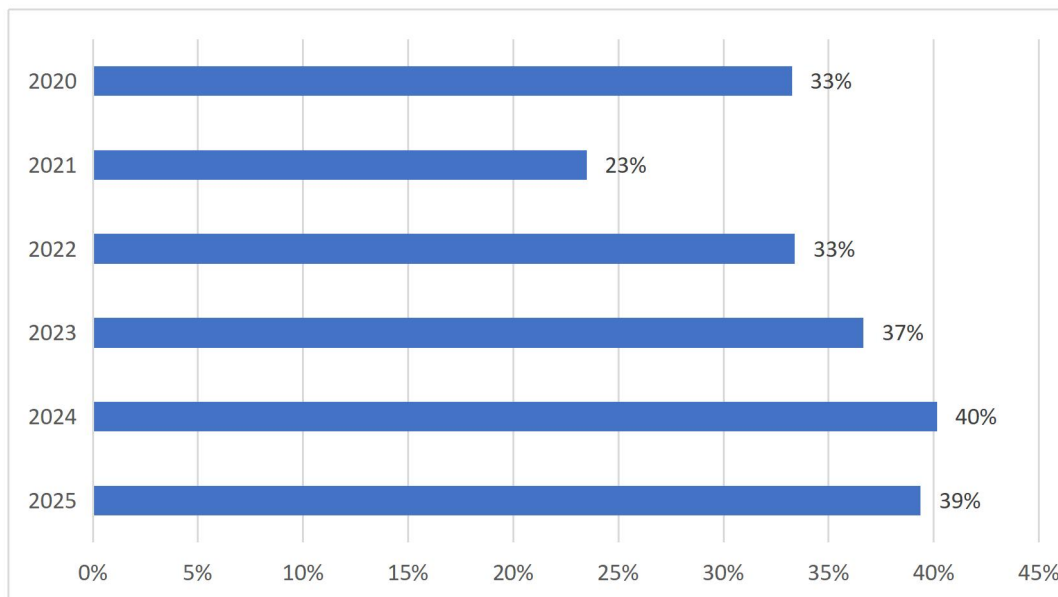
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 1.4 Proportion of firms that pay sick pay above the statutory level, by size and sector, 2025



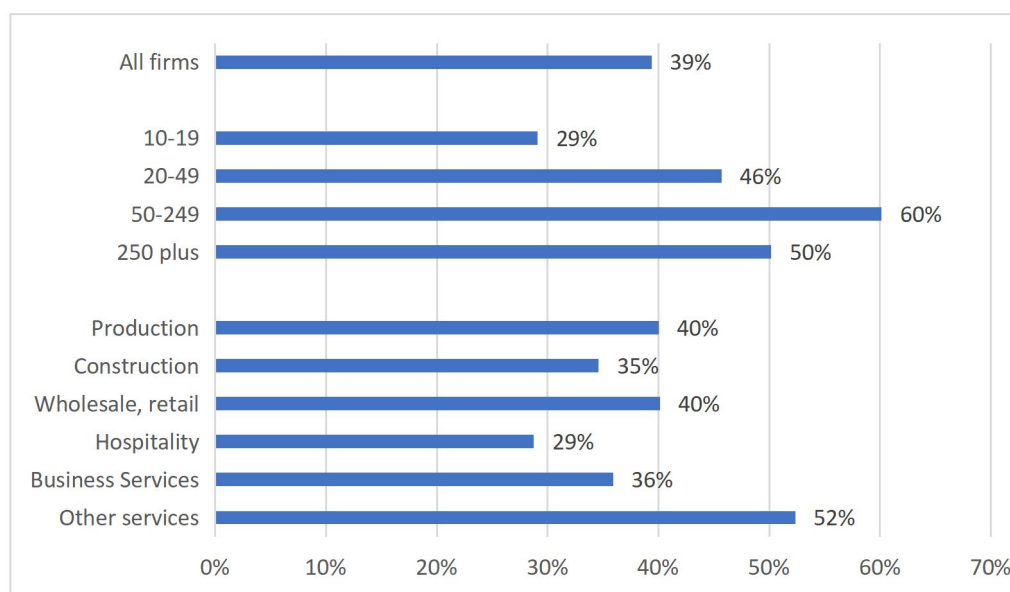
Base: 1226 firms

Figure 1.5 Repeated general sickness absence, all firms, 2020 to 2025



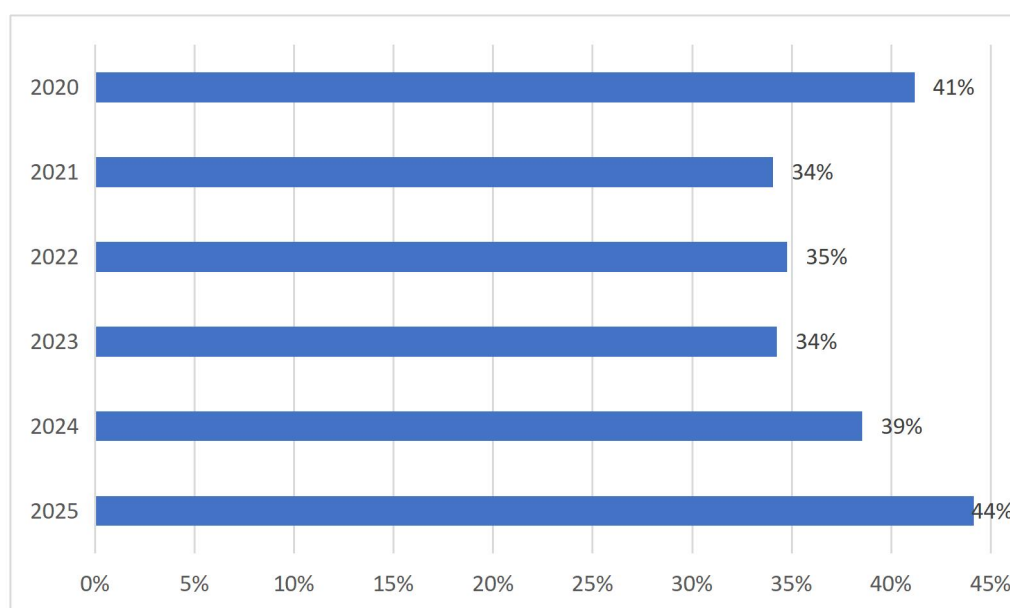
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 1.6 Repeated general sickness absence by size and sector, 2025



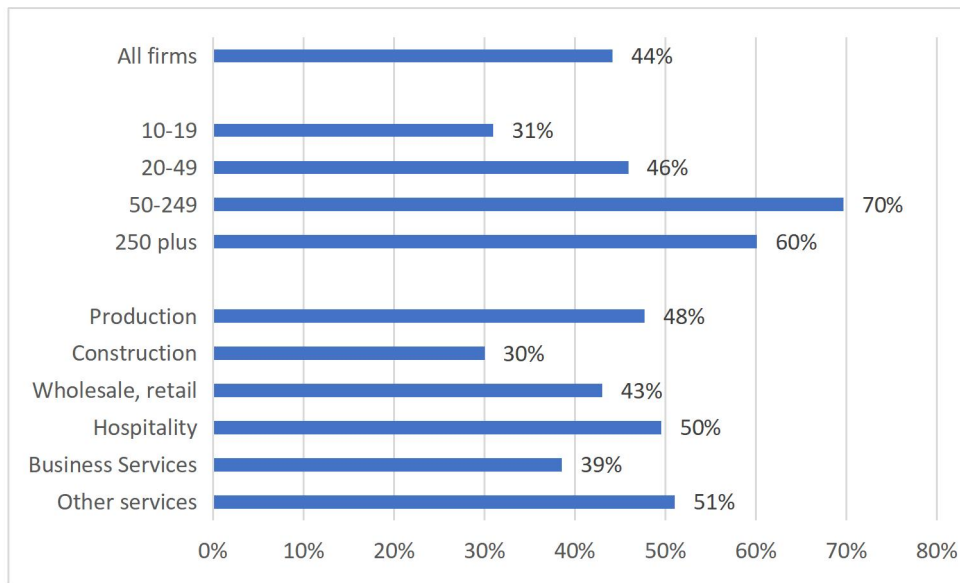
Base: 1226 firms

Figure 1.7 Long term general sickness absence, all firms, 2020 to 2025



Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 1.8 Long term general sickness absence by size and sector, 2025



Base: 1226 firms

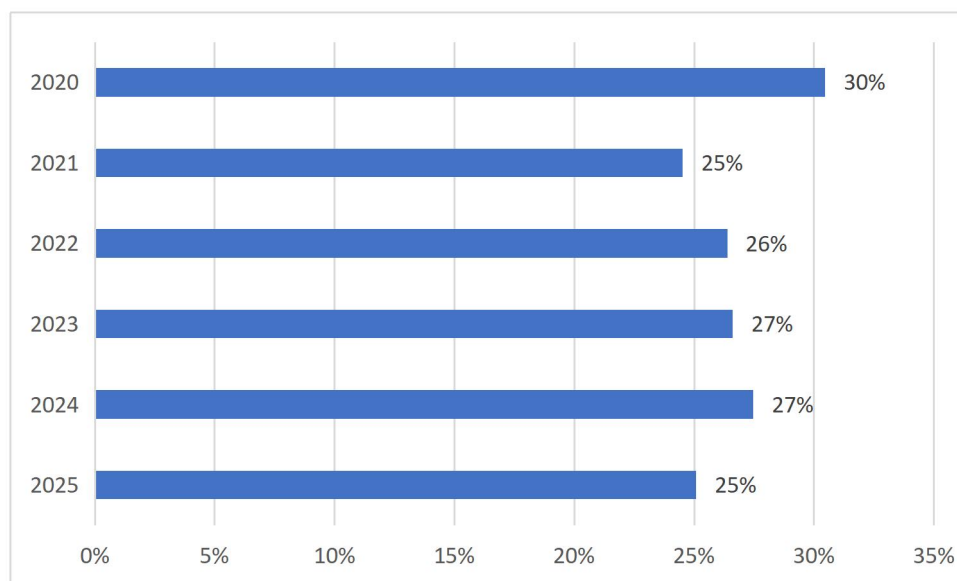
2. EXTENT AND IMPACT OF MENTAL HEALTH SICKNESS ABSENCE

Having declined from 30% pre-pandemic to 25% at the height of COVID-19, the proportion of firms that reported some level of mental health absence subsequently increased slightly each year until 2025 when it fell back once more to 25% (Figure 2.1). As shown in Figure 2.2, larger firms and those in the services sector are the most likely to report mental health related absence, while conversely the smallest firms and those in the production, construction and wholesale/retail sectors are the least likely to do so. For small firms it is likely that this partly reflects resource and time constraints, and the absence of the formal HR function/staff that is usually present in larger firms. For firms in the production, construction and wholesale/retail sectors, higher levels of the self-employed and those on zero hours contracts (which may discourage sickness absence) may explain this. Employing more staff on flexible contracts may make also staff more easily replaceable which could lower reported absence levels.

Figures 2.3 and 2.4 show that the proportion of firms reporting some level of repeated mental health absence (i.e., individuals taking multiple occasions of mental health sickness absence, whether on a short or long-term basis) also decreased at the height of the pandemic from 39% to 32%, but has since rebounded, surpassing the pre-COVID level in 2023 to reach 47%, where it has remained since. Larger firms and those in the construction sector are the most likely to report repeated mental health absences. Nearly 70% of construction firms reported repeated mental health absence in 2025 compared with between 40 and 52% in all other sectors. We attribute this to sector specific factors in construction, linked to a high stress environments, lower job-security, long hours and stigma associated with mental health issues. Conversely, long term mental health absence, having spiked in 2024, has declined to around the pre-pandemic level of 38% (Figures 2.5 and 2.6).

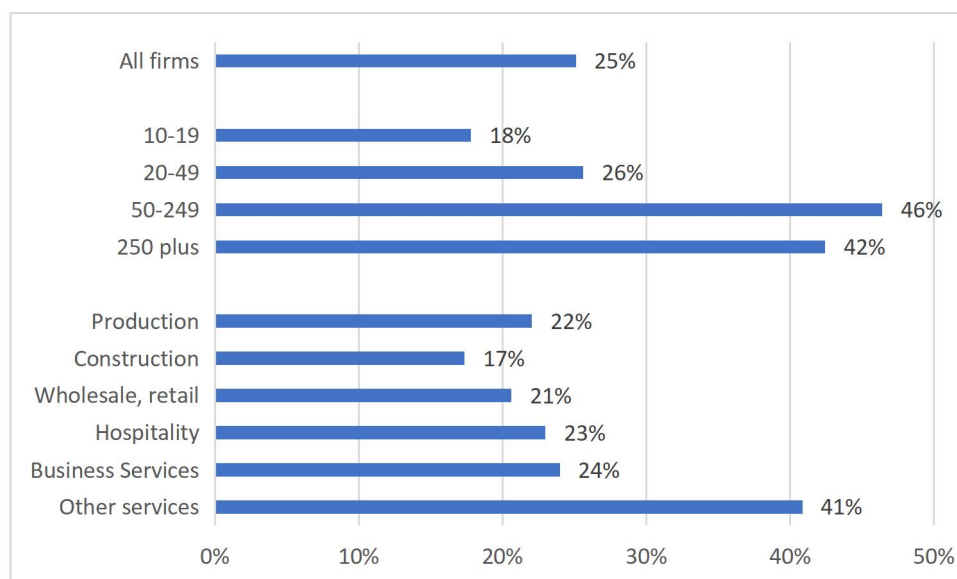
Figures 2.7 to 2.10 show the reported causes of mental health related absence, which fall into three categories – in-work issues, issues outside the workplace, and physical health-related issues. Figure 2.7 shows that in 2025, employers attribute 90% of their mental health related absences to causes outside of work and only 40% to in-work issues. Since 2022, employers have been increasingly likely to point to physical health issues as a cause for mental health related absences, but this fell back from 64% in 2024 to 59% in 2025 (Figure 2.10). For the first time since 2022, the proportion of firms telling us that mental health absence impacted on their operations fell below 50% in 2025, as shown in Figure 2.11. Construction firms were the most likely to say that mental health absence impacted their operations – perhaps unsurprising given their levels of repeated mental health sickness absence (Figure 2.12).

Figure 2.1 Proportion of firms reporting some level of mental health absence, all firms, 2020 to 2025



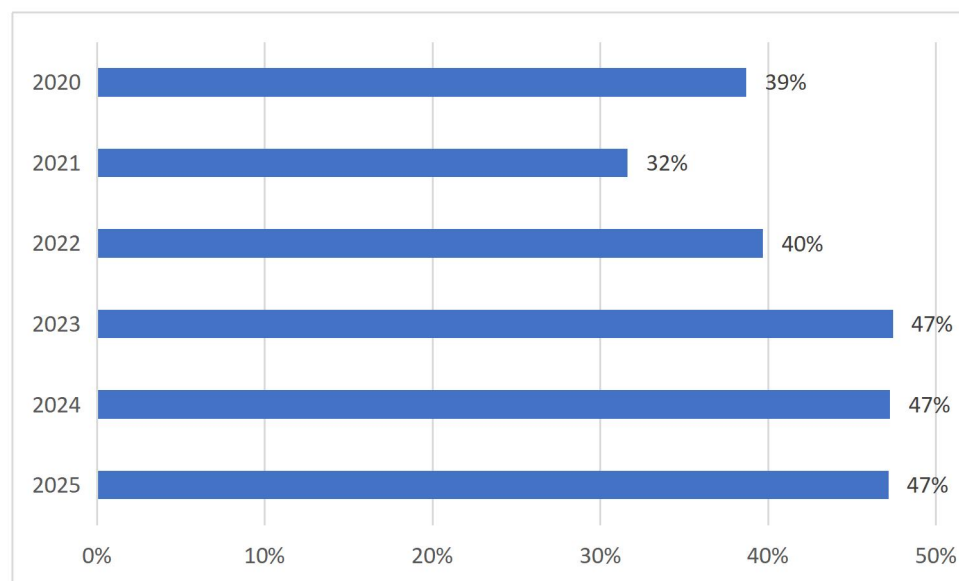
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 2.2 Proportion of firms reporting some level of mental health absence, by size and sector, 2025



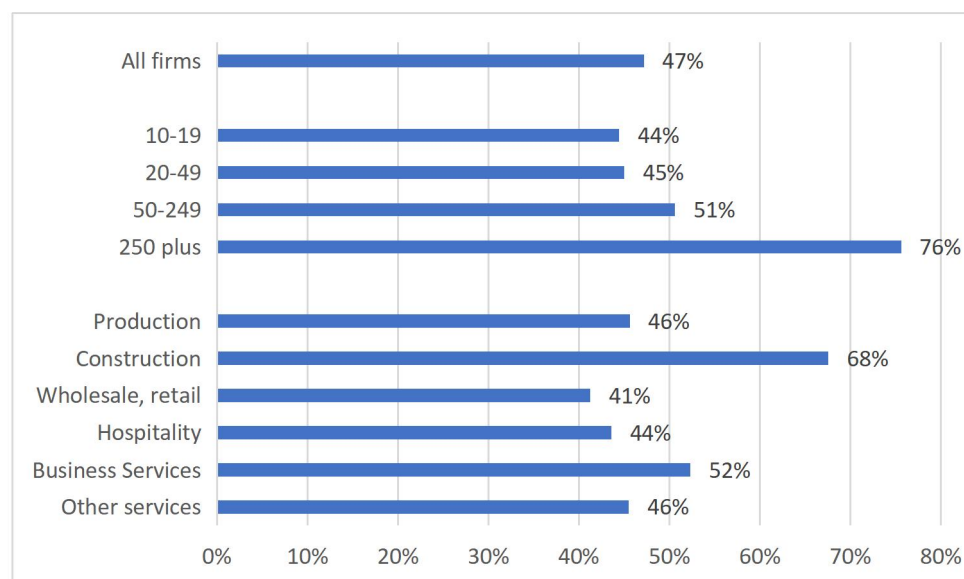
Base: 1226 firms

Figure 2.3 Proportion of firms with mental health absence reporting that some is repeated, all firms, 2020 to 2025



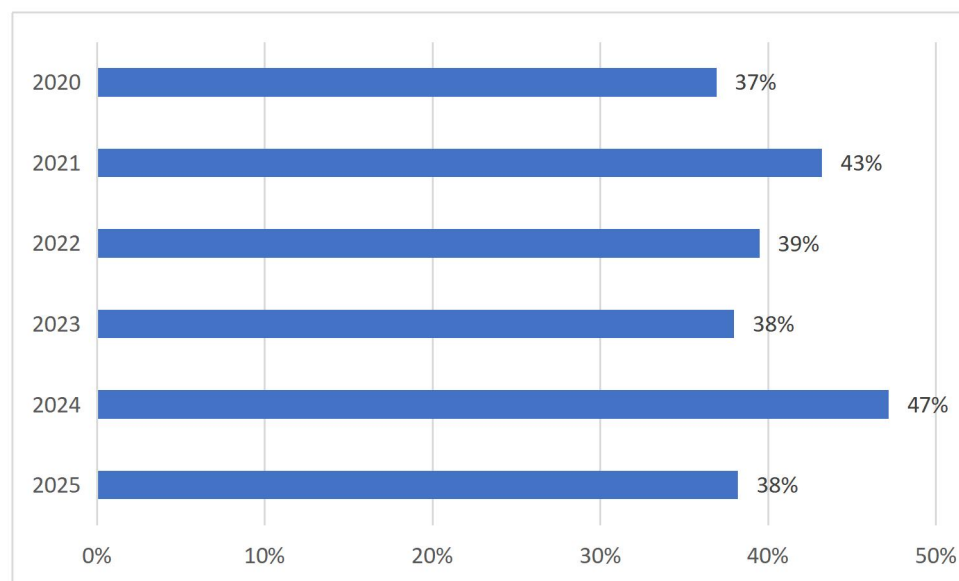
Base: 556 firms in 2020, 338 in 2021, 480 in 2022, 471 in 2023, 482 in 2024, 309 in 2025

Figure 2.4 Proportion of firms with mental health absence reporting that some is repeated, by size and sector, 2025



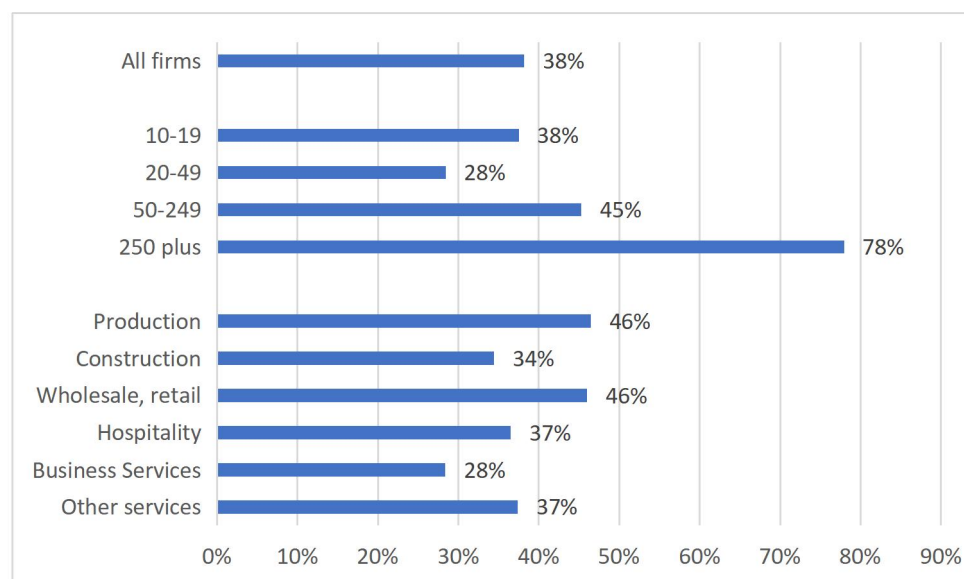
Base: 309 firms

Figure 2.5 Proportion of firms with mental health absence reporting that some is long-term, all firms, 2020 to 2025



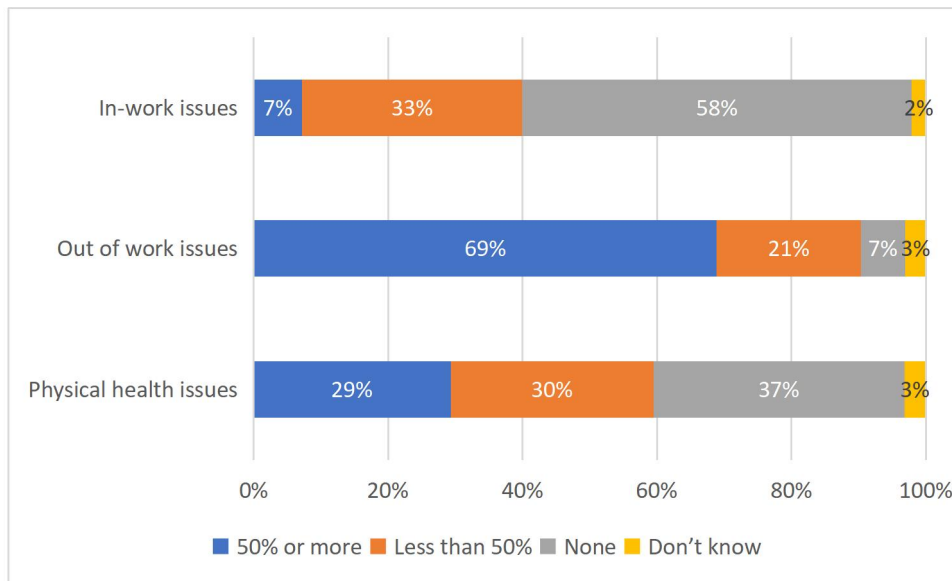
Base: 556 firms in 2020, 338 in 2021, 480 in 2022, 471 in 2023, 482 in 2024, 309 in 2025

Figure 2.6 Proportion of firms with mental health absence reporting that some is long term, by size and sector, 2025



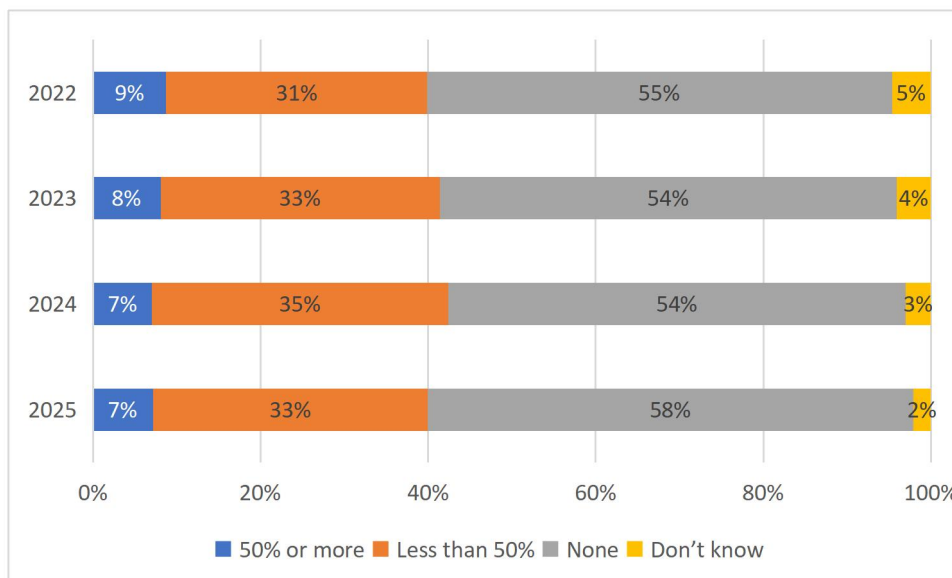
Base: 309 firms

Figure 2.7 Reported source of mental health absence, all firms, 2025



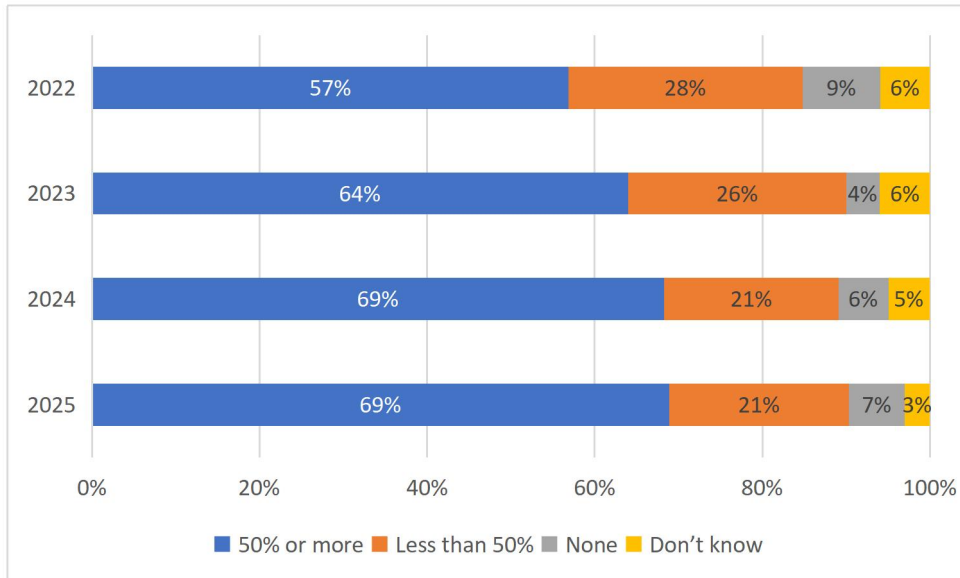
Base: 309 firms

Figure 2.8 Proportion of firms reporting that mental health absence is associated with in-work issues, 2022 to 2025, all firms



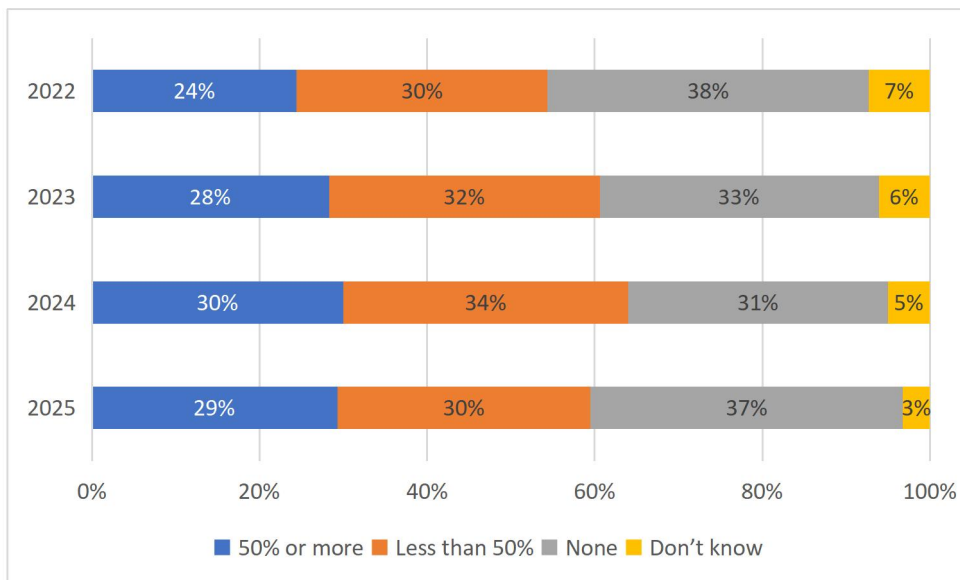
Base: 480 firms in 2022, 471 in 2023, 482 in 2024, 309 in 2025

Figure 2.9 Proportion of firms reporting that mental health absence is associated with out of work issues, 2022 to 2025, all firms



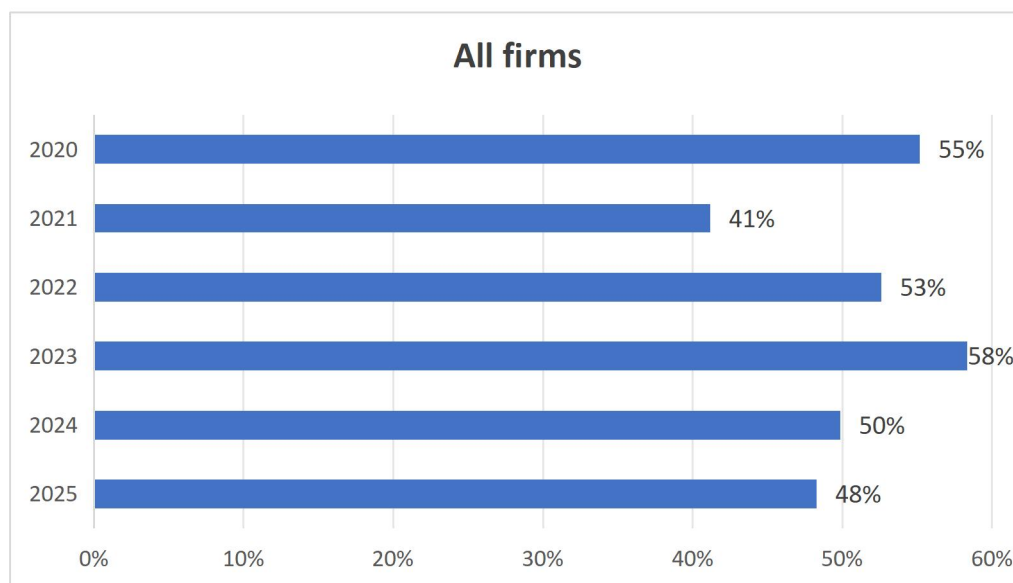
Base: 480 firms in 2022, 471 in 2023, 482 in 2024, 309 in 2025

Figure 2.10 Proportion of firms reporting that mental health absence is associated with physical health issues, 2022 to 2025, all firms



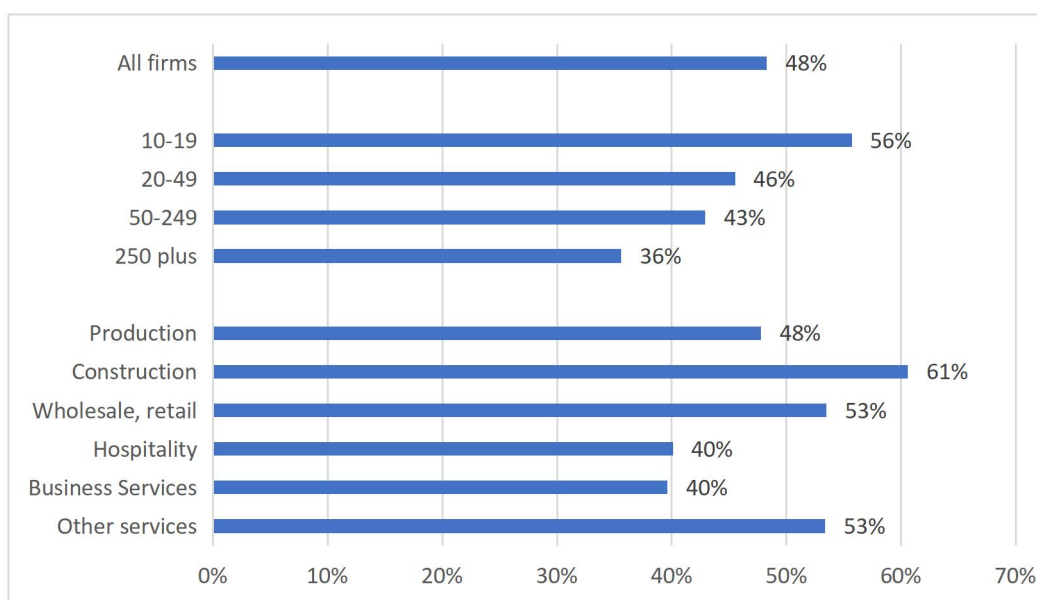
Base: 480 firms in 2022, 471 in 2023, 482 in 2024, 309 in 2025

Figure 2.11 Proportion of firms reporting that mental health absence impacts on their business, all firms, 2020 to 2025



Base: 480 firms in 2022, 471 in 2023, 482 in 2024, 309 in 2025

Figure 2.12 Proportion of firms reporting that mental health absence impacts on their business, by size and sector, 2025



Base: 309 firms

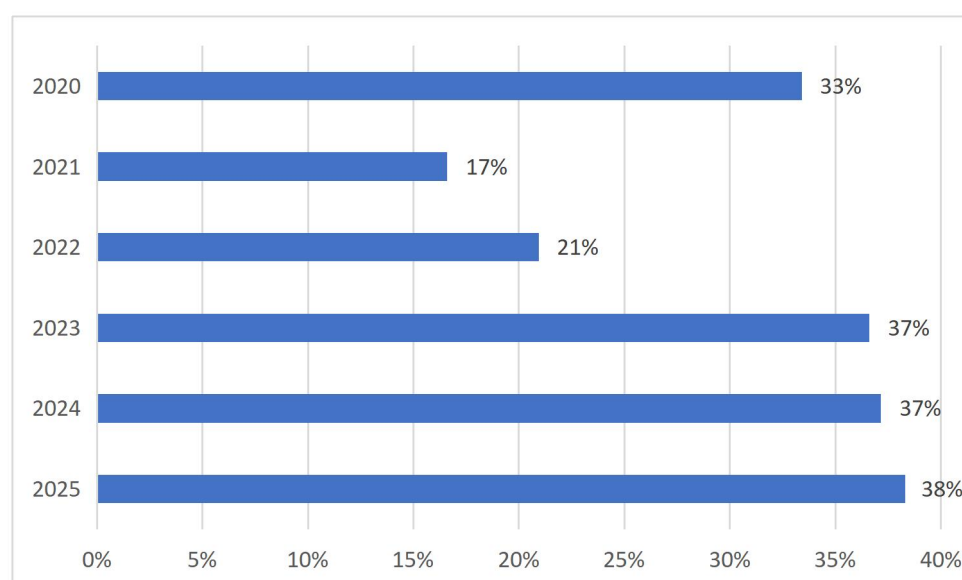
3. PRESENTEEISM

There was a striking and substantial increase in presenteeism in 2023, reported by 37% of firms compared to 21% the previous year. This increase was sustained in 2024, and the 2025 data shows that it has increased slightly to 38% (Figure 3.1), meaning that presenteeism remains a significant issue, in firms of all sizes and in all sectors (Figure 3.2). Working beyond contracted hours remains the most common type of presenteeism reported in all firm types, and overall, the proportion of firms reporting this has increased from 74% to 78% while the proportion of firms reporting that employees have been working when unwell has decreased from 67% to 66% (Figure 3.3). We see very similar pattern in firms of different sizes and in different sectors (Figures 3.4 & 3.5)

As in previous years, the top reason given for presenteeism remains the need to meet client deadlines (Figure 3.6), but we do see some variation by sector, with construction firms pointing to the need by employees to earn more money and hospitality firms more likely to attribute it to being short staffed and wanting to earn more money (Figure 3.8). As for the last two years, 68% of firms say they are addressing presenteeism (Figure 3.9) and the most reported approach is to send home people who are unwell, followed by recruiting more staff (Figure 3.11).

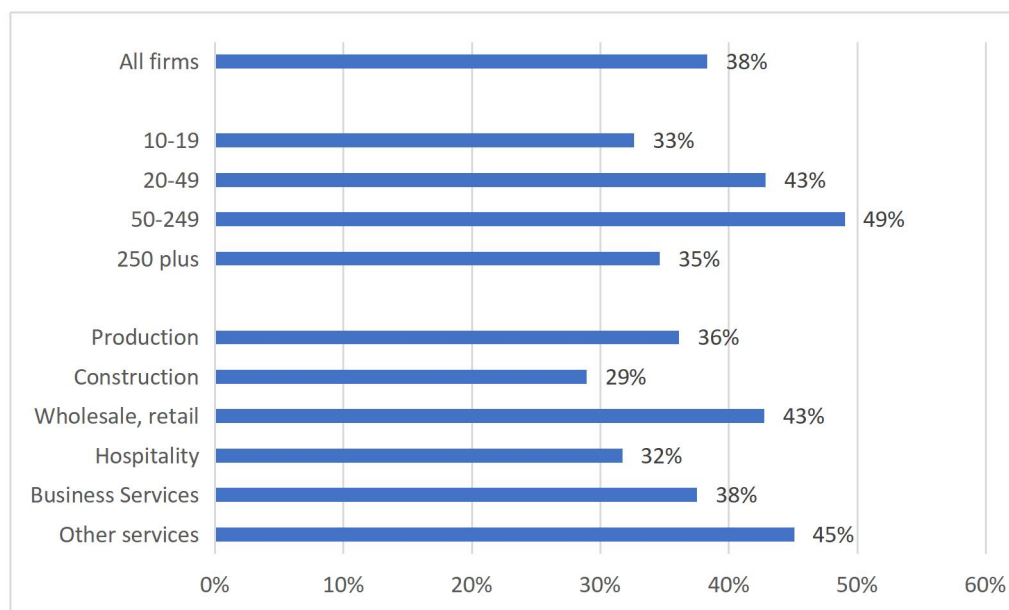
At 33%, the proportion of firms experiencing presenteeism who said that it impacted on their business was up slightly from 31% the previous year (Figure 3.12) , and the most commonly expressed impact was reduced performance followed by the spread of illness (Figure 3.13).

Figure 3.1 Proportion of firms reporting some level of presenteeism, all firms, 2020 to 2025



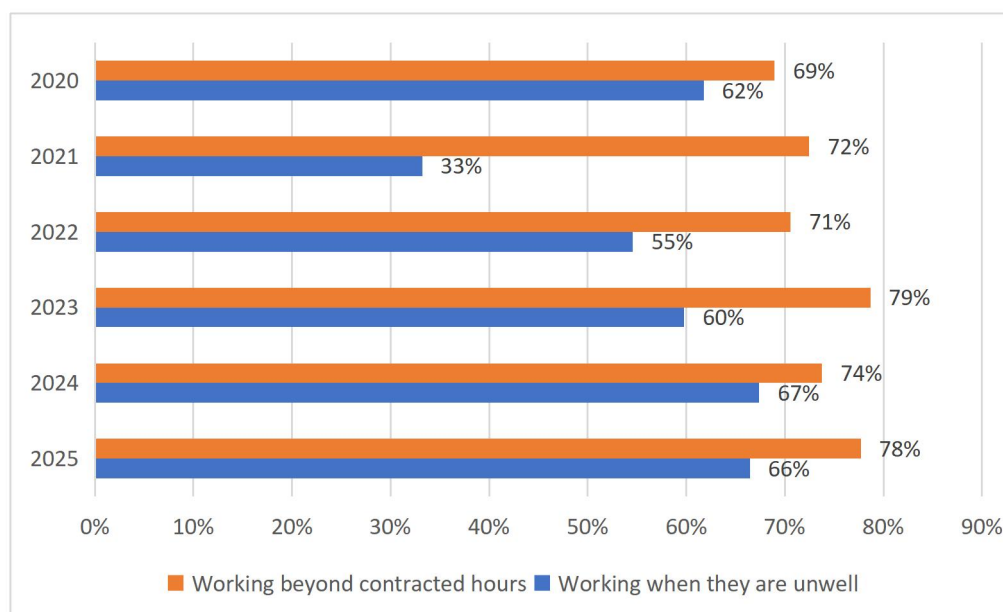
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 3.2 Proportion of firms reporting some level of presenteeism, by size and sector, 2025



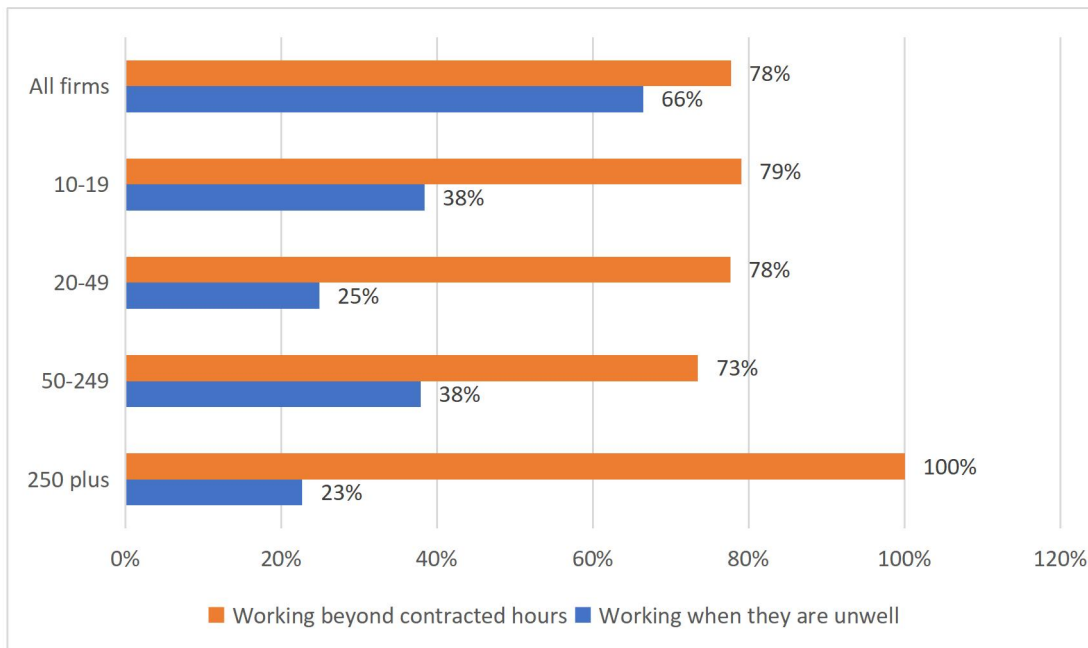
Base: 1226 firms

Figure 3.3 Type of presenteeism, all firms, 2020 to 2025



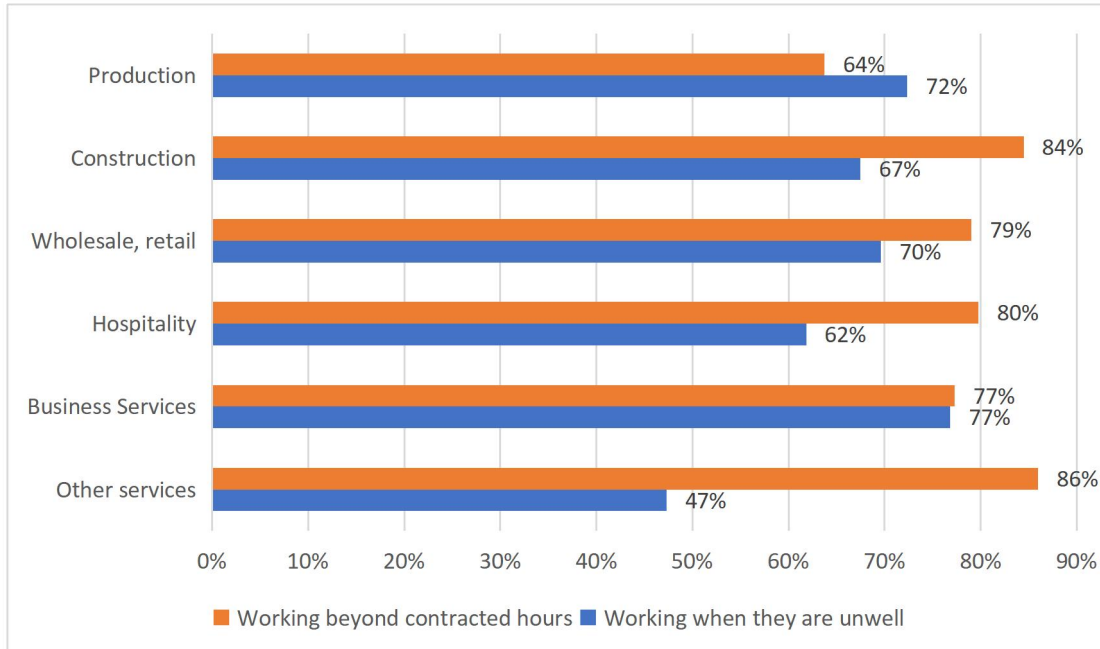
Base: 654 firms in 2020, 265 in 2021, 394 in 2022, 692 in 2023, 707 in 2024, 469 in 2025

Figure 3.4 Type of presenteeism, by firm size, 2025



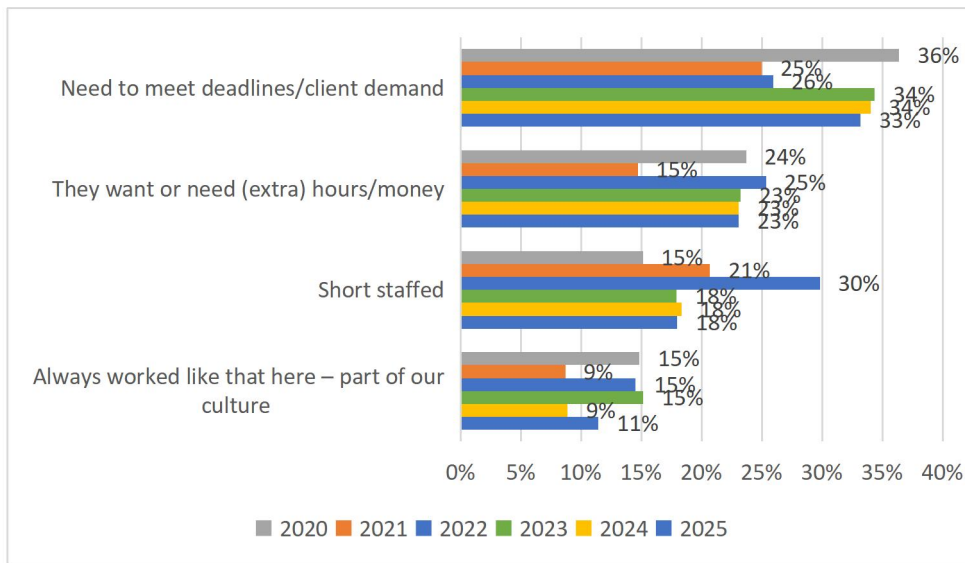
Base: 469 firms

Figure 3.5 Type of presenteeism, by sector, 2025



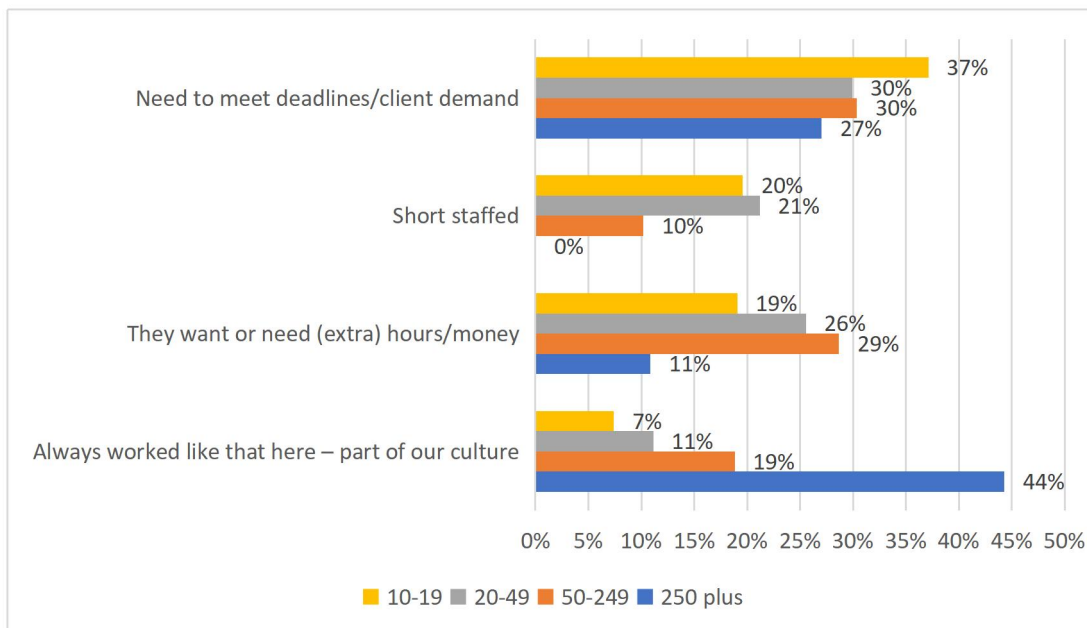
Base: 469 firms

Figure 3.6 Top reasons for presenteeism, all firms, 2020 to 2025



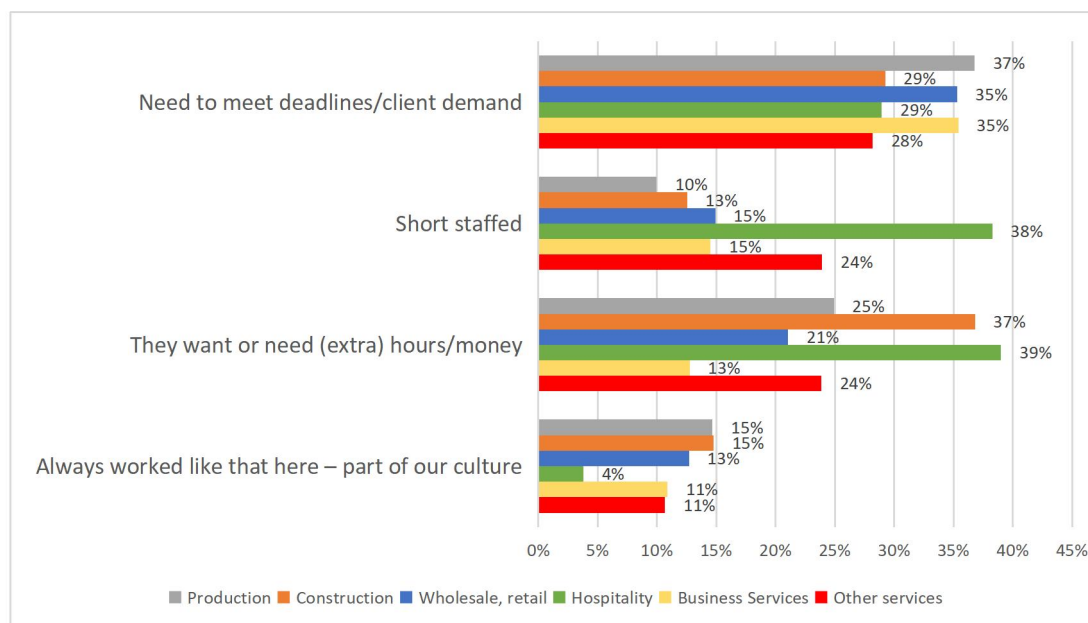
Base: 654 firms in 2020, 265 in 2021, 394 in 2022, 692 in 2023, 707 in 2024, 469 in 2025

Figure 3.7 Top reasons for presenteeism, by firm size, 2025



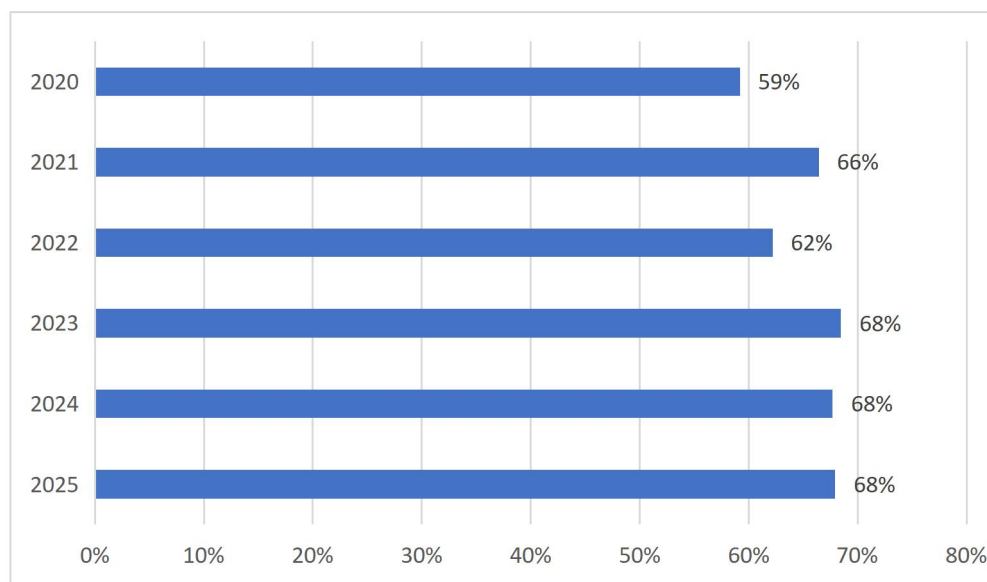
Base: 469 firms

Figure 3.8 Top reasons for presenteeism, by sector, 2025



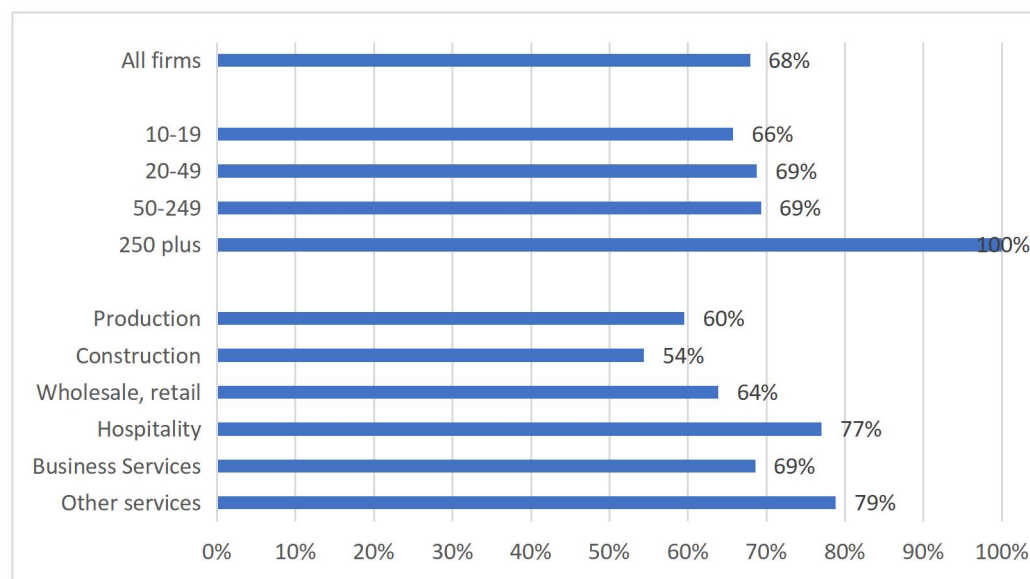
Base: 469 firms

Figure 3.9 Proportion of firms that are taking steps to address presenteeism, all firms, 2020 to 2025



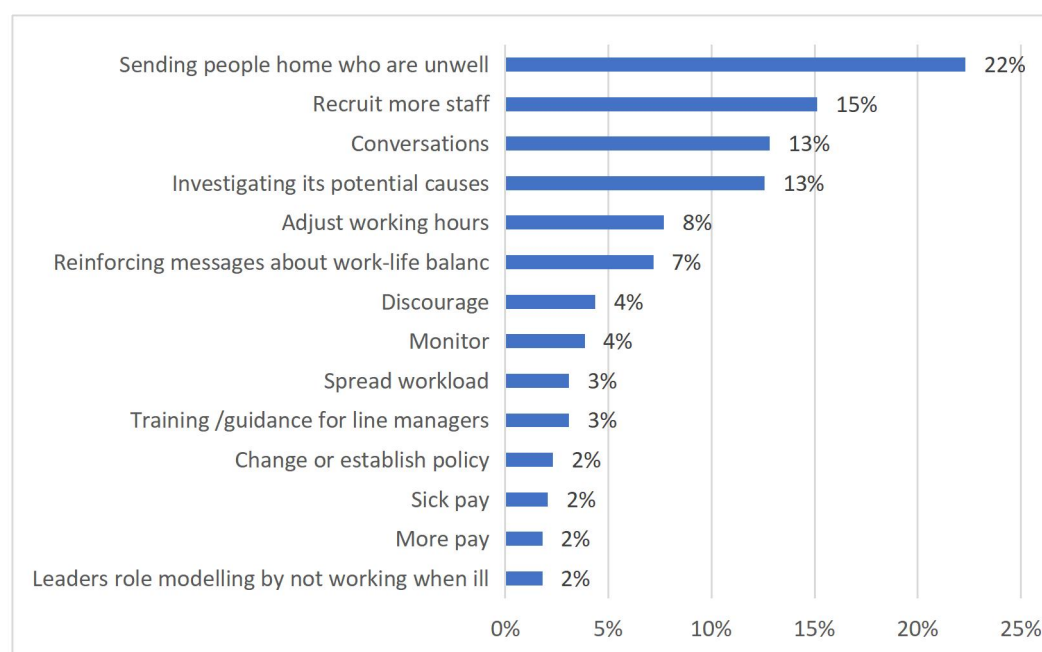
Base: 654 firms in 2020, 265 in 2021, 394 in 2022, 692 in 2023, 707 in 2024, 469 in 2025

Figure 3.10 Proportion of firms that are taking steps to address presenteeism, by size and sector, 2025



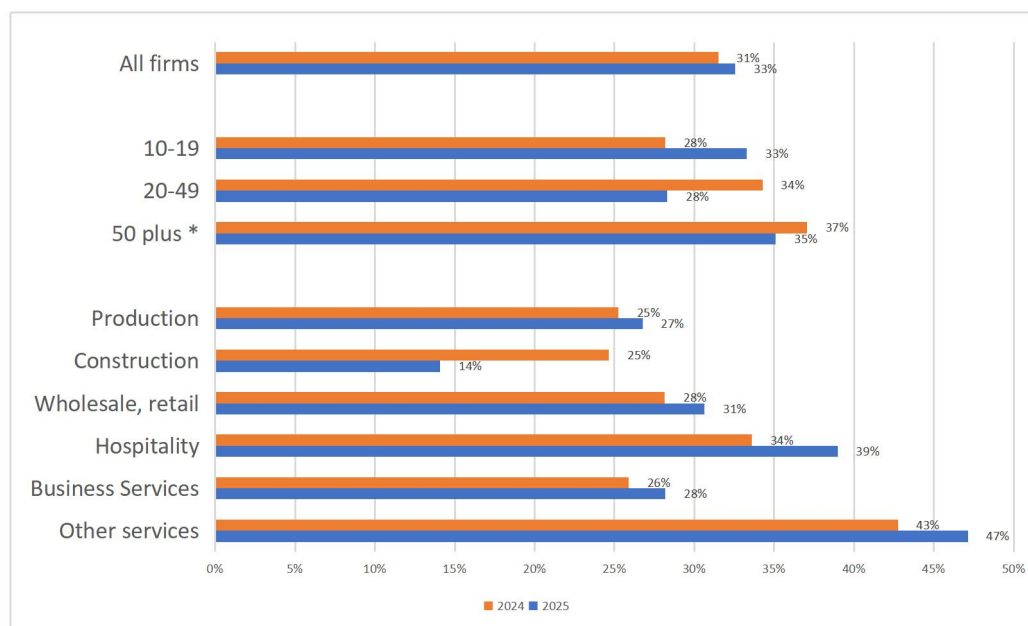
Base: 469 firms

Figure 3.11 Steps firms are taking to address presenteeism, all firms, 2025



Base: 318 firms

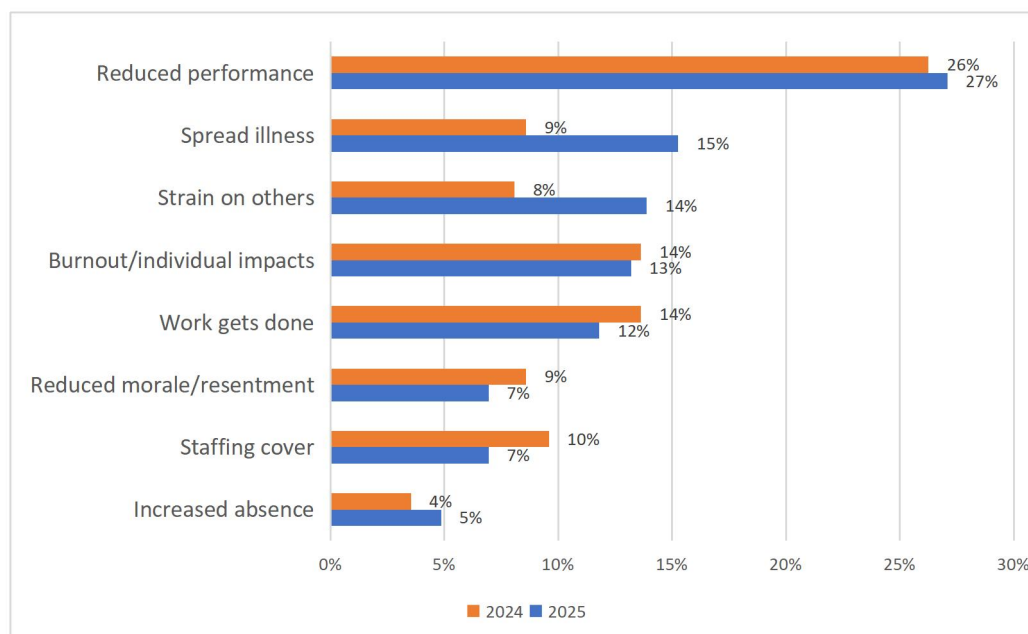
Figure 3.12 Proportion of firms reporting that presenteeism impacted their operations, by size and sector, 2024 to 2025



Base: 707 firms in 2024, 469 in 2025

*50 to 249 and 250 plus size bands combined due to small cell size

Figure 3.13 Reported impacts of presenteeism, all firms, 2024 & 2025



Base: 198 firms in 2024, 150 in 2025

4. ADOPTION OF MENTAL HEALTH INITIATIVES

As in previous years, the majority of firms disagree that mental health is a personal issue that should not be addressed in the workplace, although over the course of the six years this proportion has declined from 81% to 75% (Figure 4.1). Thus, we can say that most firms feel an obligation to manage mental health issues. Smaller firms and those in the production, wholesale/retail and hospitality sectors are less likely to express this obligation (Figure 4.2).

Adoption of mental health initiatives initially jumped at the height of the pandemic, from 44% to 52% and, eventually to 57% in 2024. In 2025, for the first time, we see a decline in the proportion of firms reporting the adoption of initiatives, to 50%. We also observe a persistent gap between attitude and action, although over the years this has narrowed. In 2020 pre-pandemic, 81% of firms felt they should adopt initiatives but only 44% had done so, making the gap 37%. Our 2025 data shows that 75% of firms feel they should act but only 50% have adopted initiatives, leaving the gap at 25%. This is an increase since 2024, suggesting a shift in underlying approaches and attitudes (Figures 4.3 to 4.5).

While a significant proportion of firms that have not adopted initiatives have traditionally told us that they would adopt them if they felt it necessary, over the years the data evidences a stubborn minority of around a fifth that report no future plans to do so (Figure 4.6). These are more likely to be the smallest firms and those in the production, construction and wholesale/retail sectors (Figure 4.7).

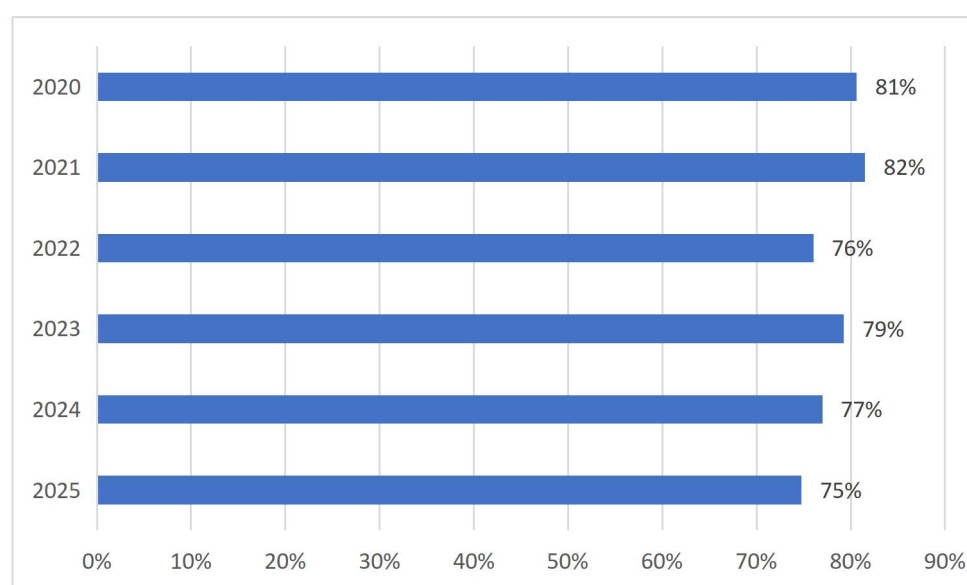
As in 2024 when we introduced a question about the catalysts for adoption of mental health initiatives, the 2025 data show that in firms of all sizes and in all sectors, engagement with mental health initiatives is most likely to be driven by individual managers with a personal training in, or experience of, mental health issues, followed by advice from HR (Figure 4.8). Firms of all sizes and in all sectors are much less likely to point to in-house evidence-driven motivations for the adoption of initiatives indicating that many firms are not using their own data to evaluate the extent of mental health challenges in their organisations. This is perhaps a missed opportunity to identify and manage these issues in a timely way.

We divide the initiatives into four groups – practice-based, strategic, investments in employee wellbeing and training and monitoring. Among those employers that have engaged, the adoption of practice-based initiatives to deal with mental health in the workplace has been and remains, very high, as shown in Figure 4.9. Conversely, we also see lower and stagnant or decreasing increasing uptake of strategic initiatives and investments in employee wellbeing, which require a greater financial commitment (Figures 4.10 and 4.11). This evidences consistently lower adoption of the more costly strategic and wellbeing-focused initiatives, particularly in the smallest firms, with 10 to 19 employees, and in firms in the production and wholesale/retail sectors. This is undoubtedly partly a function of resource constraints. But it may also reflect the absence of good quality evidence and support to guide firms in identifying and adopting the initiatives which will deliver the greatest payback for them. The adoption of training and monitoring initiatives remains stable Figure 4.12).

Around two fifths of firms evaluate the initiatives they introduce (Figure 4.13), with larger firms more likely to do so (Figure 4.14), and the outcomes they identify are overwhelmingly positive for both firm-level performance and employee wellbeing (Figure 4.15). Finally, we

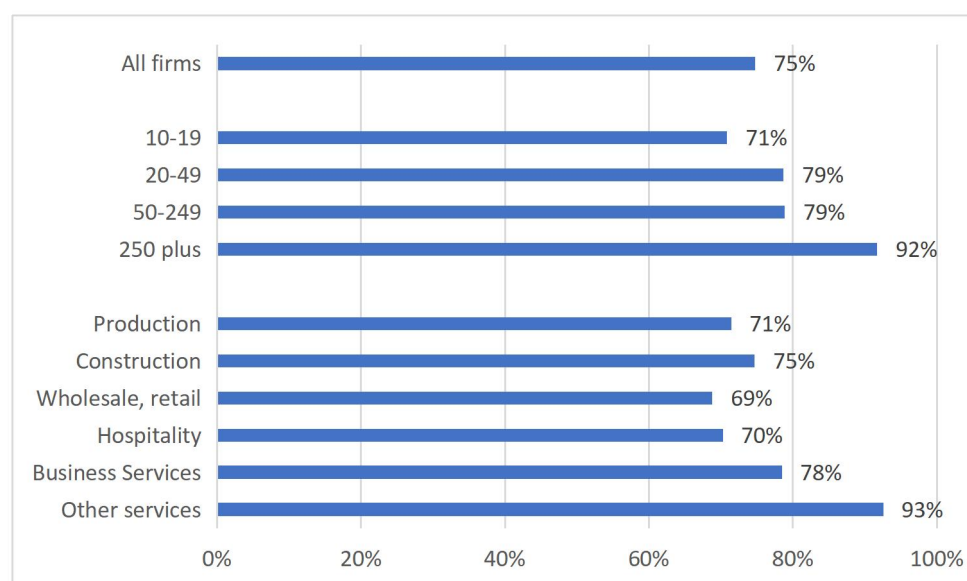
asked firms where they go for advice about mental health issues and, as for the past five years, the most popular answers were an HR consultancy and elsewhere within their organisation. Only 11% would approach a specialist mental health organisation. (Figures 4.16 & 4.17). Around 10% of firms say that they do not believe they need advice on mental health issues, and the smallest firms are the most likely to say this (Figure 4.18).

Figure 4.1 Proportion of firms disagreeing or strongly disagreeing that mental health issues should not be addressed in the workplace, all firms, 2020 to 2025



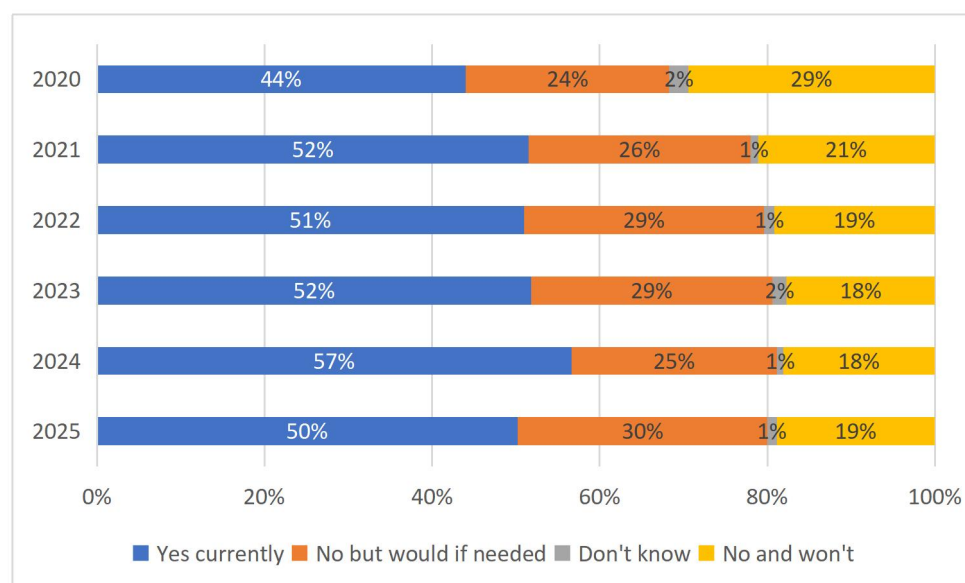
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.2 Proportion of firms disagreeing or strongly disagreeing that mental health issues should not be addressed in the workplace, by size and sector, 2025



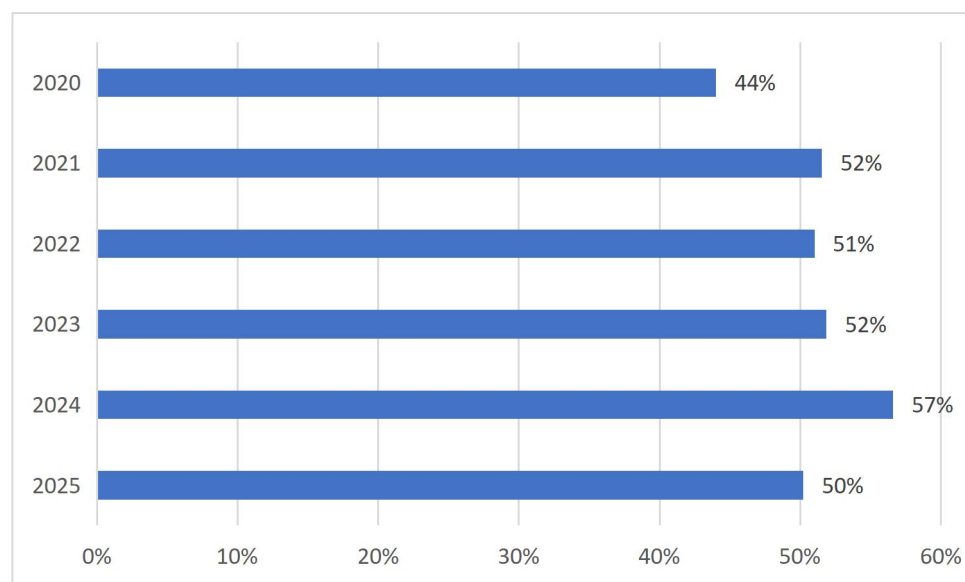
Base: 1226 firms

Figure 4.3 Firms' adoption or plans to adopt mental health initiatives, all firms, 2020 to 2025



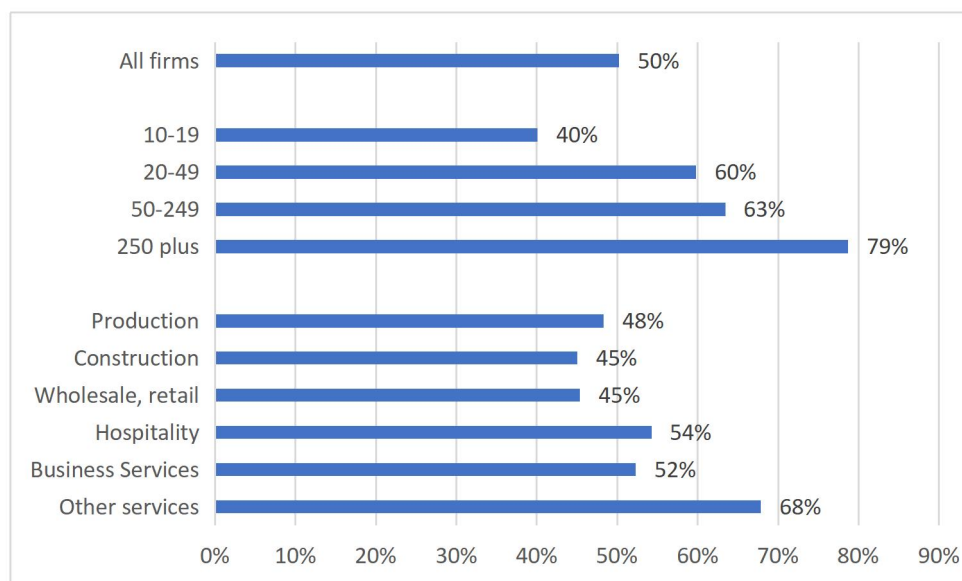
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.4 Proportion of firms adopting mental health initiatives, all firms, 2020 to 2025,



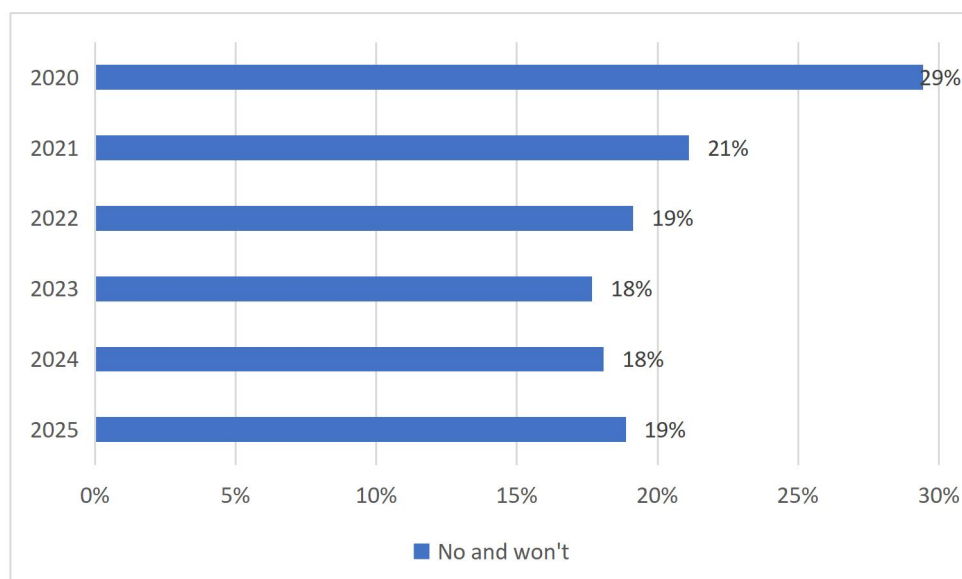
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.5 Proportion of firms adopting mental health initiatives, by size and sector, 2025,



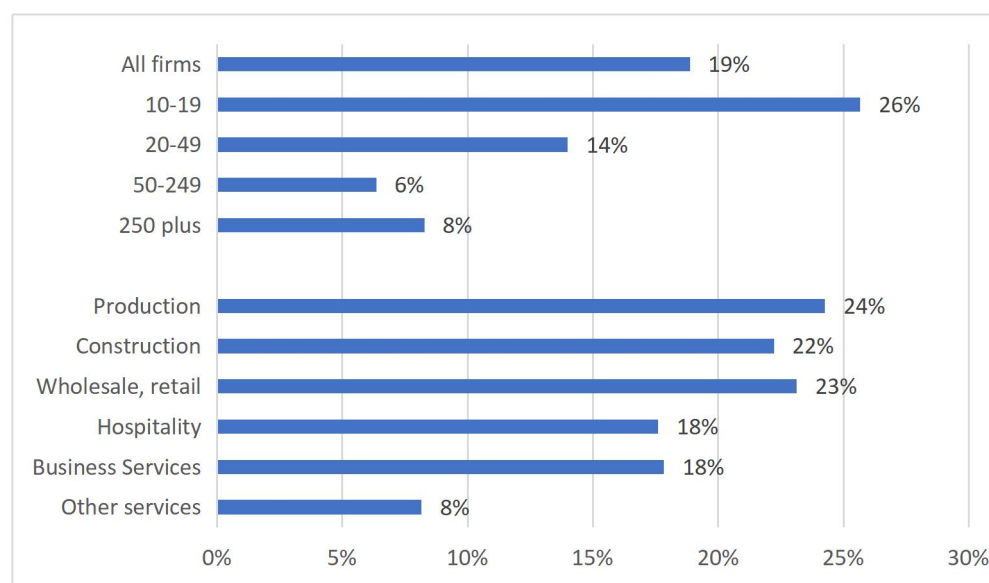
Base: 1226 firms

Figure 4.6 Proportion of firms with no initiatives and no plan to adopt them, all firms, 2020 to 2025



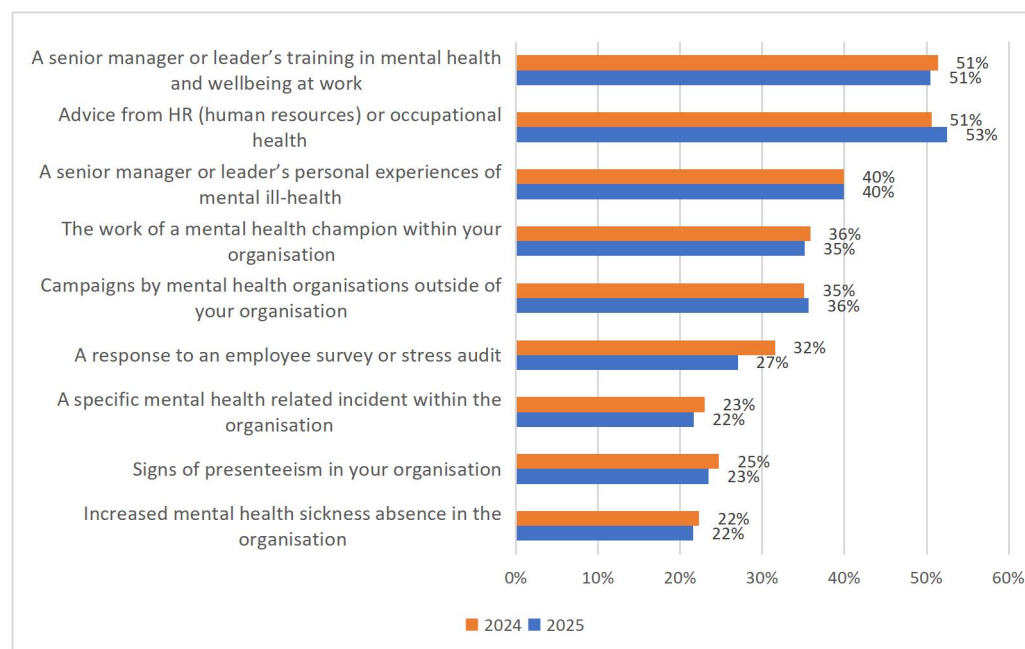
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.7 Proportion of firms with no initiatives and no plan to adopt them, by size and sector, 2025



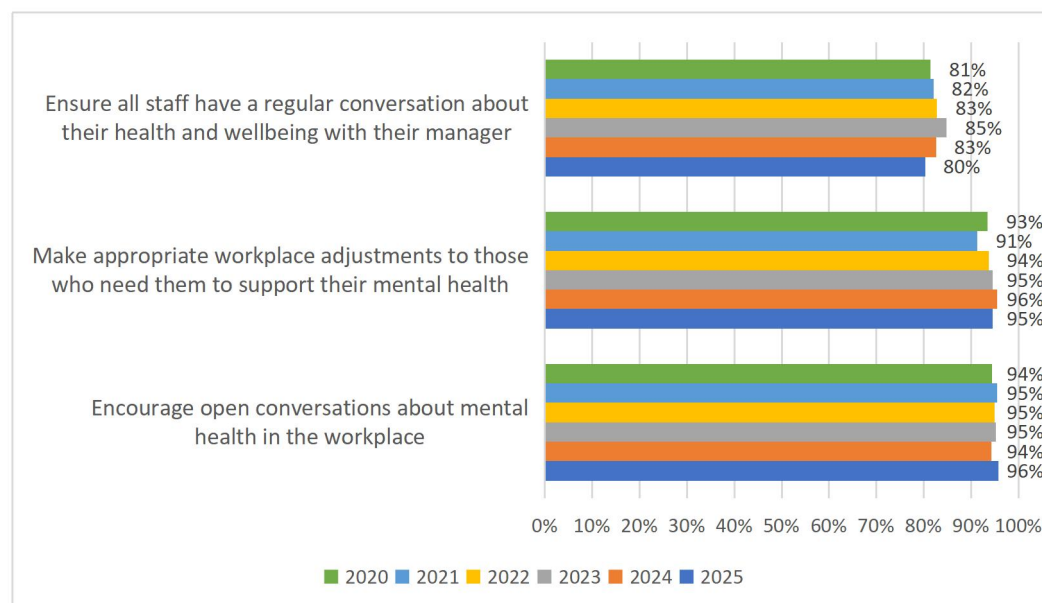
Base: 1226 firms

Figure 4.8 Catalysts for the introduction of mental health initiatives, all firms, 2024 & 2025



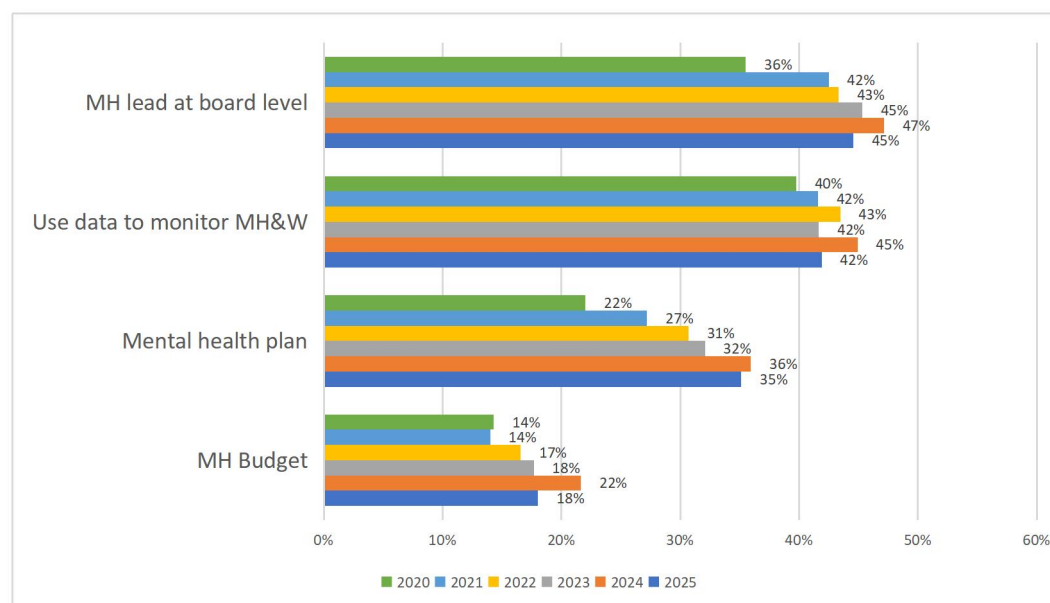
Base: 1053 firms in 2024, 628 in 2025

Figure 4.9 Firms adopting practice-based mental health initiatives, all firms, 2020 to 2025



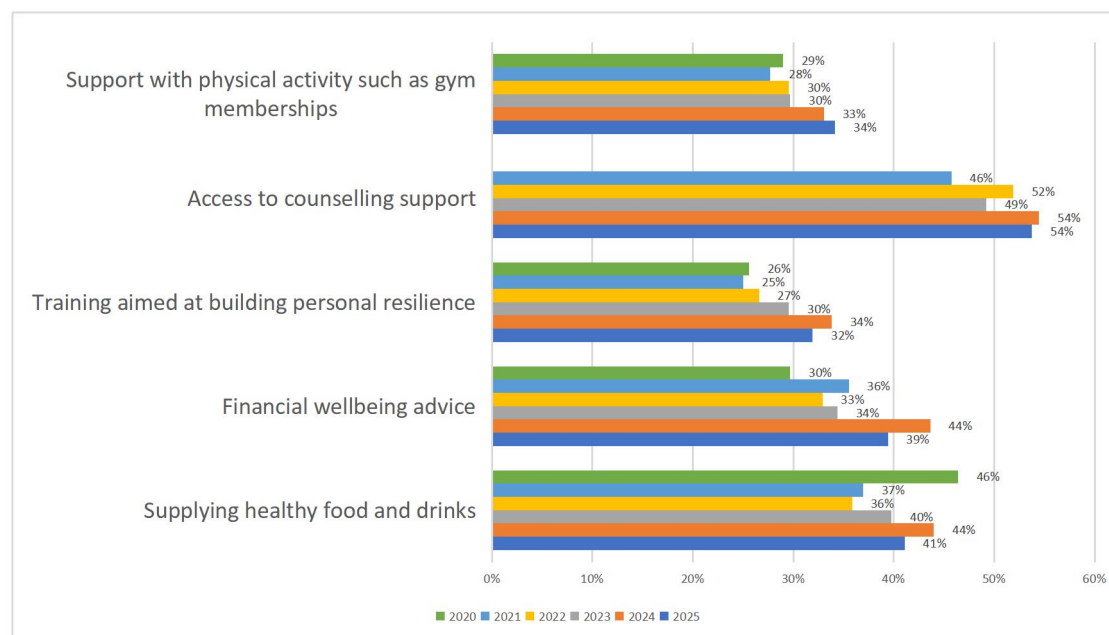
Base: 833 firms in 2020, 841 in 2021, 952 in 2022, 970 in 2023, 1053 in 2024, 628 in 2025

Figure 4.10 Proportion of firms adopting strategic mental health initiatives, all firms, 2020 to 2025



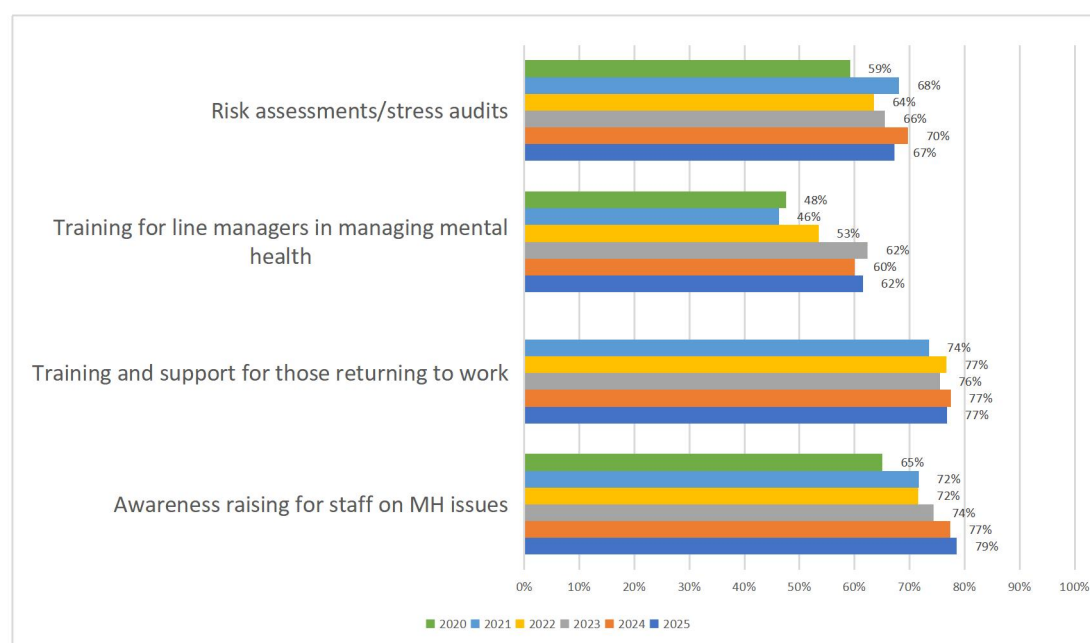
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.11 Proportion of firms adopting investment in wellbeing initiatives, all firms, 2020 to 2025



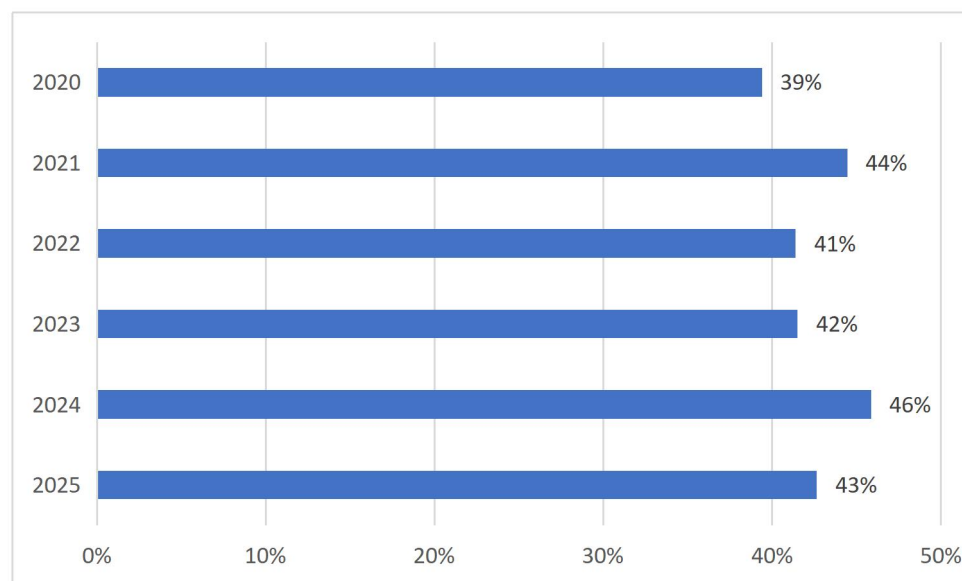
Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.12 Firms adopting training and monitoring mental health initiatives, all firms, 2020 to 2025



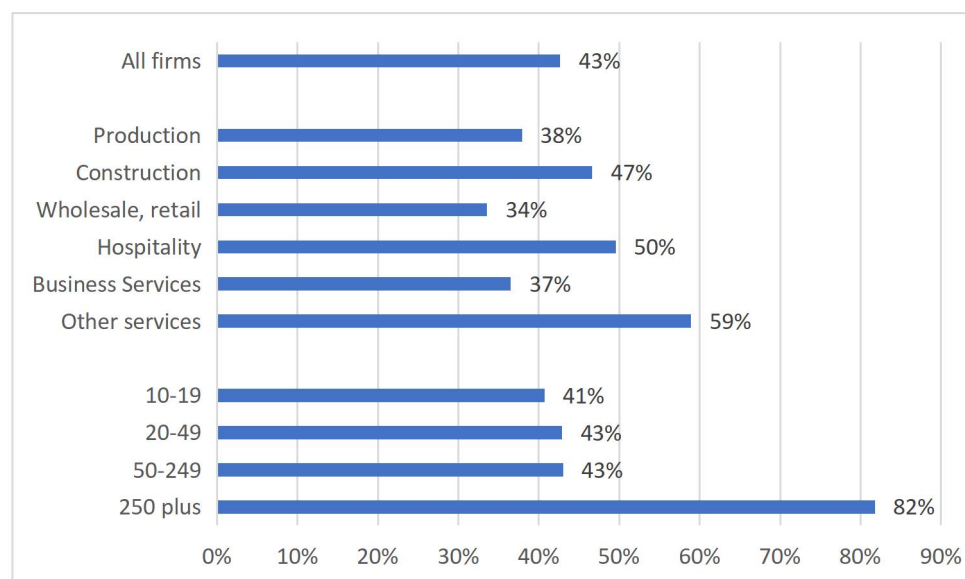
Base: 833 firms in 2020, 841 in 2021, 952 in 2022, 970 in 2023, 1053 in 2024, 628 in 2025

Figure 4.13 Proportion of firms that evaluate their mental health initiatives, all firms, 2020 to 2025



Base 1303 firms in 2020, 1135 in 2021, 1409 in 2022, 1379 in 2023, 1452 in 2024, 925 in 2025

Figure 4.14 Proportion of firms that evaluate their mental health initiatives, by size and sector, 2025



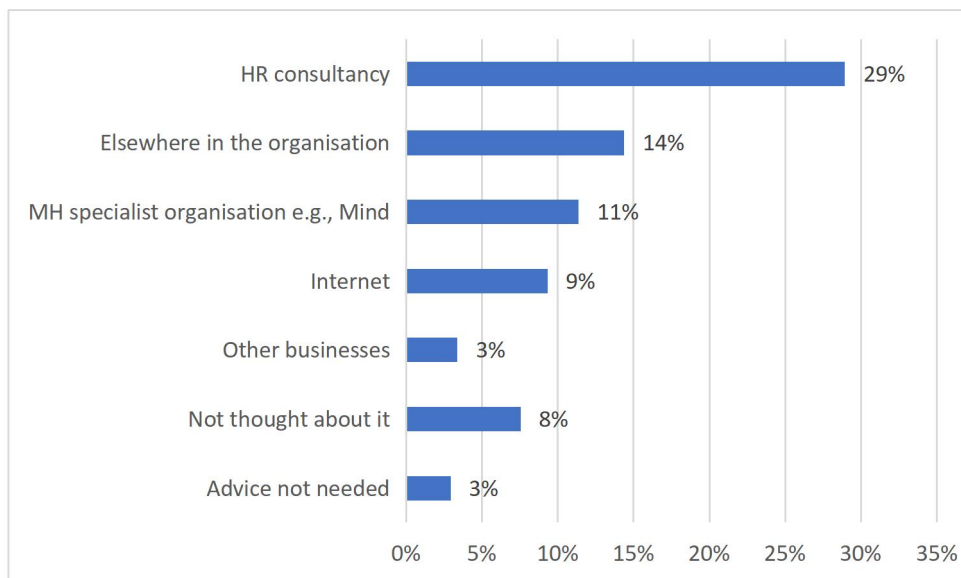
Base 1303 firms in 2020, 1135 in 2021, 1409 in 2022, 1379 in 2023, 1452 in 2024, 925 in 2025

Figure 4.15 Reported impacts of mental health initiatives, all firms, 2025



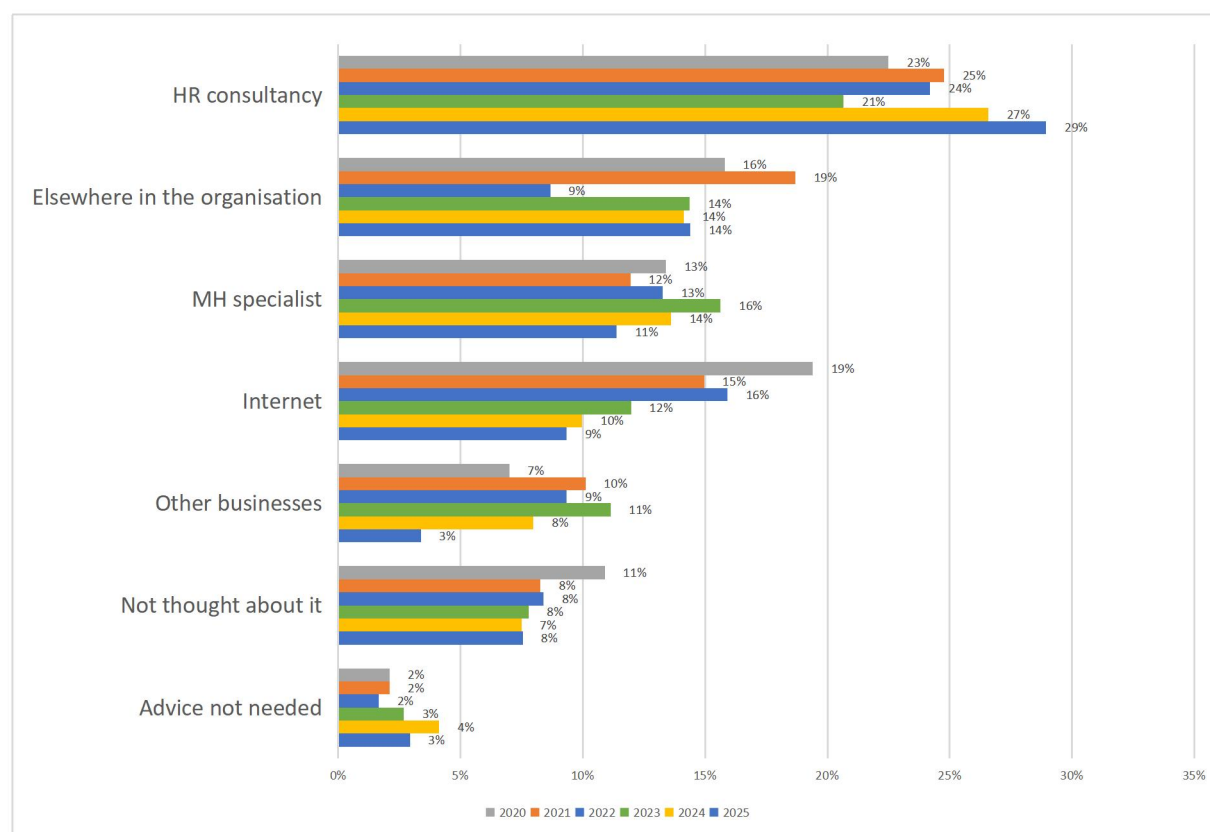
Base 1303 firms in 2020, 1135 in 2021, 1409 in 2022, 1379 in 2023, 1452 in 2024, 925 in 2025

Figure 4.16 Where firms tell us they go for advice on mental health, all firms, 2025



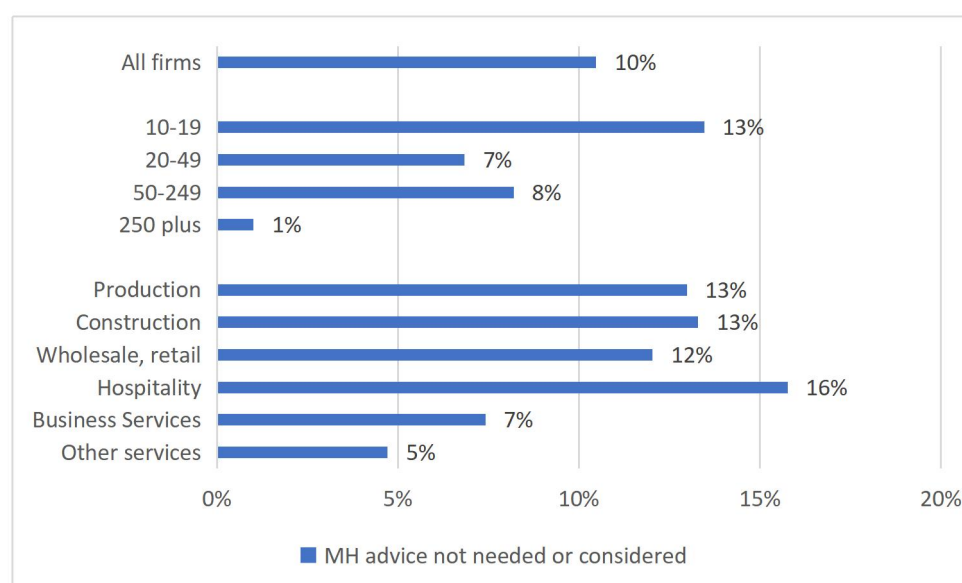
Base: 1226 firms

Figure 4.17 Where firms tell us they go for advice on mental health, all firms, 2020 to 2025



Base: 1899 firms in 2020, 1551 in 2021, 1904 in 2022, 1902 in 2023, 1901 in 2024, 1226 in 2025

Figure 4.18 Proportion of firms saying that mental health advice is not needed or considered, by size and sector, 2025

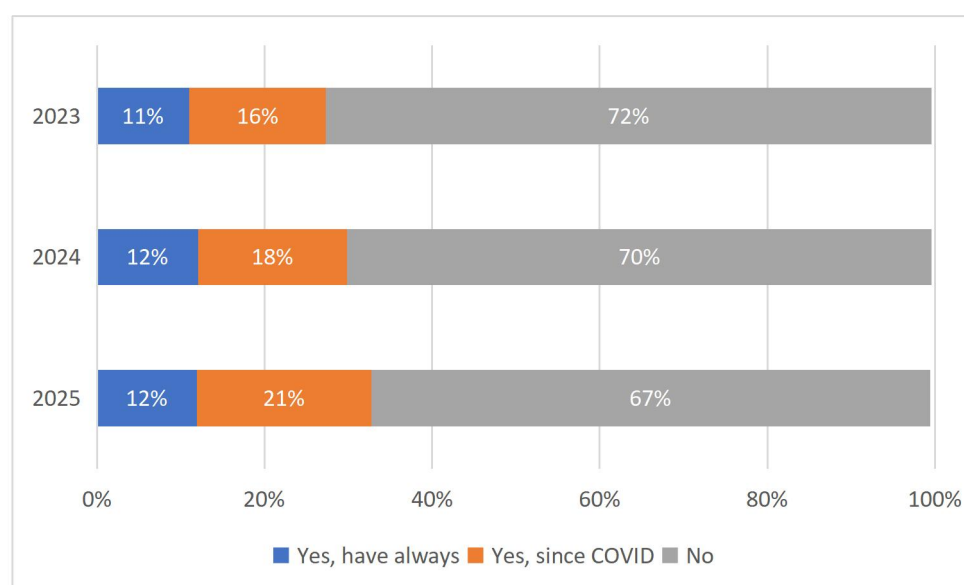


Base: 1226 firms

5. HYBRID WORKING

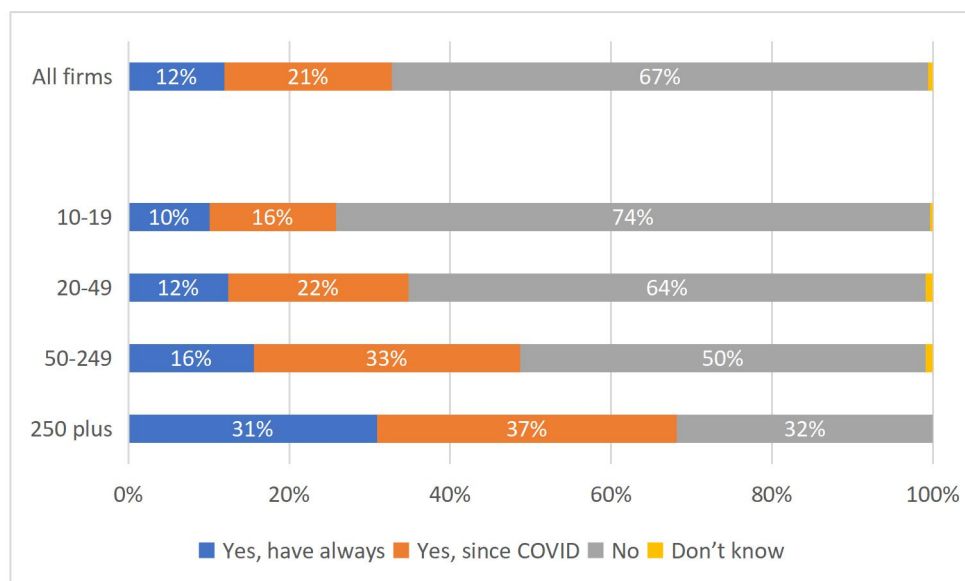
Hybrid working continues to grow and in 2025, 33% of firms reported some level of it, as shown in Figure 5.1. Hybrid working is more likely in larger firms (Figure 5.2) and the least likely – unsurprisingly – in hospitality firms (Figure 5.3). Three quarters of firms say that they encourage remote employees to maintain a good work-life balance (Figure 5.4) but the majority report doing so using informal methods (Figure 5.5). Given the potential negative consequences of remote working, including isolation, overworking and burnout, using a more structured approach may pay dividends. The growth in remote working has come alongside increased levels of presenteeism and although this is currently an under researched area, it is possible that the two are linked and associated with difficulties psychologically disengaging from work in a home environment. Although more than 70% of firms report that remote working makes employees happier, they also identify a range of negative consequences including negative impacts on teamworking and supervision, and the challenges of isolation (Figure 5.6).

Figure 5.1 Proportion of firms with some level of remote working, all firms, 2023 to 2025



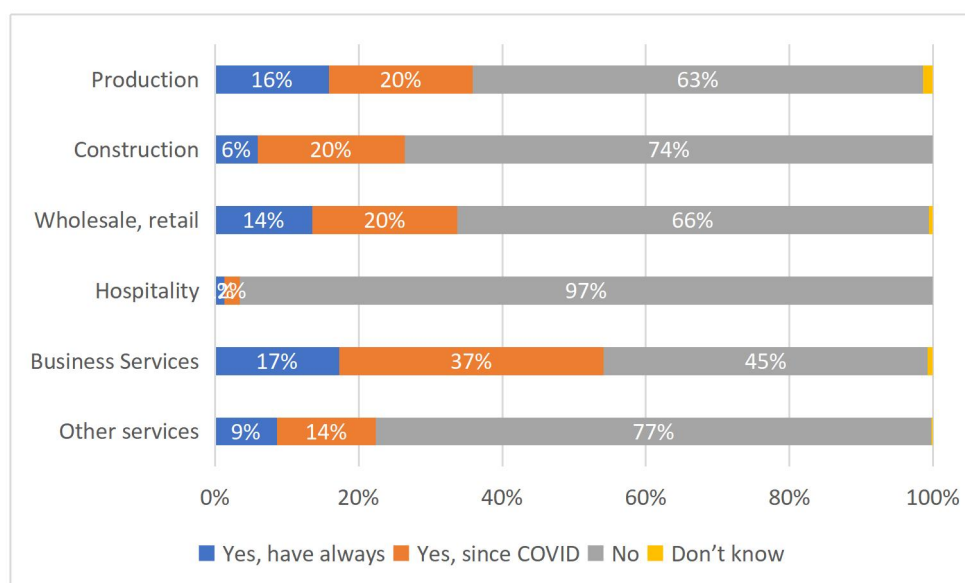
Base: 1902 firms in 2023, 1901 in 2024, 1226 in 2025

Figure 5.2 Adoption of remote working, by firm size, 2025



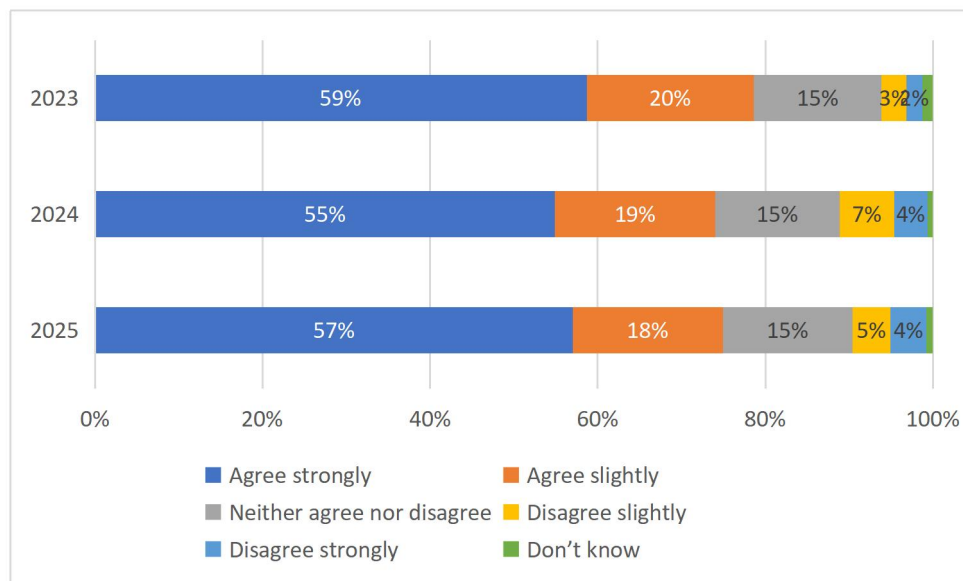
Base: 1226 firms

Figure 5.3 Adoption of remote working, by sector, 2025



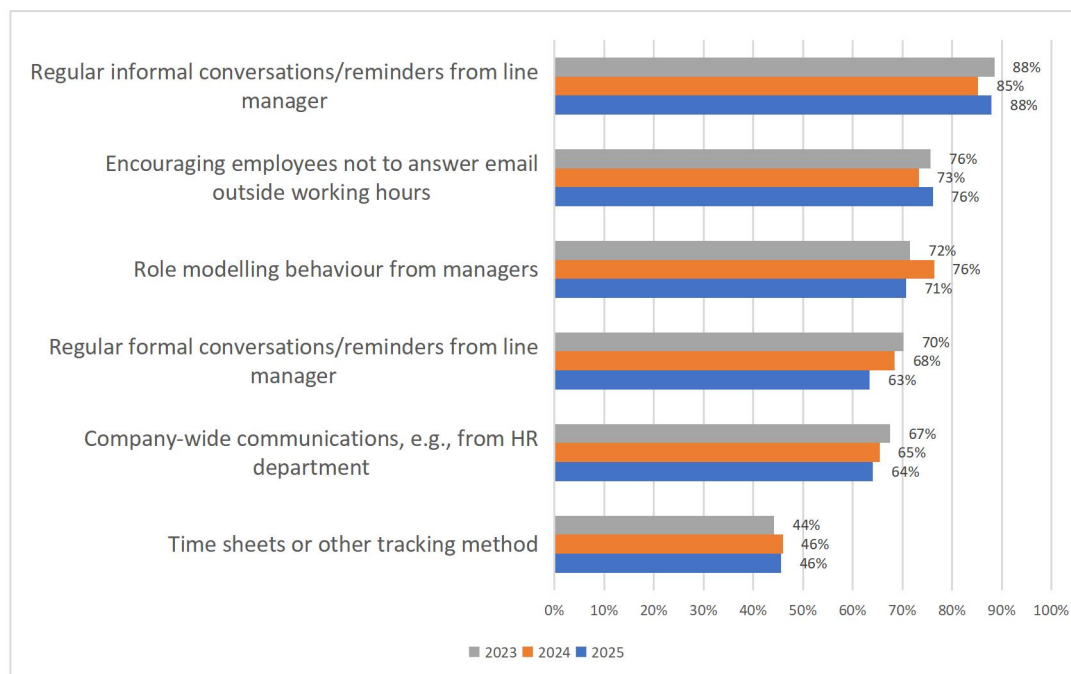
Base: 1226 firms

Figure 5.4 Proportion of firms agreeing that they encourage remote employees to maintain a work life balance, all firms, 2023 to 2025



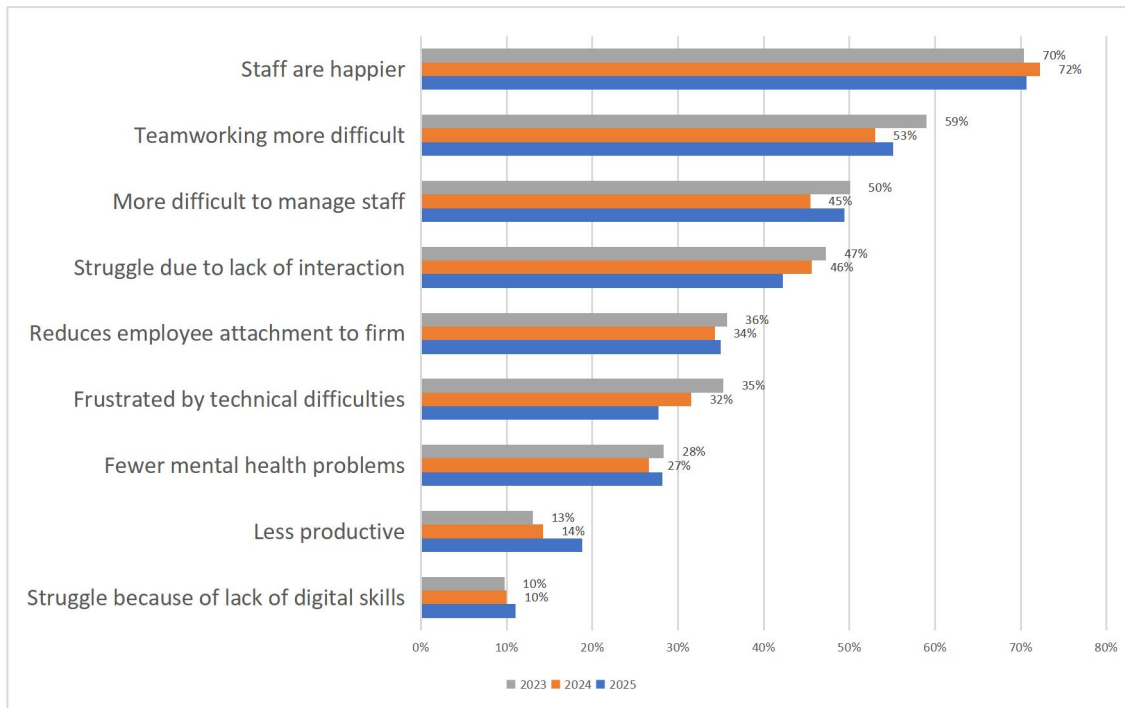
Base: 565 firms in 2023, 604 in 2024, 414 in 2025

Figure 5.5 Ways in which firms encourage a good work life balance for those working remotely, all firms, 2023 to 2025



Base: 438 firms in 2023, 445 in 2024, 314 in 2025

Figure 5.6 Reported effects of remote working, all firms, 2023 to 2025



Base: 565 firms in 2023, 604 in 2024, 414 in 2025

6. SUMMARY

Levels of mental health sickness have fluctuated since the pandemic, falling back initially then rising slowly, but they have yet to regain pre-pandemic levels. We see differences in data capture and reporting of sickness levels, with larger firms more likely to have formal systems in place and the smallest much less likely to do so. This may explain why small firms are less likely to report mental health related sickness. Firms in the production, construction, wholesale/retail and hospitality sectors also report lower levels of mental health sickness, probably reflecting workforce differences including lower-skilled jobs in production, more self-employed workers in construction, who may be reluctant to take sickness absence, and a greater proportion of zero-hours and temporary workers in hospitality and retail who may feel the need to 'job protect'.

While overall levels of mental health sickness are lower now than six years ago, and the proportion of firms reporting long-term mental health absence is largely unchanged, by contrast more firms are now reporting repeated mental health absences. The largest firms are most likely to report repeated mental health sickness absence, perhaps reflecting the likely presence of formal monitoring of sickness absence. But we highlight in particular construction firms which are substantially more likely to report repeated mental health sickness absence than firms in any other sector. This may reflect a unique combination of high-stress environments, job insecurity long hours and a traditional reticence to disclose mental health challenges. They are also more likely than firms in any other sector to say that mental health absence affects their business. Construction firms do not report higher levels of repeated general sickness absence, indicating that mental health issues are a particular challenge in this sector.

Presenteeism almost halved at the start of the pandemic but it rebounded dramatically in 2023 and has remained elevated ever since. Increased remote working undoubtedly encouraged working when unwell, and the UK cost of living crisis during 2021 and 2022 may have driven job-protecting behaviours including working extra hours, as a way of securing employment in a challenging market⁶. We also suggest that the continued rise in hybrid working may be contributing to increased levels of presenteeism, as employees can struggle to psychologically detach from work when working at home, driving longer hours and more working when unwell. The rise in presenteeism is seen in firms of all sizes and in all sectors, which points to broader macro- environmental factors rather than specific industry or firm size issues.

Although most (75%) of firms believe that they have responsibilities in respect of employee mental health, there is a substantive and persistent gap between attitude and action, with only half actually having any initiatives in place. Moreover, while a further 30 per cent firms say that they would adopt initiatives, if necessary, around 20% consistently report no plans to act. The smallest firms and those in the production, construction and wholesale/retail sectors are the most likely to have no plans to adopt initiatives. More firms adopted mental health initiatives in the wake of the pandemic, but uptake has decreased in 2025. Half of firms report that they have mental health initiatives of some kind in place, but this is at its lowest level since before the pandemic. The smallest firms and those in the production, construction and wholesale/retail sectors are the least likely to have mental health initiatives

in place. These are also the firms that are most likely to say they have no plans to adopt initiatives in the future, and they are the lowest reporters of mental health absences (along with hospitality firms). Overall, this suggests a lower level of focus on, and engagement with, mental health issues in this group of firms. As we have observed throughout our six years of data collection, firms of all sizes and in all sectors rely more on low-cost practices to manage mental health issues. As we have previously reported, this can be detrimental to the line managers who are charged with doing the managing, often without much, if any, training⁷.

The increase we observe in hybrid working is apparent in all sectors, apart from hospitality which clearly depends on face-to-face working. Three quarters of firms with hybrid working say they encourage a good work-life balance for remote employees, but there is still a strong reliance on informal methods of doing this. Although the majority of firms report that remote working makes employees happier, they also identify a range of negative consequences including negative impacts on teamworking and supervision, and the challenges of isolation.

⁷ <https://www.enterpriseresearch.ac.uk/supporting-line-managers-during-challenging-times/>



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