

## Businesses talk a good game on mental health – but half take no action

A stark disconnect between rhetoric and reality on workplace mental health has been revealed in a major new study of Midlands firms, with only half of businesses offering any support despite widespread acknowledgement of its importance.

The annual survey of over 1,000 companies by the Enterprise Research Centre (ERC), based at Warwick Business School, found that while three-quarters of firms say they have a responsibility to support employee mental health, just 50 per cent have any initiatives in place. That figure is the lowest since before the pandemic.

Worryingly, around 20 per cent of firms say they have no plans to introduce mental health support at all.

Professor Stephen Roper, who led the research, said:

“There’s a clear mismatch between what businesses say about mental health and what they actually do. The evidence shows poor mental health is damaging not just for individuals, but for productivity and business performance. Employers can’t afford to ignore it.

“We need a collective push – from government, business leaders and mental health organisations – to break the stigma and move from talk to meaningful action.”

The findings also highlight a significant gap by firm size, with smaller businesses much less likely to implement mental health initiatives. This suggests more tailored support is needed to help SMEs engage with the issue.

Nearly half of firms reporting mental health-related absence also said it had a negative impact on their operations. This increases to 56 per cent in the smallest firms. The study also uncovered signs of persistent presenteeism – which refers to staff working while unwell.

The report urges employers to make wellbeing a core part of job design and workplace culture, and calls for industry-specific strategies – particularly in sectors with lower rates of mental health support and higher rates of insecure or low-skilled jobs.

Professor Roper added:

“We see clear differences by sector, and there are warning signs in areas where jobs are more precarious. Long-term mental health issues are more likely where workers have low control or little support.

“By understanding these patterns, we can design more targeted interventions – and ensure mental health support reaches the people and sectors that need it most.”

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### Notes to editors

The full report, *Workplace Mental Health in Midlands Firms 2025*, is available here:

<https://www.enterpriseresearch.ac.uk/publications/what-have-six-years-of-employer-surveys-on-workplace-mental-health-taught-us/>

This research is part of an ongoing ERC programme on mental health and productivity, funded by the Economic and Social Research Council (ESRC). About the Enterprise Research Centre:

The ERC is the UK’s leading independent research institute on productivity and innovation in SMEs, funded by the ESRC, Department for Business and Trade, Innovate UK, the Intellectual Property Office, and the British Business Bank.

The Centre is led by Professors Stephen Roper, Mark Hart, and Dr Vicki Belt of Warwick Business School.