Mental Health At Work: The Benefits Gap And How To Close It

A Global Study On The Shifting Expectations And Effectiveness Of Workplace Mental Health Benefits

A FORRESTER CONSULTING THOUGHT LEADERSHIP PAPER COMMISSIONED BY SPRING HEALTH, MAY 2025



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Executive Summary

The global workforce is under intensifying strain. Economic uncertainty and global instability are driving heightened stress among employees. Burnout is a business risk that impacts retention, productivity, and financial performance, yet mental and behavioral health remain critical challenges for employers.

Employee needs are also shifting and traditional solutions aren't keeping pace. This presents a complex challenge for HR and benefits leaders: how to deliver mental health support that meets evolving employee and C-suite expectations.

To explore how organizations are responding, Spring Health commissioned Forrester Consulting to survey 1,074 employers and employees across the US, Latin America, and Europe in late 2024 and early 2025.

Survey respondents were employed at small to midsize (1,000 to 19,999 employees) and large (20,000+ employees) companies. Employers included directors, vice presidents, and C-level executives with influence on their organization's employee benefits strategy. Employees included managers, project managers, and full-time practitioners.

The findings highlighted critical gaps — and major opportunities. Although employers recognize mental health's role in recruitment and retention, many of their solutions to address it fall short.

As mental health needs become more complex, employers must reimagine their strategies and invest in personalized, tech-enabled care with measurable outcomes. Those who do will be best positioned to build resilience and achieve their business goals.



Key Findings

Employee stress is rising — and legacy solutions are falling short.

Nearly half (44%) of employees reported being more stressed than five years ago, driven by financial pressure (56%), workload stress (44%), and work-life balance challenges (44%). These stressors are eroding their wellbeing and productivity.

Engagement with current offerings remains low. Despite increased investment, only 55% of employees said they were very or extremely likely to use their employer-provided benefits, and 74% reported feeling only moderately supported at best.

Affordability and access are ongoing barriers. More than half of surveyed employees cited cost as a key challenge in accessing care, compounded by confusion around benefits access and skepticism about their effectiveness.

Traditional employee assistance programs (EAPs) are declining in relevance. Although 45% of surveyed employees said traditional EAPs are important, only 30% considered them ideal. Employers expect EAP reliance to drop from 45% to 38% over the next three years.

Smaller organizations show early agility in benefits design. Surveyed employees at small to midsize companies were more likely to engage with benefits (58% versus 49%) and reported higher satisfaction. These companies were also more proactive in expanding high-acuity care.

Technology and data-driven care are gaining traction. Employers reported investment shifts toward centralized, personalized care experiences, with emerging priorities of leadership training, digital access, and outcome tracking.

Current State

The demand for mental healthcare has reached a new inflection point. Employers across regions and industries are seeing a rising need for mental and behavioral health support — not only from employees but also from their employees' families and dependents.

Workplace burnout, economic insecurity, and global uncertainty have created a complex landscape for care. While employers increasingly acknowledge mental health as a business priority, the infrastructure to support these needs has not kept pace. Many organizations continue to rely on EAPs and fragmented benefits models, which are not designed to address evolving preferences for specialized, seamless care.

Engagement patterns reflect this misalignment. Just over half of the employees surveyed expressed confidence in using their current benefits, and a significant majority said they feel only moderately supported at best. Employees are navigating high stress without clear pathways to care, and many are unsure about the value or accessibility of available offerings.

FIGURE 1

Top Employee Stressors

Overall, the top stressors impacting employees include:



56% Financial stress



44%Work-related stress



44%Work-life balance

Base: 488 employees who participate in their organization's employee benefits Source: Forrester's 2025 Mental And Behavioral Health Benefits Survey

At the same time, employers are recognizing that comprehensive mental health benefits play a crucial role in talent strategy. Eighty-six percent of surveyed employees said an employer's mental health offerings would influence their decision to accept a job. For many HR leaders, this is no longer just a wellbeing issue; it's a driver of attraction, retention, and performance.

Organizations are beginning to recalibrate. In the next 12 months, many plan to consolidate underperforming programs, prioritize leadership training and preventive care, and adopt tools that streamline the member experience. Over a three-year period, surveyed employers expect to reduce their number of distinct mental health offerings and invest more strategically in those that show measurable value.

This shift is most evident in the growing interest in tech-enabled solutions and centralized care models. Surveyed employers want tools that help employees access care quickly, understand their options, and receive tailored support. By investing in outcomes instead of check-the-box programs, forward-looking organizations are redefining what effective mental health support looks like.

Challenges

EMPLOYERS ARE BALANCING RISING NEEDS WITH LIMITED RESOURCES

Employers face a difficult balancing act: supporting rising mental health needs while managing constrained benefit budgets. Even as their stress levels climb, 54% of surveyed employees cited affordability as a barrier to accessing care. At the same time, employers reported high costs and budget limitations as their top challenges in offering behavioral health benefits.

Despite growing demand, utilization remains inconsistent. Only 55% of employees reported being very or extremely likely to use the offerings available to them. And although many organizations are investing more in mental health resources, only a minority of employees feel well supported. A significant majority (74%) said they feel moderately supported, at best.

Adding to the challenge is employee uncertainty. Many surveyed workers were unsure where to begin, unclear about what their benefits cover, or skeptical about effectiveness. These gaps in communication and education further hinder access and engagement.



A significant majority (74%) said they feel moderately supported, at best.

ONE SIZE DOES NOT FIT ALL: COMPANIES FACE DIFFERENT ACCESS CHALLENGES

Employee mental health needs vary across company size, and so do the strategies employers use to meet them. Smaller organizations often benefit from operational agility, which allows them to rapidly test and refine new benefit offerings. Larger enterprises, meanwhile, are navigating a more complex path: aligning mental health solutions to scale, integrating across systems, and serving diverse and dispersed workforces.

Enterprise employer respondents are taking meaningful steps to evolve their approach. Many are reevaluating legacy systems, prioritizing inclusivity, and investing in integration that makes personalized care more accessible to their employees. With these shifts, large organizations are uniquely positioned to lead systemic, companywide change that can deliver impact at scale.

Survey data suggests important differences in engagement levels across organization size. Employees at small to midsize companies reported higher engagement with mental health offerings (58%) compared to those at large enterprises (49%). These smaller firms were also more likely to plan near-term investments in high-acuity support (42% versus 34%). This relative flexibility has allowed some to act quickly in response to shifting employee needs.

However, enterprise employers are also adapting, often under more scrutiny with more stakeholders and far-reaching implications. As they refine their benefits strategies, large organizations are increasingly focused on structured transformation: consolidating offerings, enhancing leadership training, and embedding mental health into the employee experience.

There is also an opportunity to better align perception with reality. For example, although 54% of surveyed employees across all organizations cited cost as a barrier to access, large employers were somewhat less likely to identify affordability or stigma as top challenges, despite employee data suggesting otherwise. This gap highlights the need for stronger listening mechanisms, real-time feedback loops, and continuous dialogue between leadership and the workforce.

Solutions And Benefits

EAPS DECLINE AS HIGH-ACUITY AND TECH-ENABLED CARE GAIN GROUND

Employee sentiment and employer roadmaps point to the same conclusion: Traditional EAPs are losing relevance. While 45% of surveyed employees said their employer currently offers traditional EAPs, only 30% said they're ideal. Over the next three years, surveyed employers expected to decrease their reliance on traditional EAPs from 45% to 38%.

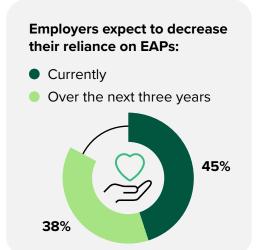
In their place, organizations are expanding access to high-acuity care — services that meet more complex and urgent needs. Employers also reported increased investment in tools that centralize the member experience, reduce friction, and provide measurable outcomes. These shifts reflect a broader move from reactive to proactive care.

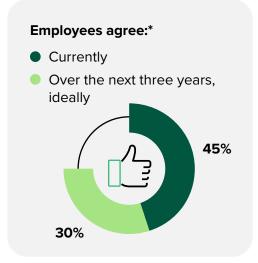
TECHNOLOGY IS ESSENTIAL FOR MENTAL HEALTHCARE TO SCALE

Small to midsize companies offer a glimpse of what's possible when care delivery is nimble and closely aligned with employee needs. For enterprise organizations, the path forward involves scaling these insights through structured transformation backed by data, leadership alignment, and the right technology partner.

FIGURE 2

Enterprise Use Of EAPs Over Time





Base: 586 employers with influence over their organization's employee benefits *Base: 488 employees who participate in their organization's employee benefits Source: Forrester's 2025 Mental And Behavioral Health Benefits Survey Larger employers are now translating these agile models into enterpriseready strategies, demonstrating that innovation is not just possible at scale, but powerful.

LEADERSHIP PRIORITIES ARE EVOLVING UNEVENLY

Employers are beginning to recognize the value of personalized, outcomedriven care. Many of those surveyed planned to reduce underutilized offerings and refocus their resources on programs that deliver clear value. Over the next 12 months, their top priorities include:

- Investing in centralized digital tools.
- Expanding high-acuity and preventive care.
- Strengthening leadership training and communication.

Still, gaps remain — particularly at the executive level. Although employees expressed desire for more personalized and accessible care, C-level responses indicated a continued emphasis on legacy offerings. This disconnect underscores the need for leadership to align more closely with employee expectations and experiences.

Organizations that take a strategic approach — grounded in employee data, clear outcomes, and digital enablement — are best positioned to build resilient, healthier workforces.

The Employer-Employee Disconnect

Despite shared goals, a measurable disconnect remains between what employers think they're providing and what employees experience.

Many organizations are expanding benefits and investing in mental health initiatives. However, employee feedback indicates that these efforts often fall short of expectations. Sixty-six percent of employees who reported that their leadership actively fosters a culture of mental wellbeing also felt supported by behavioral health offerings; however, only 49% of employees who said their company had not made that cultural investment felt the same.

FIGURE 3

Mental Health Support Within A Culture Of Wellness

"I feel supported by my employer's mental and behavioral health offerings." Employees who said their leadership HAS invested in a culture of mental wellness:



66% feel supported

Employees who said their leadership HAS NOT invested in a culture of mental wellness:



49% feel supported

Base: 488 employees who participate in their organization's employee benefits Source: Forrester's 2025 Mental And Behavioral Health Benefits Survey

This disconnect is particularly stark at the leadership level. When asked about the programs they plan to prioritize, C-level executives often cited continued use of legacy tools like EAPs and flexible work arrangements.

Meanwhile, surveyed employees favored more targeted interventions such as specialized care access, proactive communication, and leadership training that addresses burnout and mental health literacy.

Even when companies implement programs, the uptake is uneven. Among larger companies, just 56% offer mental wellness screenings compared to 67% of small to midsize companies. Screenings are a critical entry point to more aligned care, yet adoption remains inconsistent.

Stigma And Equity: Barriers That Still Stand

Although awareness of mental health importance has grown, stigma and inequity remain major obstacles to care. Many surveyed employees said they hesitate to use the benefits available to them due to fear of judgment, confidentiality concerns, or uncertainty about how it may affect their careers.

This hesitancy is especially true in larger organizations, where 9% more employees than at midsize companies cited stigma as a barrier. Meanwhile, those surveyed at large employers were 4% less likely to acknowledge stigma as a challenge in the first place, highlighting a blind spot that could undermine engagement efforts.

Cultural, geographic, and role-based differences further complicate the picture. For example:

- Fifty-six percent of European employees cited stigma as a major concern, compared to 48% in Latin America and 49% in North America.
- Frontline workers and "sandwich generation" employees (caring for both children and older relatives) were among the least likely to engage with mental health benefits.
- Employees in Latin America were the most likely to say they don't fully understand mental health, pointing to foundational education gaps.

These are solvable problems — but only if employers take a tailored approach.

FIGURE 4

When asked what stops them from accessing care, employees cited:



35%Uncertainty about effectiveness



35% High cost



29% Lack of personalized experience



29% Stigma and privacy concerns

Base: 488 employees who participate in their organization's employee benefits Source: Forrester's 2025 Mental And Behavioral Health Benefits Survey

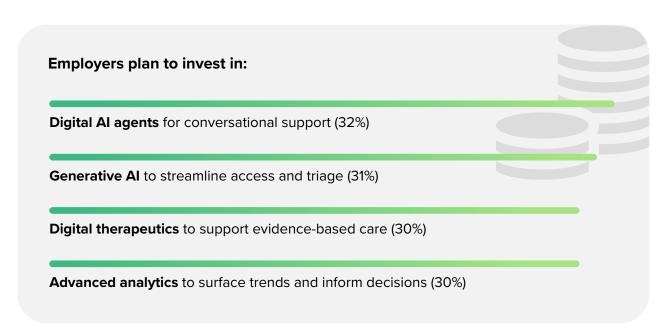
Tech, Data, And The Shift Toward Measurement-Based Care

Employers increasingly recognize that outcomes, and not just access, must guide mental health investments. Yet nearly half of respondents' organizations still rely on reactive metrics, such as the number of crisis incidents, to assess effectiveness.

Forward-looking employers are moving toward measurement-based care to track real-time data on outcomes, satisfaction, and time to recovery. This shift enables organizations to improve the employee experience and the business value of care.

As organizations aim to scale access and personalize care, emerging technologies are playing a central role.

FIGURE 5



Base: 586 employers with influence over the organization's employee benefits Source: Forrester's 2025 Mental And Behavioral Health Benefits Survey

These tools help employers transition from fragmented programs to coordinated ecosystems that meet employees where they are across digital, virtual, and in-person touchpoints.

However, employers must also navigate practical barriers. Common challenges to tracking performance include:

- Budget limitations.
- Data fragmentation across providers.
- Lack of integration across health and disability systems.

To overcome these issues, employers need strong partnerships with mental health vendors who can unify data, offer longitudinal insights, and demonstrate ROI.

Key Recommendations

In today's world, uncertainty and rapid change are unavoidable. Employees need stability and assurance that their employer is listening and taking proactive steps to support their healthcare needs. To address these challenges, employers must take decisive actions to support their workforce and their workforce's families.

Forrester's in-depth survey of employers and employees about mental health yielded several important recommendations:

Offer more personalized coverage. Traditional health plans leave gaps. Fill them with flexible, embedded mental health options tailored to employee needs. The future of health insurance points to deeper personalization, allowing consumers to shop for their own plans and increase coverage in key areas.

Prioritize financial support to help alleviate economic uncertainty for employees. Consumers already struggle to find affordable health insurance, and 52% of healthcare practitioners cite treatment costs as the main barrier to patient engagement. With tighter benefits budgets, employers must choose mental health partners that show proven engagement, measurable outcomes, and financial impact to reduce the cost of care avoidance.

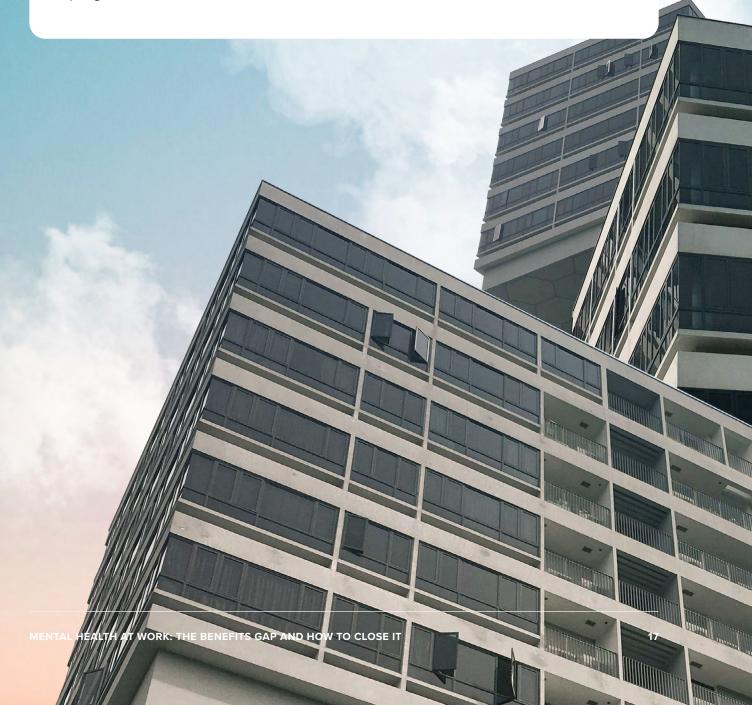
Invest in preventive care to mitigate unsustainable spending and future crises. Respondents are taking steps to adjust how they approach and manage their mental health. Regular mental health screenings improve early detection, boost outcomes, and reduce long-term healthcare costs.

Track real, long-term outcomes with longitudinal health data. The digital health landscape is flooded with options, and not all are created equal. While utilization and adoption are easy to measure, bending the cost curve requires proven outcomes. Find a benefits partner that champions longitudinal data and transparency, demonstrating that people get better, faster.

Choose a solution that integrates Al for precision at scale and unlock

savings. Invest in organizations offering technology that leverages AI to improve diagnosis, treatment precision, and clinician efficiency without sacrificing care quality. Find a benefits partner that has a clear vision for the future and is acting now to futureproof its business.

Take stigma seriously and act with precision. While the cultural conversation has changed around mental health, our study still shows a sizable gap. Generic awareness efforts aren't enough; deploy targeted education and programs that remove barriers to care.



Appendix A: Methodology

In this study, Forrester conducted an online survey of 1,074 employers and employees with access to mental and behavioral health benefits in North America, EMEA, and Latin America to evaluate trends in the availability and use of mental health benefits. Survey participants included benefit decision-makers and the employees that received those benefits. Respondents were offered a small incentive as a thank-you for time spent on the survey. The study began in December 2024 and was completed in January 2025.

Appendix B: Demographics

GEOGRAPHY	
Argentina	2%
Brazil	3%
Canada	15%
Chile	2%
Colombia	2%
France	4%
Germany	4%
Ireland	3%
Mexico	2%
Paraguay	1%
Peru	2%
United Kingdom	5 %
United States	53 %
Uruguay	2%

REGIONS	
North America	68%
Latin America	16%
Europe	16%

DEPARTMENT	
Finance/accounting	36%
Human resources/training	31%
IT	11%
Marketing/advertising	9%
Operations	9%
Sales	5%

INDUSTRY	
Consumer product goods and/ or manufacturing	4%
Education	12%
Energy, utilities, and/or waste management	4%
Financial services/banking	15%
Healthcare	13%
Insurance	11%
Technology/tech services	15%
Manufacturing and materials	13%
Retail	14%

NUMBER OF EMPLOYEES	
1,000 to 4,999	41%
5,000 to 19,999	35%
20,000 or more employees	24%

ROLE LEVEL	
C-level executive	11%
Vice president	19%
Director	24%
Manager	29%
Project manager	9%
Full-time practitioner	7 %

Note: Percentages may not total 100 due to rounding.

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

<u>The Seven Trends That Matter For US Health Insurers In 2025</u>, Forrester Research, Inc., April 18, 2025.

<u>The Top Five Trends For US Health Insurers In 2024</u>, Forrester Research, Inc., February 20, 2024.

Appendix D: Endnotes

¹ Source: <u>Consumer Buyer Journey Survey, 2024</u>, Forrester Research, Inc., May 2024.

