

Original Article

A Study on the Relationship between Employee Mental Well-Being and Organizational Productivity

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Abstract: Employee mental well-being has emerged as a critical factor influencing organizational productivity in the modern business environment. This study examines the relationship between employee mental well-being and organizational productivity, analyzing how psychological and emotional health influences work performance, motivation, job satisfaction, and overall organizational outcomes. The study adopted a descriptive research design with primary data collected from 150 respondents across various sectors using a structured questionnaire and snowball sampling method. Statistical tools, including percentage analysis, chi-square test, one-way ANOVA, correlation analysis, and regression analysis, were employed to analyze the data. Findings indicate that most respondents (88%) belong to the 21–30 age group, and a majority work in IT/Technical departments. Chi-square analysis showed no significant association between stress and emotional stability ($p = 0.085$). ANOVA results revealed a significant age-group difference in perceptions of mental well-being contribution to productivity ($p = 0.018$). Correlation analysis indicated no significant relationship between supervisor support and perceived importance of mental well-being in job performance ($r = -0.104$, $p = 0.203$). Regression analysis showed that job insecurity does not significantly influence teamwork and collaboration ($\beta = 0.020$, $p = 0.804$). The study highlights that organizations must proactively adopt mental wellness programs, supportive leadership practices, and flexible work arrangements to enhance employee well-being and sustain organizational productivity.

Keywords: Employee Well-Being, Mental Health, Organizational Productivity, Job Performance, Stress Management, Work-Life Balance, Employee Engagement.

I. INTRODUCTION

With the ever-more advancing business world, companies are beginning to realize that their human capital is one of their most valuable assets. Employee mental well-being, by definition, refers to an individual's psychological state and emotional well-being, which affects how employees think, feel, and perform their duties in the workplace. A mentally fit employee is more likely to be motivated, productive, creative, and to manage workplace challenges with greater efficacy.

The increasing competition, technological advancement, heavy workload, and work-life imbalance are stressing the mental health of employees across sectors. Increasingly, stress, anxiety, depression, burnout and emotional fatigue areas common challenges faced by employees at workplaces globally. The effects of these mental disabilities are not only limited to the employees individually but also lead to statistically significant impacts at work/in an organizational environment on various fronts such as productivity, efficiency, absenteeism, and employee churn.

The COVID-19 pandemic only further underscored this need, with a new emphasis on office wellness. With job insecurities, stress from working at home, social isolation and high fabrications, employees experienced dreadful mental health (more fatigued and more anxious) that considerably reduced their productivity. They achieve higher productivity, higher retention, customer satisfaction and reputation of the organization.

The study is about finding the connection between Employee Mental Well-Being & Organizational Productivity. Its goals are to study the effects of mental health on employee performance, incentives and job satisfaction; determine workplace factors that adversely impact mental well-being; assess the significance of the role played by organisational support systems in providing a positive environment for mental wellness.

II. OBJECTIVES OF THE STUDY

- i. To examine the concept of employee mental well-being.
- ii. To analyze the impact of mental health on employee performance.
- iii. To study the relationship between mental well-being and organizational productivity.
- iv. To identify workplace factors affecting employee mental health.
- v. To suggest measures for improving mental well-being in organizations.



III. LITERATURE REVIEW

Guedes, Soares, Mosquera & Borregana (2023) observed that family-friendly practices are vital in creating a supportive and non-discriminatory environment between men and women in the workplace. Vyas et al. (2022) found that when family-friendly practices are implemented in a supportive environment, they positively affect employee behavior and organizational success. Mazetti et al. (2022) noted that happiness and trust were pivotal factors in improving team performance, and that engaged managers implement HR strategies to promote employee well-being. Kanungo (2021) highlighted the WHO-5 Well-Being Index, underscoring the impact of stress management, job satisfaction, and work-life balance on employee engagement. Gallup Workplace (2020) defined employee engagement as the emotional commitment of employees to organizational goals, expressed through dedication, vigor, and work absorption. Sime (2019) reported a loss of 1 trillion US dollars in global productivity due to poor employee mental health, emphasizing the urgent need for evaluation and prevention. Bakker and Demerit (2018) established that excellence in performance enhances productivity, while job stress diminishes employee performance. Organizations are taking initiatives to improve mental health to enable employees to give their best at work. Di Fabio (2017) found that positive relationships between employees and their superiors encourage better performance by fostering a comfortable, motivating work environment. Schultz et al. (2015) emphasized that organizations increasingly recognize employee well-being as an important aspect of productivity and that the workplace physical environment creates positive or negative impressions on employee performance. Misselbrook (2014) noted that the WHO has defined employee well-being as 'a state of complete physical, mental, and psychological well-being. Khan (1990) described employee engagement as the mental and emotional commitment of employees, reflected in enthusiasm for work, organizational commitment, and motivation to contribute to success.

IV. RESEARCH METHODOLOGY

- Research Design: The study adopts a descriptive research design to analyze the relationship between employee mental well-being and organizational productivity.
- Sources of Data: Both primary and secondary data were used. Primary data was collected from employees through structured questionnaires and surveys. Secondary data was obtained from journals, books, research articles, websites, and previous studies.
- Sampling Method: The Snowball Sampling Method was adopted, where initial respondents referred other employees to participate in the survey.
- Sample Size: 150 respondents from employees working in various organizations and sectors.
- Tools for Analysis: Percentage Analysis, Chi-Square Test, One-Way ANOVA, Correlation Analysis, and Regression Analysis.

V. RESULTS AND DISCUSSION

A) Demographic Profile

Table 1: Demographic Profile of Respondents

S. No.	Variable	Category	Frequency	Percentage (%)
1	Age	21–30 years	132	88.0%
		31–40 years	18	12.0%
2	Gender	Male	103	68.7%
		Female	47	31.3%
3	Marital Status	Married	120	80.0%
		Single	30	20.0%
4	Qualification	Undergraduate	89	59.3%
		Postgraduate	61	40.7%
5	Work Experience	1–5 years	111	74.0%
		6–10 years	39	26.0%
6	Department	IT/Technical	79	52.7%
		Human Resources	66	44.0%
7	Monthly Income	₹25,001–₹35,000	102	68.0%
		₹35,001–₹45,000	47	31.3%

B) Chi-Square Analysis

- H₀: There is no significant association between stress-reducing work efficiency and emotional stability in handling workplace challenges.
- H₁: There is a significant association between stress-reducing work efficiency and emotional stability in handling workplace challenges.

Table 2: Chi-Square Test Results

Test	Value	df	Asymp. Sig. (2-sided)	Result
Pearson Chi-Square	19.133	12	0.085	Not Significant

Since $p = 0.085 > 0.05$, the null hypothesis is accepted. There is no significant association between stress-reducing work efficiency and emotional stability in handling workplace challenges.

C) One-Way ANOVA

- H_0 : There is no significant difference among age groups regarding the perception that employees with good mental well-being contribute positively to organizational productivity.
- H_1 : There is a significant difference among age groups regarding the above perception.

Table 3: ANOVA Results

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.412	1	4.412	5.735	0.018
Within Groups	113.861	148	0.769		
Total	118.273	149			

Since $p = 0.018 < 0.05$, the null hypothesis is rejected. There is a significant difference among age groups in their perception of mental well-being contributing to organizational productivity. Younger employees (21–30 years) showed a higher mean score ($M = 2.75$) compared to older employees (31–40 years, $M = 2.22$).

D) Correlation Analysis

- H_0 : There is no significant relationship between supervisor support and the perceived importance of mental well-being in job performance.
- H_1 : There is a significant relationship between supervisor support and the perceived importance of mental well-being in job performance.

Table 4: Correlation Analysis Results

Variable	Pearson Correlation (r)	Sig. (2-tailed)	N
Supervisor Support vs. Mental Well-Being in Job Performance	-0.104	0.203	150

Since $p = 0.203 > 0.05$, the null hypothesis is accepted. There is no significant relationship between supervisor support and the perceived importance of mental well-being in job performance.

E) Regression Analysis

- H_0 : Job insecurity has no significant impact on employees' mental well-being, enhancing teamwork and collaboration.
- H_1 : Job insecurity has a significant impact on employees' mental well-being, enhancing teamwork and collaboration.

Table 5: Regression Analysis Results

Model	R	R ²	F	Sig.	β	t	p	Result
Job Insecurity → Teamwork	0.020	0.000	0.062	0.804	0.020	0.248	0.804	Not Significant

Since $p = 0.804 > 0.05$, the null hypothesis is accepted. Job insecurity does not have a significant effect on mental well-being, enhancing teamwork and collaboration.

VI. CONCLUSION

This study investigated the connection between workforce mental health and an organisation's level of productivity. A moderate understanding of workplace mental health is evident among employees. In the results, there was no relationship between the chi-square and correlation analyses, but age-group differences in contributing to mental well-being productivity were significant, as reported in the ANOVA test results. Our regression analysis showed that job instability does not impact teamwork and collaboration in a major way.

Organizations need to implement proactive mental health measures like access to counseling services, wellness workshops, flexible work environments, and stress management programs. They are trained in providing emotional and professional support to their supervisors. Younger employees (21–30 years old) make up 60% of the workforce and should receive extra attention. It can lead to increased job satisfaction levels, higher productivity rates, and long-term business sustainability through nurturing an encouraging work culture that encourages employee wellness.

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