

The Mental Health in the Workplace as an Element of Organizational Sustainability

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1. Chapter 1: Introduction

1.1. Research Background

The growing recognition of mental health as a decisive factor in workplace effectiveness reflects broader global changes in how organizations understand employee wellbeing. Historically, organizational performance models emphasized physical safety and productivity; however, the shift toward knowledge-based economies and complex work environments has elevated the role of psychological well-being as a key driver of sustainable organizational outcomes. Over the past decade—and especially following the COVID-19 pandemic—mental health challenges such as burnout, emotional exhaustion, anxiety, and work-related stress have intensified across industries, prompting renewed academic and institutional interest in the dynamics between mental well-being and sustainable organizational practices (Kniffin et al., 2021).

Organizations today operate under pressures shaped by technological change, remote work arrangements, rising workloads, and an increasing demand for continuous innovation. These pressures have contributed to a noticeable rise in mental health concerns among employees. According to the World Health Organization (WHO) and the International Labour Organization (ILO) (2022), poor mental health at work results in substantial economic losses globally due to reduced productivity, presenteeism, absenteeism, and turnover. Such consequences highlight the necessity for organizational strategies that address psychological well-being as part of long-term sustainability planning.

Recent academic studies reinforce the view that workplace mental health is directly linked to organizational resilience, adaptability, and innovative capacity. Sonnentag (2021) notes that recovery and psychological resources are vital for maintaining long-term employee engagement and preventing burnout—a major threat to organizational stability. Furthermore, De Neve and Ward (2020) demonstrate that happier and healthier employees tend to perform better, collaborate more effectively, and contribute to a positive organizational culture, all of which are essential components of sustainable development.

Given these trends, there is a growing need for empirical research that examines how organizations can integrate mental health initiatives into their sustainability frameworks. Understanding this relationship is crucial not only for improving employee well-being but also for strengthening organizational competitiveness, ethical responsibility, and long-term viability.

In recent years, mental health in the workplace has emerged as a critical determinant of organizational functioning, employee well-being, and long-term sustainability. As contemporary organizations confront rapidly evolving socio-economic pressures—including digitalization, intensified workloads, and post-pandemic restructuring—employee psychological well-being has become increasingly vulnerable (Kniffin et al., 2021). This shift has prompted scholars and global institutions to recognize mental health not simply as an individual concern, but as a strategic organizational priority with substantial implications for productivity, workforce retention, and corporate reputation.

The World Health Organization (WHO) and the International Labour Organization (ILO) (2022) highlight that mental health challenges such as stress, anxiety, and depression significantly reduce organizational efficiency while simultaneously increasing absenteeism, presenteeism, and healthcare-related costs. These negative outcomes underscore the importance of integrating mental health considerations into organizational policies, leadership practices, and human resource management systems.

Furthermore, sustainable organizations—those committed to environmental, social, and governance (ESG) criteria—are increasingly expected to protect and promote employee psychological well-being as part of their social sustainability agenda.

Research within organizational psychology reinforces this perspective. Sonnentag (2021) emphasizes that recovery, resilience, and supportive work environments are essential for maintaining long-term employee performance and preventing burnout. Similarly, analyses of workplace wellbeing have demonstrated that mentally healthy work environments contribute to stronger organizational commitment, enhanced innovation, and improved stakeholder trust, positioning mental health as a foundation of sustainable organizational development (De Neve & Ward, 2020).

Given this context, it has become increasingly important to examine how mental health initiatives can be incorporated into organizational sustainability frameworks. Such integration not only enhances employee well-being but also strengthens organizational competitiveness, ethical responsibility, and resilience.

1.2. Research Problem

Although mental health is increasingly recognized as essential for employee wellbeing and organizational performance, many organizations still fail to incorporate psychological wellbeing into their sustainability strategies. This gap leads to challenges such as reduced productivity, higher absenteeism, and weakened organizational resilience (WHO & ILO, 2022). Research also shows that poor workplace mental health negatively affects long-term organizational sustainability, yet organizations often lack systematic approaches to address it (Kniffin et al., 2021).

Therefore, the core problem addressed by this study is the insufficient integration of workplace mental health within sustainability strategies, limiting the development of healthy and sustainable work environments.

1. Theoretical Gaps

Fragmented theoretical treatment of mental health across disciplines. Mental health research spans psychology, public health, and management, but theoretical integration across these domains is limited. Sonnentag (2021) highlights the importance of recovery and psychological resources, yet organizational sustainability literature rarely incorporates these psychological constructs. This fragmentation prevents the development of a holistic theoretical model linking wellbeing and sustainability.

1.4. Practical Gaps

Implementation gap between policy and practice. Organizations frequently adopt mental health policies, but employees report limited actual support—creating a gap between documented intentions and lived experiences (Kniffin et al., 2021). Without consistent monitoring and evaluation, mental health initiatives fail to translate into meaningful workplace improvements.

1.3. Research Significance

This research is significant because it highlights the essential role of mental health in achieving sustainable ergonomics. As workplaces face increasing pressures from digitalisation, rising workloads, and post-pandemic restructuring, understanding the impact of psychological well-being on long-term organisational stability has become crucial. By examining how mental health initiatives can be effectively integrated into sustainability strategies, this study offers valuable insights for organisations seeking to enhance productivity, reduce absenteeism, and foster stronger employee engagement.

1. Theoretical Level

This study integrates organizational psychology with sustainability theory, drawing upon models such as the Job Demands–Resources (JD-R) Model. It emphasizes how psychological well-being functions as a core component of sustainable organizational development.

2. Practical Level

The study provides actionable guidance for organizations seeking to integrate mental health initiatives into sustainability frameworks. It highlights supportive leadership, work–life balance policies, psychological safety, and employee-centered interventions.

3. Research Questions

- How do workplace mental health factors influence organizational sustainability?
- To what extent are mental health initiatives currently integrated into organizational sustainability practices?
- What organizational factors support or hinder the successful incorporation of mental health into sustainability frameworks?
- How do sustainable workplace practices contribute to improving employees' psychological well-being?
- What strategies can organizations adopt to strengthen the role of mental health within their long-term sustainability plans?

4. Research Objectives

To address the research questions, the following research objectives have been established:

1. Examine the relationship between mental health and organizational sustainability.
2. Assess the extent of integration of mental health initiatives within sustainability plans.
3. Identify organizational enablers and barriers affecting integration.
4. Explore how sustainable practices enhance psychological well-being.
5. Propose strategies to strengthen mental health integration within long-term sustainability plans.

1.5. Research Hypotheses

The following hypotheses are mixed

- Main Hypothesis (H1)

H1: Workplace mental health has a significant positive impact on organizational sustainability.

- Sub-Hypotheses

H1a: Organizations that implement mental health initiatives demonstrate higher levels of employee engagement and productivity.

H1b: Poor workplace mental health is positively associated with increased absenteeism, presenteeism, and turnover intention.

H1c: Sustainable workplace practices (e.g., supportive leadership, work–life balance policies, and healthy work environments) positively influence employees’ psychological well-being.

The integration of mental health initiatives into sustainability strategies enhances organizational resilience and long-term performance.

H1e: Organizational barriers—such as lack of training, limited resources, and weak leadership commitment—negatively affect the incorporation of mental health into sustainability frameworks.

1.5. Research Model

The research model is illustrated in Figure 1.



Figure 1. The research model diagram.

Research Methodology

- Research Design

This study adopts a quantitative, explanatory research design to examine the relationship between workplace mental health and organizational sustainability. A quantitative approach is appropriate as the research seeks to test predefined hypotheses and measure relationships among variables using numerical data. The explanatory nature of the design enables the study to identify cause-and-effect relationships between mental health factors and sustainability outcomes within organizations.

The research is cross-sectional, with data collected at a single point in time from employees working in organizational settings. This design allows for efficient data collection and statistical analysis while capturing current perceptions and practices related to workplace mental health and sustainability.

- Research Approach

A deductive research approach is employed in this study. The research is grounded in existing theories, particularly the Job Demands–Resources (JD-R) Model and organizational sustainability theory. Based on these theoretical foundations, hypotheses were formulated and empirically tested using primary data. The deductive approach ensures theoretical consistency and supports hypothesis-driven analysis.

- **Population and Sampling**

The target population of this study consists of employees working in medium and large organizations, where formal sustainability practices and mental health policies are more likely to exist. Employees from different departments and job levels are included to ensure diverse perspectives on mental health and sustainability practices.

A non-probability sampling technique, specifically convenience sampling, is used due to accessibility constraints and time limitations. This method enables the researcher to collect data efficiently while still obtaining relevant insights from participants who are directly exposed to workplace mental health conditions.

The sample size is determined based on feasibility and statistical requirements for regression analysis, ensuring that the data collected are sufficient to test the proposed hypotheses reliably.

- **Data Collection Method**

Primary data are collected using a structured questionnaire distributed electronically to participants. The questionnaire is designed to measure key study variables, including:

- Workplace mental health (e.g., stress levels, emotional exhaustion, psychological safety)
- Mental health initiatives (e.g., support programs, work–life balance policies)
- Organizational sustainability indicators (e.g., employee engagement, productivity, resilience)
- Organizational barriers (e.g., leadership support, resource availability)

Responses are measured using a five-point Likert scale, ranging from strongly disagree (1) to strongly agree (5), allowing for standardized quantitative analysis.

- **Measurement of Variables**

- **Independent Variable:** Workplace mental health
- **Dependent Variable:** Organizational sustainability
- **Mediating Variables:** Mental health initiatives and sustainable workplace practices
- **Moderating Variables:** Organizational barriers such as limited resources, lack of training, and leadership commitment

The measurement items are adapted from validated scales in prior organizational psychology and sustainability research to enhance reliability and validity.

- **Data Analysis Techniques**

Data analysis is conducted using **statistical software (e.g., SPSS)**. The following techniques are applied:

- Descriptive statistics to summarize demographic characteristics and key variables
- Reliability analysis (Cronbach's alpha) to assess internal consistency
- Correlation analysis to examine relationships among variables
- Multiple regression analysis to test the main and sub-hypotheses

These techniques enable rigorous evaluation of the proposed research model and hypotheses.

- **Validity and Reliability**

To ensure content validity, the questionnaire items are reviewed based on existing literature and aligned with the study objectives. Construct validity is supported through factor analysis where applicable.

Reliability is assessed using Cronbach's alpha, with values above 0.70 considered acceptable. A pilot test is conducted prior to full data collection to identify ambiguities and improve clarity.

- **Ethical Considerations**

Ethical standards are strictly followed throughout the research process. Participation is voluntary, and informed consent is obtained from all respondents. Confidentiality and anonymity are ensured, and data are used solely for academic purposes. Participants are informed of their right to withdraw at any stage without penalty.

2.Chapter 2: Literature Review

2.1. Introduction

The purpose of this chapter is to review and synthesize existing academic literature related to workplace mental health and organizational sustainability. The review establishes the theoretical foundation of the study, identifies key concepts and relationships, and highlights gaps that justify the current research. By examining prior studies from organizational psychology, human resource management, and sustainability literature, this chapter clarifies how mental health functions as a critical element of sustainable organizational development.

2.2. Concept of Mental Health in the Workplace

Workplace mental health refers to employees' psychological, emotional, and social well-being within organizational settings. It encompasses factors such as stress, anxiety, burnout, emotional exhaustion, and psychological safety. According to the World Health Organization (WHO), mental health at work is influenced by job demands, work environment, interpersonal relationships, and organizational culture.

Research indicates that excessive workload, role ambiguity, lack of autonomy, and poor leadership contribute significantly to mental health problems among employees. Burnout, characterized by emotional exhaustion, depersonalization, and reduced personal accomplishment, has been identified as one of the most prevalent outcomes of poor workplace mental health. When left unaddressed, these conditions negatively affect both individual well-being and organizational effectiveness.

2.3. Organizational Sustainability

Organizational sustainability refers to an organization's ability to operate in a manner that ensures long-term economic performance while simultaneously addressing social and environmental responsibilities. Within the sustainability framework, employee well-being is increasingly recognized as a core component of social sustainability.

Sustainable organizations prioritize human capital by fostering healthy, supportive, and inclusive work environments. Studies have shown that organizations that invest in employee well-being experience higher levels of engagement, productivity, innovation, and stakeholder trust. Consequently, mental health is no longer viewed as a peripheral issue but as a strategic factor that contributes to long-term organizational resilience and competitiveness.

2.4. The Relationship Between Workplace Mental Health and Organizational Sustainability

A growing body of literature demonstrates a strong relationship between workplace mental health and organizational sustainability. Poor mental health is associated with increased absenteeism, presenteeism, turnover intention, and healthcare costs, all of which undermine organizational sustainability. In contrast, mentally healthy workplaces promote employee engagement, commitment, and discretionary effort, which are essential for sustainable performance.

Empirical studies suggest that organizations that actively address mental health concerns are better positioned to adapt to change, manage crises, and maintain stable performance over time. This evidence supports the argument that mental health is a foundational element of sustainable organizational systems.

2.5. Mental Health Initiatives and Sustainable Workplace Practices

Mental health initiatives include organizational policies and practices designed to promote psychological well-being, such as employee assistance programs, stress management training, flexible working arrangements, and work–life balance policies. Sustainable workplace practices also involve supportive leadership, open communication, psychological safety, and inclusive organizational cultures.

Research indicates that leadership commitment plays a critical role in the success of mental health initiatives. Leaders who demonstrate empathy, provide support, and encourage open dialogue about mental health contribute to positive employee outcomes. Additionally, organizations that embed mental health initiatives within their sustainability strategies are more likely to achieve lasting improvements in both well-being and performance.

2.6. Theoretical Framework: Job Demands–Resources (JD-R) Model

The Job Demands–Resources (JD-R) Model provides a useful theoretical lens for understanding the relationship between workplace mental health and organizational sustainability. The model posits that job demands (such as workload, time pressure, and emotional demands)

2.7. Conclusion

In conclusion, the reviewed literature confirms that workplace mental health is a critical determinant of organizational sustainability. Existing studies consistently demonstrate that employees' psychological well-being influences productivity, engagement, retention, and long-term organizational resilience. The literature further highlights the importance of integrating mental health initiatives—such as supportive leadership, work–life balance policies, and psychologically safe work environments—into sustainability strategies. The Job Demands–Resources model provides a valuable theoretical framework for understanding how job demands and resources shape employee well-being and sustainable performance outcomes. However, despite growing academic and practical interest, empirical research examining the systematic integration of mental health within organizational sustainability frameworks remains limited. This gap underscores the necessity of the present study, which seeks to provide empirical evidence on how workplace mental health contributes to sustainable organizational development.

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