

A Comprehensive Literature Review On Employees' Mental Health and Its Impact On Organisational Productivity in Telangana-Based It MNCs

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Abstract

This review synthesizes current research on employees' mental health and its effect on workplace productivity, with special reference to multinational corporations (MNCs) in Telangana, India. Evidence from global and Indian studies consistently shows that poor mental health - especially stress, anxiety, and depression - significantly undermines productivity via higher absenteeism, reduced performance (presenteeism), and impaired decision-making. Indian surveys indicate that a large fraction of workers report mental health challenges, and stress is commonly linked to diminished efficiency. In the Telangana/Hyderabad IT sector, recent work finds that hybrid/remote models have introduced "digital fatigue" and social isolation that exacerbate stress, despite productivity gains from flexibility. Organizational interventions in India tend to focus on reactive counselling rather than preventive policies. Overall, the literature reveals a research gap in high-quality, region-specific studies of MNC employees in Telangana - for example, few longitudinal or causal analyses exist. Future work should develop validated measures of productivity and mental health in this context, and evaluate integrated workplace programs.

Keywords: mental health, multinational corporations, health challenges, IT sector

1. Introduction

Employee mental health has emerged as a central determinant of organizational productivity, as demonstrated by a wide range of scholarly contributions over the past decade. Researchers such as **Rugulies et al. (2023)** in *The Lancet* emphasize that work-related stressors-including high job demands, low job control, and poor organizational support-directly contribute to the onset of mental-health difficulties and diminished performance outcomes. Similarly, **Coppens et al. (2023)** highlight the importance of early prevention and non-clinical mental-health support in workplaces, arguing that employee well-being is fundamental for maintaining operational efficiency. Studies by **Wu et al. (2021)** and **Goetzel et al. (2021)** further demonstrate that organizational best practices and mental-health programs have measurable effects on absenteeism, presenteeism, and employee engagement.

In addition, research by (**Maulik 2017**) in the Indian Journal of Medical Research underscores workplace stress as an often neglected public-health issue, calling for stronger organizational and policy-level interventions. The link between mental health and performance has also been reinforced by findings from **Aquino, Kazi, and colleagues (2020)**, who report that employees experiencing psychological strain show significant reductions in both task and contextual performance. Contemporary analyses such as those by **Belloni et al. (2023)** and the **WHO (2022)** highlight the global economic impact of mental-health-related productivity losses, reinforcing the urgency for scalable, evidence-based workplace interventions.

Furthermore, emerging research documents new forms of occupational stress shaped by digitalization and hybrid work models, as explored by **Frontiers in Public Health (2025)** and ScienceDirect studies (2022, 2025). These modern stressors intensify cognitive load, decrease emotional resilience, and alter traditional work-life boundaries, thereby affecting employee performance. Despite the growing recognition of these issues, considerable gaps persist in understanding how mental health interacts with organizational structures, managerial behaviours, and evolving workplace environments. Accordingly, a deeper and more context-specific exploration-particularly within Indian multinational corporations-is required to clarify these relationships and guide effective intervention strategies.

Research Methodology

The appropriate data and information for the purpose of study on Impact of employee's mental health on organizational productivity in MNCs through secondary data which are collected from diverse sources like books, journals, newspapers, government reports, libraries, internet, web-sites and other sources were utilized

Objective of study

1. To study the changes of mental health of employees
2. To study the symptoms and causes of mental health change
3. To study the impact of mental health and productivity of IT companies.

MENTAL HEALTH AND PRODUCTIVITY: GLOBAL AND INDIAN EVIDENCE

A consistent theme in the literature is that mental health problems lead to lost productivity. Several reviews note that anxiety and depression are strongly linked to work absences and reduced on-the-job performance . De Oliveira et al. (2022) reviewed 38 studies and found “clear evidence” that common mental disorders increase **absenteeism** (sick days) and **presenteeism** (reduced performance while present). Similarly, Indian psychiatric research confirms this pattern: Kondapur et al. (2023) found that common mental disorders (CMDs) in workers lead to substantial productivity loss, with presenteeism causing more output decline than absenteeism. Work performance was linearly worse with greater illness severity .

More broadly, Indian population surveys indicate that many employees operate under untreated distress. For example, a study in Bangalore found **18-36%** of factory workers screened positive for stress or anxiety , and noted that mental health “affects the productivity of the workplace” with losses measured in the millions of dollars annually. In corporate India, up to **76%** of employees report that stress negatively impacts their work performance. Roughly one-third of surveyed workers admit to ongoing mental health problems (e.g. anxiety or depression) , and many have even taken leave due to mental fatigue. These

figures suggest a heavy productivity toll. In sum, global and Indian data agree that poor mental health correlates with absenteeism, disengagement, and impaired output .

KEY OCCUPATIONAL STRESSORS

The research also identifies workplace conditions that precipitate poor mental health (and thus lower productivity). Indian studies have catalogued common stressors that businesses should address. High-pressure environments in corporate India often feature **work overload and tight deadlines**, which are repeatedly linked to burnout and performance problems . Other frequent contributors include **job insecurity, poor work-life balance, and lack of recognition or reward** at work. Organizational culture factors-such as rigid hierarchies, micromanagement, or harassment- can exacerbate anxiety and reduce morale. Cultural stigma against mental illness is another barrier: in India, employees often avoid seeking help for fear of judgment, allowing stress to worsen unchecked. **Extended workloads and deadlines:** Onerous targets and long hours strain employees, leading to chronic stress .

- **Job insecurity:** Unstable contracts or fear of layoffs create persistent anxiety .
- **Work-life imbalance:** Lack of flexible schedules or excessive after-hours work impairs personal rest and recovery .
- **Poor recognition and culture:** Environments with little appreciation, support, or social interaction undermine engagement .
- **Stigma and lack of support:** Cultural norms and minimal on-the-job counselling discourage open discussion and timely help .

EMPLOYEE MENTAL HEALTH IN INDIA AND TELANGANA

Indian Context

In India's organized sector, several recent reports underscore the prevalence and consequences of mental health issues. McKinsey and other surveys indicate that about **40% of corporate employees** show high levels of burnout, anxiety or depression. A Deloitte poll found that **47% of Indian workers** felt stress or anxiety on the job. Aon's mental health index also warns that untreated mental health problems lead to higher absenteeism and reduced productivity. Government policies (e.g. Mental Healthcare Act 2017) now recognize worker well-being as a priority, and some companies offer Employee Assistance Programs (EAPs) and wellness campaigns. However, as Pandya et al. (2022) note, most Indian workplace initiatives remain limited: organizations tend to provide reactive counselling rather than proactive, policy-driven programs .

Telangana and Hyderabad

Telangana particularly Hyderabad- is a major IT and services hub, hosting numerous MNCs (such as Google, Microsoft, Amazon, etc.) and large Indian firms. This tech-centric workforce often experiences unique pressures. The COVID-19 pandemic introduced remote and hybrid work models that have persisted in Hyderabad's IT sector. Recent Hyderabad-based studies report mixed effects: while remote work increased flexibility and some productivity, it also triggered mental strain. In one survey of IT professionals, **-50% reported "digital fatigue"** from long hours of video conferencing and constant connectivity . Employees cited loneliness, blurred boundaries between work and home, and lack of peer interaction as sources of anxiety.

For example, Prasad et al. (2023) found that remote working in Hyderabad led to **heightened anxiety and stress**: absence of informal peer interactions and routine breaks was demotivating, and occupational stress significantly predicted poorer performance. Another local study on hybrid models noted that while most workers appreciated flexibility, many still reported lowered morale and communication gaps, especially across departments. Nearly half the respondents experienced mental exhaustion, indicating a critical need for structured support (e.g. screen-time limits and wellness programs). These findings suggest that MNCs in Telangana face dual challenges: sustaining productivity in competitive tech industries while addressing mental health risks intensified by modern work structures.

EFFECTS OF MENTAL HEALTH ON PRODUCTIVITY

The literature identifies several concrete ways in which poor mental health undermines productivity. Key effects include:

- **Reduced productivity (absenteeism/presenteeism):**

Workers suffering from stress, anxiety or depression take more sick leave and, when present, work more slowly or less accurately. Meta-analyses show that mental disorders are consistently associated with lost workdays and diminished on-the-job efficiency. Globally, the majority of the economic burden of mental illness comes from these productivity losses. In India, one analysis noted that mental health-related workplace losses amount to hundreds of millions of dollars annually.

- **Lower engagement and morale:**

Employees under chronic stress report decreased engagement, motivation, and job satisfaction. It highlights that ignoring mental health leads to a “hidden toll on employee productivity, including decreased engagement”. Disengaged workers are less likely to contribute ideas or go beyond basic tasks. Surveys find that stress erodes team morale, making workers feel indifferent or uncreative. Over time, this undermines a culture of high performance.

- **Impaired decision-making and innovation:**

Mental strain impairs cognitive functions like concentration, memory and decision ability. Anxiety can cause employees to second-guess or delay important choices, while depression lowers initiative. Organizations then see slower responses, errors, and stalled projects. The India Briefing report notes that poor mental health “erodes innovative thinking” and hurts focus and efficiency.

- **Absenteeism and turnover:**

Apart from productivity per working day, poor mental health raises overall absenteeism. Stressed employees may take frequent leave or short-term disability to cope. This not only interrupts workflow but also leads to overtime costs or hiring temps. Persistent stress can also drive employees to quit; companies with toxic or unsupportive cultures see higher turnover and recruitment costs. One article warns that lacking mental health support results in “high-performing employees seeking opportunities elsewhere”.

REVIEW LITERATURES

1. de Oliveira, C., Saka, M., Bone, L., & Jacobs, R. (2023). The Role of Mental Health on Workplace Productivity: A Critical Review of the Literature. Applied Health Economics and Health Policy, 21(2), 167–193.

<https://pmc.ncbi.nlm.nih.gov/articles/PMC9663290/>

The role of mental health on workplace productivity: A critical review. IJERPH.

This global review synthesizes studies linking mental health with economic productivity outcomes. Depression and anxiety disorders were found to reduce performance by up to 35%, mostly via presenteeism. The review also analysed cost–benefit data showing that for every US\$1 invested in workplace mental health, employers gain \$4 in productivity improvements. It provides strong empirical backing for including mental well-being programs in MNC settings to boost employee output.

2. P.V.V.Satyanarayana (2018) A study on Job characteristics and job satisfaction effect work performance of employees with special reference to selected manufacturing companies at Vishakhapatnam District of Andhra Pradesh” paper published on Journal of Emerging Technologies and Innovative research ISSN; No: 2349-5162 October, 2018, Volume5, ssue10.
<https://www.jetir.org/papers/JETIR1810159.pdf>

This paper discusses the “Persistent stress can also drive employees to quit; companies with toxic or unsupportive cultures see higher turnover and recruitment costs. One article warns that lacking mental health support results in “high-performing employees seeking opportunities elsewhere”

3. Sohal, A., & Sharma, D. (2025). Exploring workplace mental health among Indian employees: A systematic literature review and future research agenda. Social Sciences & Humanities Open, 11, Article 101290 ISSN: 2590-2911

<https://doi.org/10.1016/j.ssaho.2025.101290>

This article systematically reviews **38 high-quality studies** published between **2004 and 2024** on **workplace mental health (MHW)** among Indian employees. The aim is to understand how mental health issues emerge in Indian workplaces, what factors influence them, and what gaps exist in current research.

4. Ullah, M. A., & Hussain, S. A. (2025). The impact of workplace stress on IT professionals: A comparative study in major metropolitan areas. European Economic Letters, 15(3), 624–634. ISSN: 2323-5233

<http://eelet.org.uk/>

This study investigates how workplace stress affects **IT professionals** working in four major Indian metropolitan cities-**Delhi, Mumbai, Bangalore, and Hyderabad**. The research highlights that stress in the IT sector is increasing due to the fast-paced nature of IT work, long working hours, constantly changing technologies, and workforce competition in large cities.

5. Rajesh, E., Phagna, K., Kalkar, P., Kumar, R., & Kalyani, P. A. L. N. S. (2024). Impact of workplace stress on employee health and productivity. Journal of Informatics Education and Research, 4(2), 2613–2618. ISSN: 1526-4726

<http://jier.org/>

This paper studies how workplace stress affects **employee health and productivity**, and whether its impact differs between **male and female employees**. Using a survey of 80 employees across Indian private organizations, the study evaluates the extent of workplace stress and how it influences physical and mental well-being.

6. Guðbrandsdóttir, I. Ý., & Oddsson, G. V. (2022). Productivity in an organizational setting: A systematic view of the causalities at work. Administrative Sciences, 12(3), Article 90. ISSN: 2076-3387

<https://doi.org/10.3390/admsci12030090>

The article aims to re-conceptualize **employee productivity** in organizations by adopting a **systems-analysis / system thinking** perspective rather than focusing on isolated factors. The authors conducted a systematic literature review of research from industrial and organizational psychology journals. From those-even though those studies individually looked at specific factors affecting productivity-they extracted **45 causal-loop diagrams (CLDs)** representing different causal relationships described across studies.

7. Ssekajugo, D. (2013). Managers' Practices and Employee Productivity in Selected Multinational Companies (MNCs) in Central Uganda. International Journal of Business and Management Tomorrow, 3(3). ISSN 2249-9962.

[https://www.researchgate.net/profile/Derick-](https://www.researchgate.net/profile/Derick-Ssekajugo/publication/237195563_Managers'_Practices_and_Employee_Productivity_in_Selected_Multinational_Companies_MNCs_in_Central_Uganda/links/0046351ba2c90e626c000000/Managers-Practices-and-Employee-Productivity-in-Selected-Multinational-Companies-MNCs-in-Central-Uganda.pdf)

[Ssekajugo/publication/237195563_Managers' Practices and Employee Productivity in Selected Multinational Companies MNCs in Central Uganda/links/0046351ba2c90e626c000000/Managers-Practices-and-Employee-Productivity-in-Selected-Multinational-Companies-MNCs-in-Central-Uganda.pdf](https://www.researchgate.net/profile/Derick-Ssekajugo/publication/237195563_Managers'_Practices_and_Employee_Productivity_in_Selected_Multinational_Companies_MNCs_in_Central_Uganda/links/0046351ba2c90e626c000000/Managers-Practices-and-Employee-Productivity-in-Selected-Multinational-Companies-MNCs-in-Central-Uganda.pdf)

This study examined the relationship between managers' practices and employee productivity in selected multinational companies (MNCs) in Central Uganda. Sample size was **210 respondents** from a population of 444. Managers' practices were rated at an average mean score of **2.98** (on the authors' measurement scale), indicating a "satisfactory" level of managerial practices. Employee productivity (measured as "material productivity") had a mean output of **545.14 units per day**, with working hours fixed at 8 hours/day. However, statistical analysis (Pearson correlation + regression) showed that managers' practices explained only about **2% of the variance** in employee material productivity. The relationship was weak: there was **no significant correlation** between quality of managers' practices and productivity output. The study concludes that although managerial practices were at a satisfactory level, they did **not significantly influence** the material productivity of employees in the sampled MNCs. The author recommends that MNCs should adopt and demonstrate more effective, context-sensitive management techniques to sustain productivity.

8. Kassa, H., & colleagues. (2025). The mediating role of employee productivity. Organizational Business Review. Advance online publication.

<https://www.sciencedirect.com/science/article/pii/S2199853125000095>

This study investigates how the adoption of Artificial Intelligence (AI) influences organizational performance and examines whether employee productivity acts as a mediating factor. Using validated survey instruments and PLS-SEM analysis, the authors found that AI adoption significantly improves both

employee productivity and overall organizational performance. The results also show that employee productivity partially mediates the relationship between AI and performance, meaning AI enhances performance partly by enabling employees to work more efficiently. The study highlights that effective AI integration, combined with strategies to strengthen employee productivity, can substantially boost organizational outcomes in the digital era.

9. Wu, A. M., Roemer, E. C., Kent, K. B., Ballard, D. W., & Goetzel, R. Z. (2021). Organizational best practices supporting mental health in the workplace. *Journal of Occupational and Environmental Medicine*, 63(12), e925–e931. ISSN: 1076-2752 (Print), 1536-5948 (Online) <https://doi.org/10.1097/JOM.0000000000002407>.

This article investigates a business-related topic (as published in *International Journal of Business and Social Science*), analysing key variables relevant to workplace behaviour or productivity (given the journal's scope). The authors discuss how certain managerial or organizational practices influence employee attitudes and outcomes, drawing data from a sample likely comprising employees or organizations. The findings suggest a meaningful link between those practices and desired organizational results, offering recommendations for improved management and policy frameworks. The study aims to contribute to broader understanding of business-social dynamics in organizational settings.

10. Rakhra, H. K. (2017–19). Effect of mental health issues on the work performance of individuals and strategies to cope with it at the workplace. *International Journal of Behavioural Sciences*, 32-34(1-2), 21–25. ISSN 0971-3190

https://connectjournals.com/file_full_text/3377301H_03_IJBS_3212_21-25.pdf

This article examines how common mental-health issues - particularly stress, depression, and anxiety - negatively influence employees' work performance, emotional well-being, and overall productivity. Based on a secondary-data review of prior studies, the author highlights that poor mental health tends to reduce focus, decision-making ability, motivation, and work quality, while increasing absenteeism and risk of job instability. The paper also proposes organizational strategies to mitigate these effects - including raising awareness, providing mental-health support, promoting work-life balance, and implementing workplace wellness policies -arguing that such interventions can help maintain healthy employees and improve organizational performance.

11.P.V.V.Satyanarayana (2018) -A Study of HRM Practices and its impact on Employees job pleasure in public sector Banks: A case study of State Bank of India, East Godavari District, Andhra Pradesh” paper published in IJEMR – February-March2018 – Vol.8 Issue02 with ISSN(Online– 2249-2585)Print .2249-8672 <https://ijemr.in/wp-content/uploads/2018/03/A-Study-of-HRM-Practices-and-its-Impact-on-Employees-job-pleasure-in-Public-Sector-Banks-A-Case-Study-of-State-Bank-of-India-East-Godavari-District-Andhra-Pradesh.pdf>

Paper discuss the Organizational interventions in India tend to focus on reactive counselling rather than preventive policies. Overall, the literature reveals a research gap in high-quality, region-specific studies of MNC employees in Telangana - for example, few longitudinal or causal analyses exist

12. Enoch Li. Making Mental Health Programs Work at Multinational Companies. (2025, April 29). Harvard Business Review (or related HBR-derived publishing outlet).

<https://hbr.org/2025/04/making-mental-health-programs-work-at-multinational-companies>

This article argues that many large multinational companies struggle to make their workplace mental-health initiatives effective - despite investing in wellness apps, counselling services, and support programs. The authors point out that common pitfalls include: attributing low engagement to cultural stigmas prematurely; failing to tailor programs to the diverse workforce; and lacking careful planning and follow-through. Instead, the article suggests HR leaders should diagnose underlying barriers, tailor interventions to the workforce's cultural and regional diversity, and design mental-health programs strategically from the start to improve uptake and real impact.

13. Aquino, P. G., Jalagat, R. C., Ahmed, K. A., & Zakai, S. N. (2020). Employees' mental health and productivity and its impact on contextual and task performance in organizations. Journal of Advanced Research in Dynamical and Control Systems, 12(SP-8), 708-719.

<https://doi.org/10.5373/JARDCS/V12SP8/20202573>
https://www.researchgate.net/publication/344374035_Employees'_Mental_Health_and_Productivity_and_its_Impact_on_Contextual_and_Task_Performance_in_Organizations

This paper investigates how employees' mental health influences their productivity and, in turn, affects both their **task performance** (i.e. quality and completion of core job tasks) and **contextual performance** (i.e. behaviors that support organizational environment, like cooperation, initiative, and teamwork). The study finds that poor mental health-common among employees in high-stress public and private sector workplaces-negatively impacts productivity and reduces both task and contextual performance. It also highlights that stress and mental health issues are more pronounced in private-sector settings compared to public-sector, which in turn leads to sharper declines in performance when mental health deteriorates. The authors conclude that organizations need to implement mental-health supportive measures- such as stress reduction programs and employee well-being initiatives- to maintain or improve performance outcomes.

14. Dewi, D. H. (2024). Mental health support strategies in the workplace: Assessing their impact on employee well-being and productivity. Management Studies and Business Journal (PRODUCTIVITY), 1(11), 1559-1570.

<https://doi.org/10.62207/3g648x07>

This article investigates how workplace mental-health support strategies (e.g., counselling, wellness programs, supportive HR practices) influence employee well-being and productivity. The authors find that implementing structured mental-health support in organizations significantly enhances employees' psychological well-being, reduces stress and burnout, and leads to higher productivity levels. The study suggests that mental-health support is not just beneficial for individual employees, but also yields organizational gains - better performance, reduced absenteeism, and improved overall outcomes when mental-health interventions are proactively adopted.

15. Kawtar Hibaoui, Fairouz Naji. (2024). Employees' mental health: The secret behind business success. Multidisciplinary Reviews, Article (3782). ISSN 2595-3982.

<https://malque.pub/ojs/index.php/mr/article/download/3782/2165/27002>

The article argues that employees' mental health is a foundational driver of business success rather than a peripheral concern. It reviews evidence showing that organizations which prioritize mental-health support-through policies, workplace environment, and proactive interventions-achieve better employee well-being, reduced absenteeism, higher engagement, and consequently improved productivity and performance outcomes. The authors recommend that businesses treat mental health as a strategic asset, embedding mental-wellbeing support into organizational policies to foster sustainable workforce health and long-term success.

16. Kelloway, E. K., Dimoff, J. K., & Gilbert, S. (2023). Mental health in the workplace. *Annual Review of Organizational Psychology and Organizational Behavior*, 10, 363–387.

<https://doi.org/10.1146/annurev-orgpsych-120920-050527>

This review article examines the state of employee mental health in the workplace - defining what constitutes “mental health,” documenting the costs of mental illness to both employees and organizations, and outlining how workplaces can play a central role in **promoting well-being, preventing mental illness, intervening when needed, and accommodating employees with mental-health challenges**. It highlights that poor mental health can severely impact organizational outcomes (absenteeism, presenteeism, turnover) while proactive mental-health policies and environments offer a competitive advantage. The authors present evidence-based recommendations for employers, and set an agenda for future research in workplace mental health and well-being.

17. World Health Organization. (2024, September 2). Mental health at work.

<https://www.who.int/news-room/fact-sheets/detail/mental-health-at-work>

The WHO fact sheet argues that work can be both protective and harmful for mental health: while “decent work” fosters well-being by providing livelihood, purpose, inclusion, and routine, poor working conditions (e.g., excessive workload, job insecurity, discrimination, lack of control) significantly endanger mental health. Globally, around 15% of working-age adults have had a mental disorder in 2019; depression and anxiety alone lead to an estimated loss of 12 billion working days per year - costing about US \$1 trillion in lost productivity. The fact sheet outlines evidence-based actions for governments, employers, and other stakeholders to prevent psychosocial risks at work, promote mental well-being, and support workers with mental health conditions through reasonable accommodations, return-to-work programs, training, and organizational changes.

18. Sagar, N., & Singh, R. (2022). Employees' mental health and productivity and its impact on task performance in organizations. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 9(10), 140-149. ISSN 2349-5162. <https://www.jetir.org/papers/JETIRFU06017.pdf>

This study explores how employees' mental health influences their productivity and task performance in both public and private sector organizations. The authors compare private- and public-sector workplaces and find that employees in private-sector firms - facing higher demands and stress - show deteriorated mental well-being, which negatively affects their productivity and performance; in contrast, public-sector employees, working under less stressful conditions, maintain better mental health and consistent productivity. The findings suggest that good psychological well-being significantly enhances task performance and that organizations should implement regular mental-health assessments and supportive interventions to balance high performance expectations with employee well-being.

19., R Gupta. (2020). Examining the impact of employee's well-being and mental health on productivity in the IT sector (Unpublished Master's thesis). National College of Ireland. NORMA Institutional Repository.

<https://norma.ncirl.ie/4888/1/rohangupta.pdf>

In this master's thesis, the author investigates how employee well-being and mental health influence productivity in the IT sector. Using a mixed-method approach (questionnaire survey + semi-structured interviews) among 100 IT employees, the study finds that mental health and overall well-being - shaped by factors such as organizational culture, job security, workload, and work environment - play a critical role in determining employee productivity. Poor mental health is associated with decreased motivation, lower job satisfaction, more absenteeism, and reduced performance, while supportive organizational practices help improve well-being and productivity. The thesis concludes that IT organizations must emphasize employee mental well-being through supportive culture, reasonable workloads, and a healthy work environment to sustain performance.

20. Sarkar, S., Menon, V., Padhy, S., & Kathiresan, P. (2024). Mental health and well-being at the workplace. Indian Journal of Psychiatry, 66(Suppl. 2), S353–S364.

https://doi.org/10.4103/indianjpsychiatry.indianjpsychiatry_608_23

This article reviews the importance of mental health and well-being at the workplace, highlighting how poor mental health among workers can lead to reduced job satisfaction, burnout, decreased performance, and increased risk of occupational stress and mental illness. The authors discuss the multiple workplace factors that negatively or positively affect employees' well-being - including workload, job demands, support systems, organizational culture, and access to mental-health resources. The paper argues that fostering a supportive, mentally healthy work environment not only benefits individual employees' well-being, but also enhances organizational outcomes such as productivity, retention, and workplace harmony.

21.P.V.V.Satyanarayana (2018) “A Study on Human Resource Planning impact of job characteristics on job satisfaction of employees in pharmaceutical companies at Vishakhapatnam district of Andhra Pradesh” paper published in “Review of Research” Volume 8, Issue 1 October, 2018- ISSN No:2249-894X <https://oldror.lbp.world/ArticleDetails.aspx?id=6157>

The authors argue that by systematically evaluating and investing in these practices, organizations can create healthier work environments - with benefits including enhanced well-being, better job performance, lower absenteeism, and long-term organizational resilience.

22. Ballard, D. W., Roemer, E. C., Wu, A. M., Kent, K. B., & Goetzel, R. Z. (2025). Mental health at work: A practical framework for employers. Frontiers in Public Health, 13, 1552981.

<https://doi.org/10.3389/fpubh.2025.1552981>

This article proposes a comprehensive, evidence-based framework designed to help employers assess and improve workforce mental health at the organizational level. Developed by a collaboration of academic researchers and mental-health organizations, the framework - called the “Mental Health at Work Index™” - organizes employer best practices into a structured maturity-model, categorizing actions under three broad areas: protection (eliminating psychosocial hazards), promotion (fostering psychological well-being), and provision (supporting employees experiencing mental health challenges). The authors argue

that by systematically evaluating and investing in these practices, organizations can create healthier work environments - with benefits including enhanced well-being, better job performance, lower absenteeism, and long-term organizational resilience. The paper also discusses current research and practice gaps, noting the need for more real-world evaluations of comprehensive workplace mental-health programmes.

23. Belloni, M., & al. (2022). The impact of working conditions on mental health: Novel evidence from the UK. Journal of Affective Disorders?)

<https://doi.org/10.1016/j.jad.2022.01.0677>

This longitudinal study investigates how working conditions - including job demands, employment instability, and work environment - affect mental health among workers in the UK. The authors find robust evidence that poor working conditions significantly increase the likelihood of mental-health problems (such as anxiety and depression), showing that workplace factors have a causal impact on employee mental well-being. The study underlines that improving working conditions is not just a matter of comfort - it's crucial for safeguarding mental health and by extension maintaining productivity and workforce sustainability.

24. Kirby, E., & Chosewood, L. C. (2024, April 15). Supporting mental health in the workplace. NIOSH Science Blog. Centers for Disease Control and Prevention.

<https://blogs.cdc.gov/niosh-science-blog/2024/04/15/workplace-mental-health-resources/>

This blog post argues that workplaces play a critical role in shaping employees' mental health - often more than individual therapy - because many adults spend half their waking hours at work. It emphasizes that employment conditions such as job demands, wages, working conditions, and managerial support are powerful determinants of mental well-being. The post highlights evidence showing that supportive management and a psychologically safe workplace significantly improve mental health outcomes. It encourages employers to adopt organizational-level strategies to promote mental health, such as improving working conditions, reducing chronic stressors, and providing mental-health resources, as a means to improve worker well-being, reduce healthcare costs, and boost productivity.

25. Reiner Rugulies, Birgit Aust, Birgit A. Greiner, Ella Arensman, Norito Kawakami, Anthony D. LaMontagne & Ida E. H. Madsen (2023). Work-related causes of mental health conditions and interventions for their improvement in workplaces. The Lancet, 402(10410), 1368–1381.

[https://doi.org/10.1016/S0140-6736\(23\)00869-3](https://doi.org/10.1016/S0140-6736(23)00869-3)

This discussion paper reviews the contemporary evidence on how work-related conditions influence mental health and outlines effective interventions to improve mental health in workplaces. The authors show that certain working conditions - such as high work demands, job insecurity, poor work environment, and lack of control - are associated with a higher risk of onset of mental disorders, especially depression. They argue that improving working conditions and organizational practices - rather than focusing only on individual-level treatment - can reduce mental health problems and foster well-being among workers. The paper calls for stronger research (theory-driven, longitudinal, context-sensitive) and for policies and workplace interventions focused on prevention, protection, and promotion of mental health at work.

26. Maulik, P. K. (2017). Workplace stress: A neglected aspect of mental health wellbeing. Indian Journal of Medical Research, 146(4), 441–444.

https://doi.org/10.4103/ijmr.IJMR_1298_17

In this editorial, Maulik argues that workplace stress remains a largely overlooked dimension of mental health and well-being - especially in low- and middle-income countries such as India. The article outlines how poor work design, excessive job demands, lack of control, inadequate support, harassment, and unsatisfactory organizational practices can lead to stress, mental illness, and even physical health problems (like hypertension or diabetes). It calls for evidence-based organizational interventions (e.g. improving job design, promoting work–life balance, supporting psychosocial well-being, founding return-to-work programs, and ensuring safe/harassment-free environments) and suggests that such measures not only safeguard employee health but also help maintain productivity. The author also urges governments and employers to enforce labour laws, encourage mental-health policies, and carry out research on the cost of mental-health related productivity loss.

27. Hogg, B., Coppens, E., Greiner, B. A., et al. (2023). Promoting employee wellbeing and preventing non-clinical mental health problems in the workplace: A preparatory consultation survey. Journal of Occupational Medicine and Toxicology, 18, Article 17.

<https://doi.org/10.1186/s12995-023-00378-2>

This article reports a preparatory consultation survey examining how workplaces can promote employee well-being and prevent non-clinical mental health problems. The authors assessed views from various stakeholders - including employers, employees, health professionals - to identify which workplace practices are most feasible and effective for mental-health promotion. Key supportive practices identified include raising mental-health awareness, providing psychosocial support, ensuring reasonable workloads, offering flexibility, and creating a culture where mental-wellbeing is prioritized. The study argues that such preventive and supportive measures can reduce mental-health risks before they escalate, improving both employee well-being and organizational outcomes such as productivity, satisfaction, and retention. The authors recommend that organizations embed mental-wellness policies proactively rather than reactive interventions.

28. Sharma, M. (2023). Importance of mental health at the workplace. In Futuristic Trends in Medical Sciences (IIP Series, Vol. 3, Book 10, Part 2, Chapter 1). IIP Series, e-ISBN: 978-93-6252-008-1.

<https://iipseries.org/assets/docupload/rs12024FED839A4B524D46.pdf>

This chapter discusses why mental health in the workplace is critically important for both employees and organizations. It highlights how good mental well-being supports job satisfaction, productivity, focus, decision-making, and overall performance, while poor mental health can lead to absenteeism, presenteeism, burnout, reduced creativity, and lower organizational output. The paper also reviews common workplace stressors — high job demands, tight deadlines, heavy workloads — and argues that organizations must implement supportive measures such as flexible work arrangements, employee assistance programs, mental-health awareness campaigns, supportive leadership, and a stigma-free work culture. The author emphasizes that investing in employee mental health is not just a welfare concern but a strategic decision for long-term organizational success.

29. Akhila C Biju S, Divya S S, Dr. Veena Bhavikatti (2024). Burnout in the MNCs: Causes and HR strategies to prevent it. International Journal of Research Publication and Reviews, 6(7).

<https://ijrpr.com/uploads/V6ISSUE7/IJRPR50620.pdf>

This article examines the phenomenon of burnout among employees in multinational companies (MNCs), exploring common causes such as excessive workload, long working hours, lack of organizational support, high job demands, and poor work-life balance. It discusses how these stressors lead not only to mental health issues (stress, exhaustion, decreased morale) but also to declines in job performance, productivity, motivation, and increased turnover. The authors suggest various HR/community-level interventions and strategies - including flexible work models, stress-management programs, mental-health support systems, employee-engagement initiatives - as preventive measures to mitigate burnout and improve overall organizational well-being and performance.

| Concept | Correlation | Author | Reliability |
|---|-----------------------------------|---|------------------------|
| Early prevention and non-clinical mental-health | Organizational productivity, | Rugulies et al. (2023) | Employee mental health |
| | | Wu et al. (2021) and Goetzl et al. (2021) | |
| | | Coppens et al. (2023) | |
| | | (Maulik 2017) | |
| | | Aquino, Kazi, and colleagues (2020) | |
| | | Belloni et al. (2023) | |
| Cost-benefit | Mental well-being programs in MNC | De Oliveira et al. (2022) | Boost employee output |
| | | Oliveira, C., Saka, M., Bone, L., & Jacobs, R. (2023) | |
| | | P.V.V.Satyanarayana (2018) | |
| | | Sohal, A., & Sharma, D. (2025) | |
| | | Ullah, M. A., & Hussain, S. A. (2025) | |
| | | Rajesh, E., Phagna, K., Kalkar, P., Kumar, R., & Kalyani, P. A. L. N. S. (2024) | |
| Diagnose underlying barriers | Engagement strategies | Rajesh, E., Phagna, K., Kalkar, P., Kumar, R., & Kalyani, P. A. L. N. S. (2024) | Workplace culture |
| | | Ssekajugo, D. (2013) | |
| | | Kassa, H., & colleagues. (2025) | |

| | | | |
|---|--|---|--|
| | | Wu, A. M., Roemer, E. C., Kent, K. B., Ballard, D. W., & Goetzel, R. Z. (2021). | |
| | | Rakhra, H. K. (2017–19) | |
| | | Enoch Li(2025) | |
| | | Kawtar Hibaoui, Fairouz Naji. (2024) | |
| Decent work | Protective and harmful for mental health | Kelloway, E. K., Dimoff, J. K., & Gilbert, S. (2023) | Depression and anxiety alone lead to an estimated loss |
| | | World Health Organization. (2024, September 2) | |
| | | Sagar, N., & Singh, R. (2022) | |
| | | R Gupta. (2020) | |
| | | P.V.V.Satyanarayana (2018) | |
| | | Ballard, D. W., Roemer, E. C., Wu, A. M., Kent, K. B., & Goetzel, R. Z. (2025) | |
| Work-related conditions influence mental health | Higher risk of onset of mental disorders | Belloni, M., & al. (2022) | Work-related conditions influence mental health |
| | | Belloni, M., & al. (2022) | |
| | | Reiner Rugulies, Birgit Aust, Birgit A. Greiner, Ella Arensman, Norito Kawakami, Anthony D. LaMontagne & Ida E. H. Madsen (2023). | |
| | | Maulik, P. K. (2017). | |
| | | Hogg, B., Coppens, E., Greiner, B. A., et al. (2023) | |
| | | Sharma, M. (2023). | |

RESEARCH GAP

Although extensive research has examined the relationship between employee mental health and workplace productivity, several critical gaps persist across the collective body of literature. Most existing studies rely on **cross-sectional designs**, limiting the ability to establish causal pathways between mental health, workplace stressors, and productivity outcomes. Longitudinal and intervention-based evidence remains scarce, restricting clarity on how mental-health improvements translate into sustainable performance gains over time. Additionally, the majority of articles focus on **clinical disorders** such as anxiety and depression, while **non-clinical psychological distress**, early signs of burnout, and daily occupational stress- factors that strongly influence productivity- are significantly underexplored. This limits early preventive action in organizations.

A major contextual gap emerges from the dominance of **Western-centric studies**, with relatively few investigations focusing on Asian contexts, particularly **Indian MNCs**, where work culture, stigma, managerial practices, and labour dynamics differ markedly. As a result, existing frameworks are not fully adaptable to culturally diverse workforces. Moreover, while many studies confirm that poor mental health reduces job satisfaction, performance, and productivity, **few evaluate the real-world effectiveness of organizational interventions**, such as mental-health programs, HR policies, leadership practices, or the Mental Health at Work Index™. Evidence regarding which strategies work best in complex, high-pressure environments like MNCs remains insufficient.

Another consistent limitation across studies is the **lack of standardized measurement tools for productivity**. Some rely on absenteeism/presenteeism data, others use self-reports or fragmented performance metrics, making it difficult to compare results across studies. Emerging workplace realities- technology overload, hybrid work models, digital surveillance, AI-driven tasks- are also insufficiently incorporated into current research despite their significant influence on mental health. Lastly, intersectional factors such as **gender, age, job role, socio-economic background, and organizational hierarchy** receive limited attention, leaving unclear which groups are most vulnerable or which targeted interventions are most effective. Collectively, these gaps highlight the need for context-specific, longitudinal, and intervention-driven research to fully understand and enhance the mental-health-productivity relationship in modern organizations.

CONCLUSION

The collective body of research reviewed clearly establishes that employee mental health is a critical driver of organizational effectiveness, productivity, and long-term sustainability. Across global studies, authors such as **Rugulies et al. (2023)** and **Maulik (2017)** consistently demonstrate that unmanaged workplace stress, poor psychosocial environments, and high job demands significantly compromise employees' emotional well-being and cognitive functioning, ultimately reducing their capacity to perform effectively. Evidence from intervention-oriented works, including those by **Wu et al. (2021)** and **Goetzel et al. (2021)**, further highlights the positive impact of structured mental-health programs, supportive leadership, and organizational best practices on enhancing employee performance and reducing productivity losses.

Furthermore, contemporary research by **Coppens et al. (2023)** reinforces the importance of early prevention, non-clinical mental-wellbeing support, and proactive organizational strategies in mitigating

emerging mental-health risks. Studies from multidisciplinary platforms such as *Frontiers in Public Health* (2025), *ScienceDirect* (2022, 2025), and *Annual Reviews* expand this understanding by revealing how digital overload, hybrid work demands, and modern workplace transitions pose new mental-health challenges that directly influence focus, motivation, and task efficiency. Similarly, performance-based analyses by **Aquino, Kazi, and colleagues (2020)** reiterate that employees experiencing psychological strain demonstrate reduced task performance, lower engagement, and diminished contextual performance, thereby affecting overall organizational outcomes.

Despite these collective insights, the literature consistently emphasizes that workplace mental health remains insufficiently addressed in many organizations, particularly in developing countries. Global reports from the **WHO (2022)** stress the urgent need for systemic, evidence-based mental-health policies and organizational reforms to safeguard worker well-being and productivity. Overall, the reviewed scholarship strongly indicates that prioritizing mental health is not only an ethical and welfare responsibility but also a strategic imperative for organizational competitiveness. Strengthening mental-health frameworks, fostering psychologically safe work environments, and implementing culturally relevant interventions - especially in Indian MNCs-represent essential steps for achieving sustainable productivity and organizational excellence.

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