

EMPLOYEE WELL-BEING AND MENTAL HEALTH SUPPORT DRIVES EMPLOYEE PERFORMANCE

A Study of SMEs in Swansea, United Kingdom



EMPLOYEE WELL-BEING

- Physical Health
- Mental Health
- Emotional Health
- Work-Life Balance
- Social Well-being

POSITIVE OUTCOMES

- Higher Employee Engagement
- Lower Absenteeism
- Greater Job Satisfaction
- Stronger Retention
- Healthier Workplace Culture

IMPROVED PERFORMANCE

- Higher Productivity
- Better Quality of Work
- Innovation & Creativity
- Customer Satisfaction
- Business Growth

MENTAL HEALTH

- Coaching
- Mental Health
- Stress Management
- Flexible Working
- Open Communication

“When you support your employees' mental health, you improve their performance.”



Building healthier workplaces. Stronger SMEs. Better future.

Well-being Support Performance



Swansea University
Dr Aislinn O'Sullivan
Professor of Health, Safety & Well-being
Faculty of Health & Social Sciences

Developing a Research Proposal (BMSW5014_CARD)

Developing Leadership and Management (BA Hons)

Developing a Research Proposal (BMSW5014_CARD)

Lecturer: Jaliya de Silva

Student: Naimo Abdillahi Ahmed 2324030

Table of Contents

1. Introduction	3
2. Literature Review	4
2.1 Employee Well-being	4
2.2 Job Demands–Resources (JD-R) Theory	5
2.3 Social Exchange Theory	6
2.4 Employee Well-being and Performance	7
2.5 Leadership and Well-being	8
2.6 Workplace Mental Health Interventions	9
2.7 Changing Nature of Work and Employee Well-being	10
2.8 Research Gap	11
2.9 Theoretical Framework	12
3. Research Methodology	13
4. Project Plan and Timeline	17
5. References	19
<i>Appendices</i>	
<i>Appendix A: SPSS Variable Table</i>	<i>23</i>
<i>Appendix B: Gantt Chart</i>	<i>24</i>

The Impact of Employee Well-being and Mental Health Support on Employee Performance: A Study of SMEs in Swansea, United Kingdom

1. Introduction

Employee well-being has become a strategic business management issue in the United Kingdom because poor mental health reduces productivity, increases absenteeism and weakens employee engagement (WHO, 2022; CIPD, 2025). In small and medium-sized enterprises (SMEs), this issue is particularly important because SMEs often have fewer financial and human resource management resources than large organisations. Understanding how employee well-being and mental health support influence employee performance is therefore important for both research and business practice (Armstrong and Taylor, 2023).

Employee well-being refers to employees' psychological, physical, and social health at work (Danna and Griffin, 1999). In contemporary organisations, well-being is not only a welfare issue but also a strategic management concern because healthier employees are more likely to be engaged, productive and committed (Nielsen et al., 2017; Krekel, Ward, and De Neve, 2019). However, despite growing interest in workplace well-being, there is still limited research focusing specifically on SMEs in local UK contexts such as Swansea.

Research Aim

The aim of this study is to investigate the impact of employee well-being and mental health support on employee performance within SMEs in Swansea, United Kingdom.

Research Motivation

The motivation for selecting this topic is based on both professional and personal experience. Working full-time for the NHS while raising three children has increased my awareness of the importance of employee well-being and work-life balance. In addition, observing the effects of long working hours and workplace pressure on my husband, who works as a full-time pharmacist, highlighted how employee well-being can influence mental health and job performance. These experiences inspired me to investigate how organisations can better support employee well-being, particularly within SMEs. Although the research is professionally motivated, the study will be conducted objectively using established theories, empirical evidence and a quantitative research methodology.

The research objectives are:

1. To examine the relationship between employee well-being and employee performance.
2. To evaluate the role of workplace mental health support in improving employee performance.
3. To identify key workplace factors that influence employee well-being in SMEs.
4. To provide practical recommendations for SMEs seeking to improve employee well-being and performance.

The central research question is:

How does employee well-being influence employee performance in SMEs in Swansea?

This topic is significant because employee mental health is increasingly linked to organisational productivity, retention, and competitiveness. For SMEs, effective well-being strategies may improve performance without requiring large-scale financial investment.

2. Literature Review

2.1 Employee Well-being

Employee well-being refers to an individual's psychological, physical and emotional health within the workplace (Danna and Griffin, 1999). Modern organisations increasingly recognise that employee well-being contributes directly to organisational performance, productivity and employee retention (Armstrong and Taylor, 2023).

Recent evidence from CIPD (2025), ETH Zurich (2024) and WHO (2024) also suggests that organisations investing in employee wellbeing experience higher employee engagement, lower staff turnover and greater organisational resilience (Nielsen et al., 2017).

2.2 Job Demands–Resources (JD-R) Theory

The Job Demands–Resources Theory developed by Bakker and Demerouti (2017) is one of the most influential frameworks for understanding employee well-being.

The theory argues that every occupation contains job demands and job resources. Job demands include workload, emotional pressure and role conflict, whereas job resources include managerial support, autonomy and opportunities for development. Employees experience burnout when job demands exceed available resources.

A major strength of JD-R Theory is its ability to explain both positive and negative workplace outcomes. However, critics argue that the model focuses heavily on organisational factors while paying less attention to individual characteristics such as resilience and personality traits.

Despite these limitations, JD-R Theory remains highly relevant because it provides a strong explanation of how workplace conditions influence employee well-being and performance.

2.3 Social Exchange Theory

Social Exchange Theory (Blau, 1964) provides an alternative explanation of employee behaviour.

The theory suggests that relationships are based on reciprocal exchanges. Employees who perceive organisational support are likely to reciprocate through increased commitment, engagement and performance.

Unlike JD-R Theory, which focuses on workplace demands and resources, Social Exchange Theory emphasises the quality of relationships between employers and employees. While JD-R Theory explains why employees become stressed or engaged, Social Exchange Theory explains why supportive organisational practices generate positive employee responses.

However, the theory assumes rational behaviour and does not fully account for emotional responses to workplace stress. Therefore, both theories complement one another and provide a stronger theoretical basis when used together.

2.4 Employee Well-being and Performance

Research consistently demonstrates a positive relationship between employee well-being and organisational performance.

Nielsen et al. (2017) conducted a systematic review and meta-analysis and found that workplace resources positively influence both employee well-being and organisational performance. Their findings suggest that organisations that invest in employee support mechanisms often benefit from increased productivity and engagement.

Similarly, Krekel, Ward and De Neve (2019) found that employee well-being contributes significantly to firm productivity and profitability. Their research supports the argument that employee happiness should be considered a strategic business asset.

Recent evidence from CIPD (2025), ETH Zurich (2024), (Murfat, Mohamad and Anas, 2025), and WHO (2024) also suggests that organisations investing in employee wellbeing

experience higher employee engagement, lower staff turnover and greater organisational resilience.

Furthermore, UK evidence demonstrates that good-quality jobs are associated with improved employee wellbeing, innovation and organisational productivity (Warwick Institute for Employment Research, 2024).

WHO (2024), CIPD (2025) and ETH Zurich (2024) similarly conclude that employee wellbeing contributes to organisational sustainability and long-term productivity.

2.5 Leadership and Well-being

Lundqvist, Reineholm and Gustavsson (2023) found that supportive leadership behaviours improve employee well-being and work performance. Employees who perceive their managers as supportive report greater job satisfaction and stronger organisational commitment.

Yang et al. (2024), (Blau, 1964), similarly found that employee wellbeing, trust in supervisors and job satisfaction jointly improve individual performance, suggesting that supportive leadership strengthens both psychological wellbeing and organisational outcomes.

However, leadership alone may not eliminate workplace stress if employees continue to face excessive workloads and limited organisational resources.

2.6 Workplace Mental Health Interventions

Greiner et al. (2022) found that organisational-level mental health interventions can reduce employee stress and improve wellbeing. Similarly, Aust et al. (2024) argue that interventions focused on job redesign, workload management and organisational culture are generally more effective than interventions targeting individual resilience alone.

Although organisational interventions generally improve wellbeing, their effectiveness varies according to implementation quality and organisational culture (BMJ Open, 2023; Frontiers in Public Health, 2024; WHO, 2022).

Therefore, further research is needed to understand how mental health support influences employee performance in SMEs.

2.7 Changing Nature of Work and Employee Well-being

The rise of remote and hybrid working arrangements has transformed employee wellbeing and productivity dynamics, requiring organisations to redesign work practices and support systems (Brynjolfsson et al., 2020; Wang et al., 2021).

While flexible working arrangements can improve work-life balance and employee autonomy, they may also increase social isolation and blur boundaries between work and personal life (SOM) (2024).

Wang et al. (2021) found that remote working effectiveness depends heavily on organisational support, communication and leadership quality. These findings demonstrate

that employee wellbeing is increasingly shaped by digitalisation, flexible working and organisational support rather than traditional workplace factors alone (Brynjolfsson et al., 2020; Wang et al., 2021; SOM, 2024).

2.8 Research Gap

Although substantial research has examined employee well-being and organisational performance, several gaps remain.

First, most existing studies focus on large organisations rather than SMEs. Second, limited research investigates how workplace mental health support specifically influences employee performance within UK SMEs. Third, findings regarding the effectiveness of workplace wellbeing interventions remain inconsistent.

Consequently, there is a need for empirical research examining the relationship between employee well-being, mental health support and employee performance within SMEs in Swansea, United Kingdom.

2.9 Theoretical Framework

This study will be guided by:

- Job Demands–Resources Theory (Bakker and Demerouti, 2017)
- Social Exchange Theory (Blau, 1964)

Together, these theories provide a framework JD-R Theory explains how the balance between job demands and organisational resources influences employee wellbeing, whereas Social Exchange Theory explains how organisational support encourages employees to reciprocate through greater commitment and performance (Bakker and Demerouti, 2017; Blau, 1964). While JD-R Theory emphasises workplace conditions, Social Exchange Theory focuses on reciprocal relationships between employees and organisations. Using both theories provides a comprehensive framework for understanding how workplace resources, leadership and mental health support influence employee performance (Lundqvist, Reineholm and Gustavsson, 2023; Yang et al., 2024). Empirical evidence consistently demonstrates positive relationships between wellbeing, productivity and organisational performance (Nielsen et al., 2017; Krekel, Ward and De Neve, 2019; Warwick Institute for Employment Research, 2024). However, relatively little research has examined these relationships within UK SMEs, particularly in Swansea, creating the research gap addressed by this study.

The research gap is clear. Although previous studies show a relationship between employee well-being and performance, much of the existing research focuses on large organisations or general workplace populations. There is less research on how mental health support affects performance in SMEs, especially in local UK contexts such as Swansea. SMEs may face different challenges because they often have fewer HR specialists, smaller budgets, and less formalised well-being policies. Therefore, this study will address this gap by examining employee well-being, mental health support, and employee performance in Swansea SMEs.

3. Research Methodology

This study will adopt a positivist research philosophy. Positivism assumes that social reality can be studied through objective measurement and observable evidence (Saunders, Lewis, and Thornhill, 2023). This philosophy is appropriate because the study aims to measure the relationship between employee well-being, mental health support and employee performance using numerical data. Creswell and Creswell (2023) explain that positivist research is suitable when researchers seek to test relationships between variables.

A deductive research approach will be used. Deductive research begins with existing theories and then collects data to test them (Bryman and Bell, 2023). This is suitable because the study is based on JD-R Theory and Social Exchange Theory. The research will test whether the assumptions of these theories apply to SMEs in Swansea.

The study will use a quantitative methodology. Quantitative research is appropriate because the study seeks to collect measurable data from employees and analyse relationships statistically. Although qualitative research provides richer insight into employee experiences (Flick, 2023), a quantitative survey is more appropriate because this study seeks to measure relationships between variables using statistical analysis (Gray, 2021; Creswell and Creswell, 2023), (Braun and Clarke, 2022).

The primary data collection method will be an online questionnaire. Questionnaires are effective in business research because they allow standardised data to be collected from an enormous number of respondents (Saunders, Lewis, and Thornhill, 2023). The questionnaire will include closed questions using a five-point Likert scale, ranging from “strongly disagree” to “strongly agree.” Questions will focus on employee well-being, mental health support, job satisfaction, and perceived performance.

The target population will be employees working in SMEs in Swansea, United Kingdom. A convenience sampling technique will be used to recruit approximately one hundred participants. Convenience sampling is practical for undergraduate research because it allows access to participants within limited time and resources (Bryman and Bell, 2023). However, it may reduce generalisability because the sample may not fully represent all SME employees in Swansea.

Data will be analysed using IBM SPSS Statistics. Descriptive statistics will be used to summarise participant characteristics and overall response patterns. Correlation analysis will examine whether there is a relationship between employee well-being and employee performance. Regression analysis may also be used to evaluate whether well-being and mental health support predict employee performance. Field (2024) argues that correlation and regression are appropriate techniques for examining relationships between variables, while Pallant (2020) provides practical guidance for analysing questionnaire data using SPSS.

Reliability will be enhanced through standardised questions and pilot testing, while validity will be ensured by aligning questionnaire items with the research objectives and established wellbeing measures (Saunders, Lewis and Thornhill, 2023; Bryman and Bell, 2023).

Ethical approval will be obtained from the university before data collection begins. Participants will receive an information sheet explaining the purpose of the study, how data will be used and their right to withdraw. Participation will be voluntary and anonymous. No names or identifying details will be collected. Data will be stored securely and used only for academic purposes. Denzin and Lincoln (2023) highlight the importance of protecting participants from harm, especially when research involves sensitive issues such as mental

health. The study will also comply with UK GDPR requirements for collecting, storing and processing research data (Denzin and Lincoln, 2023).

The study has limitations. First, the small sample size may limit the generalisability of the findings. Second, convenience sampling may create sample bias. Third, self-reported data may be affected by social desirability bias, as employees may not answer honestly about well-being or performance. Finally, focusing only on Swansea means the results may not represent SMEs across the whole UK.

4. Project Plan and Timeline

The project will be completed over sixteen weeks. The first five weeks will focus on topic selection and literature review, followed by questionnaire design, ethics approval and pilot testing. Data collection will take place during weeks 9–10, followed by SPSS analysis, interpretation of findings, report writing and final submission in week sixteen.

5. References

- Armstrong, M. and Taylor, S. (2023) *Armstrong's Handbook of Human Resource Management Practice*. 16th edn. London: Kogan Page.
- Aust, B. et al. (2024) 'The effects of several types of organisational workplace mental health interventions', *International Archives of Occupational and Environmental Health*, 97, pp. 485–503.
- Bakker, A.B. and Demerouti, E. (2017) 'Job Demands–Resources Theory: Taking stock and looking forward', *Journal of Occupational Health Psychology*, 22(3), pp. 273–285.
- Bhoir, M. and Suri, G. (2024) 'Employee well-being human resource practices: A systematic literature review and directions for future research', *Future Business Journal*, 10(1), pp. 1–20.
- Blau, P.M. (1964) *Exchange and Power in Social Life*. New York: Wiley.
- BMJ Open (2023). Workplace interventions to improve well-being and reduce burnout for nurses, physicians and allied healthcare professionals: A systematic review. 13(6): e071203.
- Braun, V. and Clarke, V. (2022) *Thematic Analysis: A Practical Guide*. London: SAGE.
- Bryman, A. and Bell, E. (2023) *Business Research Methods*. 5th edn. Oxford: Oxford University Press.
- Brynjolfsson, E., Horton, J.J., Ozimek, A., Rock, D., Sharma, G. and TuYe, H.Y. (2020) *COVID-19 and Remote Work: An Early Look at US Data*. Harvard Business School Working Paper No. 20-127. Boston: Harvard Business School.
- Chartered Institute of Personnel and Development (CIPD) (2025) *Health and Wellbeing at Work Survey Report 2025*. London: CIPD.
- Creswell, J.W. and Creswell, J.D. (2023) *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*. 6th edn. London: SAGE.

- Creswell, J.W. and Poth, C.N. (2024) *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*. 5th edn. London: SAGE.
- Danna, K. and Griffin, R.W. (1999) 'Health and well-being in the workplace: A review and synthesis of the literature', *Journal of Management*, 25(3), pp. 357–384.
- Denzin, N.K. and Lincoln, Y.S. (eds.) (2023) *The SAGE Handbook of Qualitative Research*. 6th edn. Thousand Oaks: SAGE.
- ETH Zurich (2024) *Employee Well-being and Workplace Productivity: A Research Report*. Zurich: ETH Zurich Research Collection.
- Field, A. (2024) *Discovering Statistics Using IBM SPSS Statistics*. 6th edn. London: SAGE.
- Flick, U. (2023) *An Introduction to Qualitative Research*. 7th edn. London: SAGE.
- Frontiers in Public Health (2024) *Updated Framework for Mentally Healthy Workplaces*. Lausanne: Frontiers Media SA.
- Gray, D.E. (2021) *Doing Research in the Real World*. 5th edn. London: SAGE.
- Greiner, B.A. et al. (2022) 'The effectiveness of organisational-level workplace mental health interventions on mental health and wellbeing in construction workers: A systematic review', *PLOS ONE*, 17(11), pp. 1–28.
- International Journal of Scientific Research and Management (2025) 'Employee wellbeing and organisational productivity: Emerging evidence from contemporary workplaces', *IJSRM*, 13(1), pp. 1–15.
- Krekel, C., Ward, G. and De Neve, J.E. (2019) 'Employee wellbeing, productivity and firm performance', Saïd Business School Working Paper. Oxford: University of Oxford.
- Lundqvist, D., Reineholm, C. and Gustavsson, M. (2023) 'Leadership and employee well-being and work performance', *Scandinavian Journal of Work and Organizational Psychology*, 8(1), pp. 1–16.
- Miller, E.A. (ed.) (2024) *COVID-19 Pandemic and Older Adults*. Abingdon: Routledge.
- Murfat, M.Z., Mohamad, M. and Anas, A. (2025) 'Smiles, systems and support: How technology and workplace climate shape frontline employee growth', *Jurnal Minds: Manajemen Ide dan Inspirasi*, 12(2), pp. 635–646.
- Murray, R. (2023) *How to Write a Thesis*. 4th edn. Maidenhead: Open University Press.
- National Institute for Health and Care Excellence (NICE) (2022) *Mental Wellbeing at Work: Rationale and Impact*. Available at: <https://www.nice.org.uk/guidance/ng212/chapter/Rationale-and-impact> (Accessed: 20 June 2026).
- National Institute for Health and Care Excellence (NICE) (2025) *Mental Wellbeing in the Workplace Guidelines*. London: NICE.
- Nielsen, K., Nielsen, M.B., Ogbonnaya, C., Käsälä, M., Saari, E. and Isaksson, K. (2017) 'Workplace resources to improve both employee well-being and performance: A systematic review and meta-analysis', *Work & Stress*, 31(2), pp. 101–120.

Owoade, O.O. (2026) Employee Well-being and Organisational Performance: Contemporary Perspectives. Doctoral Thesis. Selinus University.

Pallant, J. (2020) SPSS Survival Manual: A Step-by-Step Guide to Data Analysis Using IBM SPSS. 7th edn. Maidenhead: McGraw-Hill.

Psychreg (2025) The Psychology of Workplace Well-Being. Available at: <https://www.psychreg.org/> (Accessed: 20 June 2026).

Reinders, H., Lai, C. and Sundqvist, P. (eds.) (2022) The Routledge Handbook of Language Learning and Teaching Beyond the Classroom. Abingdon: Routledge.

Robson, C. and McCartan, K. (2024) Real World Research. 5th edn. Chichester: Wiley.

Saunders, M.N.K., Lewis, P. and Thornhill, A. (2023) Research Methods for Business Students. 9th edn. Harlow: Pearson.

Schaufeli, W.B. (2017) Applying the Job Demands–Resources Model: A ‘How To’ Guide to Measuring and Tackling Work Engagement and Burnout. Rotterdam: Erasmus University Rotterdam.

Society of Occupational Medicine (SOM) (2024) Supporting Employee Wellbeing in SMEs: Addressing Barriers and Taking Action. London: Society of Occupational Medicine.

Shiri, R., Nikunlaakso, R., & Laitinen, J. (2022). Effectiveness of workplace interventions to improve health and well-being of health and social service workers: A narrative review of randomized controlled trials. MDPI Healthcare, 11(12), 1792.

Tashakkori, A., Johnson, R.B. and Teddlie, C. (2020) Foundations of Mixed Methods Research. 2nd edn. London: SAGE.

Wang, H., Liu, Y., Qian, J. and Parker, S.K. (2021) ‘Achieving effective remote working during the COVID-19 pandemic: A work design perspective’, Frontiers in Psychology, 12, Article 780718.

Warwick Institute for Employment Research (2024) Building a Business Case for Good Jobs: Links Between Good Work, Innovation, Productivity and Employee Health/Wellbeing. Coventry: University of Warwick.

World Health Organization (WHO) (2022) Mental Health at Work: Policy Brief. Geneva: World Health Organization.

World Health Organization (WHO) (2024) Mental Health at Work: Global Guidance for Employers. Geneva: World Health Organization.

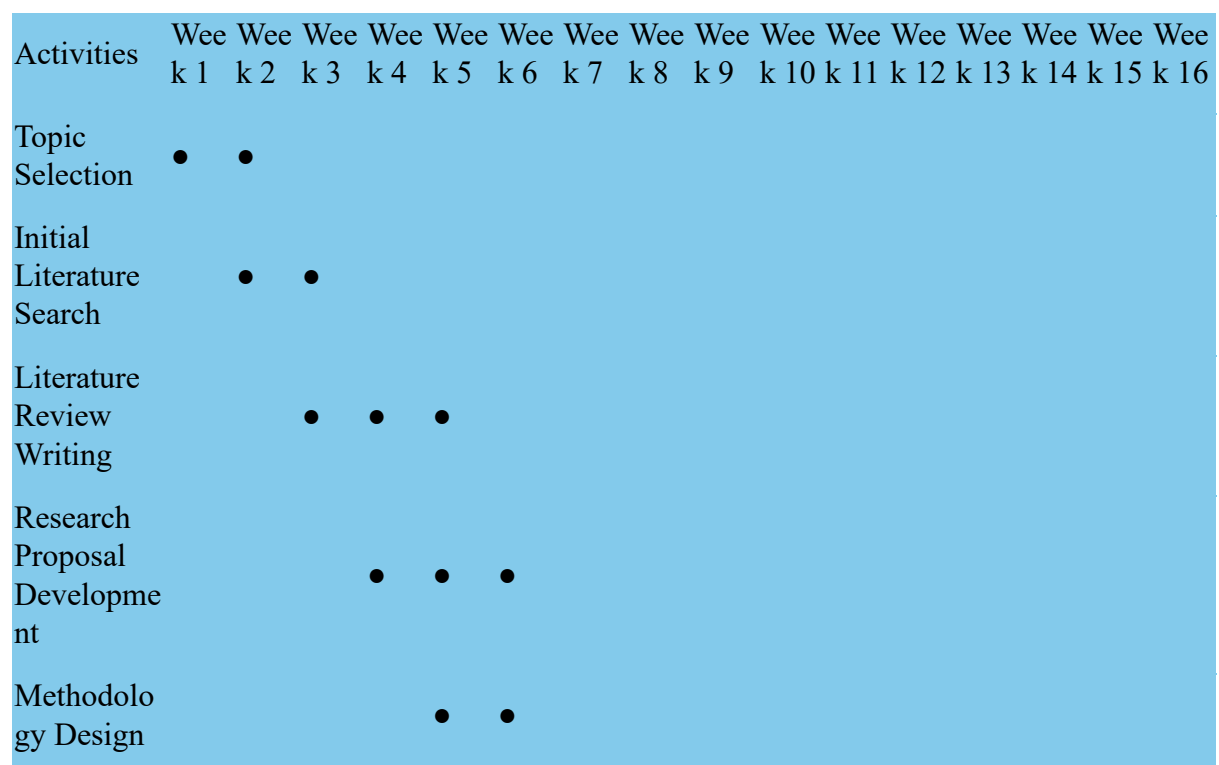
Yang, Y. et al. (2024) ‘Enhancing job performance: The critical roles of well-being, job satisfaction and trust in supervisor’, Frontiers in Psychology, 15, pp. 1–12.

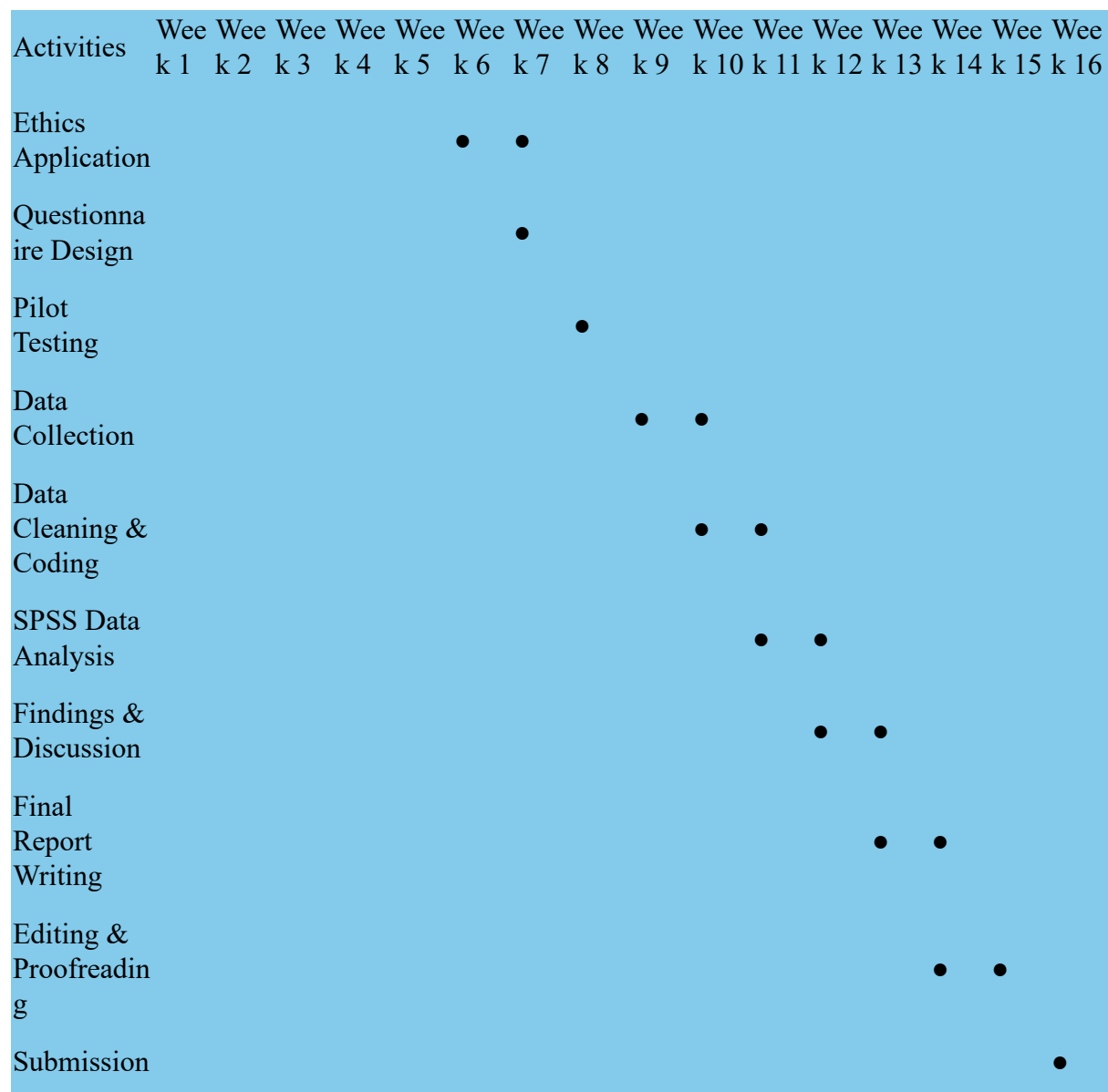
Yelnikova, N. (2025) ‘Small and medium-sized businesses and their role in the Dutch economy’, NALOG News, 11 February. Available at: <https://www.nalog.nl/en/news/2025/02/11/malyj-i-srednij-biznes-i-ego-rol-v-ekonomike-niderlandov/> (Accessed: 20 June 2026).

5.1 Spss table

Activity	Weeks
Topic selection and objectives	1–2
Literature review	3–5
Methodology and questionnaire design	6
Ethics application	7
Pilot testing	8
Data collection	9–10
Data analysis using SPSS	11–12
Discussion and recommendations	13–14
Final editing and referencing	15
Submission	16

5.2 Gantt Chart





<https://docs.google.com/forms/d/e/1FAIpQLSdGWfHlbb8Vb07smYsjkciELs0LH7GPqvVDgzojMarBmhzKQ/viewform?usp=publish-editor>

Thank you for participating in this survey.

This questionnaire forms part of an undergraduate dissertation investigating the relationship between employee well-being, mental health support and employee performance within SMEs in Swansea, United Kingdom. Participation is voluntary and anonymous. No personal identifying information will be collected. You may withdraw from the survey at any time before submission.