

AI-Driven Change Is Intensifying Mental Health Needs. Leaders May Not Be Ready.

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Adeline Kon/HR Dive

Policies and benefits programs that extol the importance of mental health may be undermined by ill-equipped managers, Headspace's chief people officer said.

Employers already faced significant challenges in addressing employees' mental health issues, but the rapid pace of workplace transformation seen throughout 2026 seems all but certain to further intensify a thunderous storm.

Recent surveys of workers have borne out those concerns. The first quarter of the year marked a 65% increase in burnout reported by Glassdoor users compared to the same point in 2025. A separate May report by Monster found that 59% of employee respondents said their job actively hurts their mental health.

It's not hard to identify culprits, according to sources who spoke with HR Dive. At the top of the list sits artificial intelligence, a technology that is often haphazardly integrated into organizational processes and has led to fears of displacement and skill erosion.

Mental health expected to be a bigger emphasis for HR moving forward

% of HR professionals, 2023 to 2026, sorted by how they expected the following trend to fare over the next three to five years: "Helping employees to manage their mental health and wellness"

On its own, AI's rise is accompanied by a constant sense of urgency that, when coupled with a lack of psychological safety in many workplaces, is a recipe for burnout, said Brittany Cole, CEO and founder of Career Thrivers, a consulting firm that focuses on leadership development.

"It almost feels like a big shift is happening every week," Cole said, adding that managers are largely ill-equipped to handle this rate of change personally, let alone lead other employees through it.

More and more HR professionals seem aware of the need for mental health practices that meet this moment. More than half, 55%, of respondents to this year's Identity of HR survey said that mental health and wellness will grow in importance for organizations over the next three to five years, up from 48% who said the same in 2025.

But to come up with meaningful solutions, departments might have to rethink their process for evaluating, developing and promoting leaders. This is key to getting ahead of mental health concerns in a proactive manner rather than treating them reactively, according to Ryan Rush, senior consultant, talent solutions at Hogan Assessments.

"There are a lot of organizations that represent mental health through benefits and awareness campaigns," Rush said. "That is valuable but not sufficient in the day to day if the work environment undermines well-being."

When leadership qualities hurt rather than help

Often, the same behaviors that employers encourage in new leaders also exacerbate workplace mental health issues, Rush said. Leadership candidates can be rewarded, intentionally or unintentionally, for being relentless, for overly competitive approaches or for frequently choosing to overwork.

Those qualities contribute to long-term psychological strain, Rush added. Leaders may struggle to delegate properly or may be defensive to constructive feedback. Others may be encouraged to become overconfident in their abilities while underindexing for qualities like resilience.

"All of that leads to burnout, disengagement and reduced psychological safety," Rush said.

Companies also may promote and reward leaders for being constantly available, Lisa Gross, chief people officer for wellness app Headspace, said in an email. An organization's policies and benefits programs can extol the importance of mental health, she added, but such well-meaning initiatives are undermined when leaders refuse to unplug late at night or when taking time off.

"People lead the way they've been taught to lead," Gross said. "If someone has never given room to rest or recover, they're unlikely to create that room for anyone else."

If HR wants a workplace that is more conducive to mental health, resilience must be at the "core" of leadership efforts, Cole said. Leaders also must be proficient in traditionally soft skill areas such as empathy, communication, conflict management and resolution and handling stress.

Sustainable organizations also employ leaders who can balance accountability with empathy, Rush said, which allows employees to perform without feeling constantly drained and pressured. Leading by example is a large part of that work.

"Employees are going to be more resilient when the systems they work in are healthy, the expectations for work are realistic and leaders are modeling sustainable behaviors themselves," he said.

AI could be the best — or worst — thing to happen to mental health

To say AI has affected employee mental health might be an all-time understatement. The tech has caused fears of skill erosion and displacement, with one Gartner analyst recently stating that AI would "break down millions of careers."

The discourse is indicative of a technological wave that differs from those of years past, Gross said. While some employees might feel energized by AI's potential, others have begun questioning their value as workers and whether they will be able to keep up, and many think it's a mixture of both. Either way, AI anxiety affects workers' focus, decision-making and energy on a daily basis.

"That's a human story about pace, identity and uncertainty," Gross said.

AI has positive use cases for promoting mental health, Cole said. Organizations could, for instance, use it to improve scheduling flexibility, identify trends of burnout through data analysis or reduce time-intensive administrative tasks that allow employees to focus on other work.

But ultimately, it's how the tech is deployed that will determine its effect on mental health, she continued. Organizations can sustainably do so in part by being transparent about how exactly AI is used and investing in reskilling so that employees feel equipped to use AI rather than feel threatened by it. They can also implement ethical AI policies that lead with human dignity.

"It can be either the best thing to happen to mental health or the worst," Cole said of AI.

Employers also must avoid assumptions that employees intuitively know how to use AI or that such use will necessarily lead to enhanced productivity, Rush said. Employees will need reskilling to take advantage of AI's benefits, he added, but they also will need time to connect with colleagues and mentors as the tech becomes more integrated.

"If AI is reducing opportunities for meaningful interpersonal engagement, organizations may see a rise in disengagement and isolation," Rush said.

The workplace versus the world

A plethora of stressors exist aside from the workplace or AI, from the cost of living to personal hardships. HR won't be able to fix everything that could affect an employee's mental health, but it can control whether the workplace makes the stress of daily life worse or more manageable, Cole said.

Employers have many options to design their workplaces “for the whole human,” to borrow Cole’s phrasing, like flexible scheduling, designating clear hours of availability and providing caregiver support, to name a few. That’s in addition to leadership training on psychologically safe practices such as empathetic communication and mental health awareness.

“Those aren’t perks, those are structural acknowledgements that your employees have lives outside of work that impact how they show up to work,” Cole said.

An important point for HR to recognize is that employees don’t separate work stress from other types of stress, according to Gross. Nonstop notifications and back-to-back meetings contribute to the same mental loads as broader economic uncertainty, signaling that mental health benefits alone won’t be enough to reduce strain.

“In my experience, people can sustain high performance, but not in a constant state of depletion,” Gross said. “The best organizations recognize that energy is a renewable resource only if it’s able to replenish. The companies that have been successful at this have focused on both structural changes and benefits that really work for employees.”

But compensation and benefits do matter, Rush said. Employers still must ensure they can provide employees with a salary that reduces financial insecurity and represents their true market worth as well as access to programs that promote their health. Ideally, however, Rush said these offerings should supplement a sustainable, psychologically safe workplace.