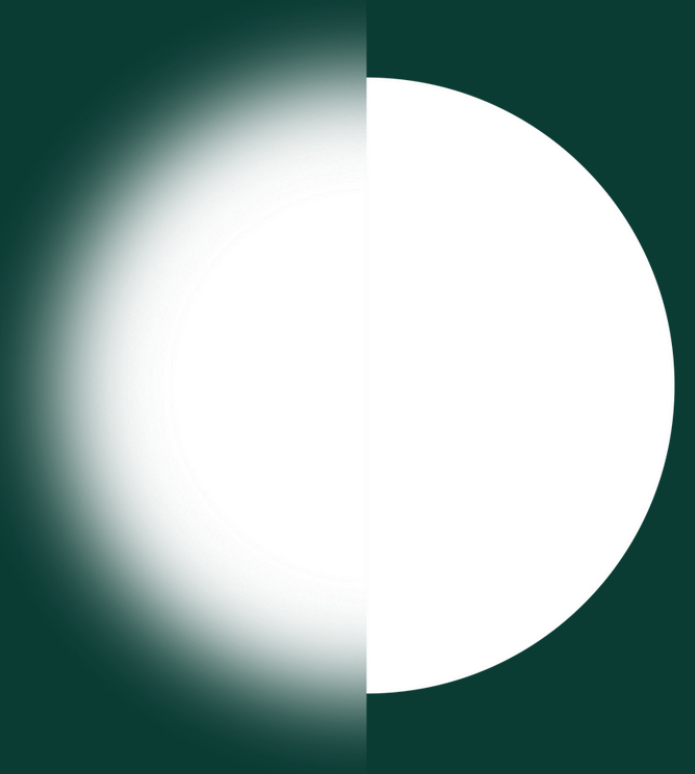


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# Mental Capital Index Report

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Prepared by  
Goodtalks & M.B.C.



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# 01 Foreword by Sarah Stewart-Brown

Mental health is in decline across the western world, and this is having a deleterious effect on businesses, individuals and societies. This report proposes a novel way of looking at the problem that will enable organisations to reverse this trend and reduce its effects on productivity and innovation, sickness absence and presenteeism. In the longer term it has the potential to reduce both societal and individual impacts.

This report outlines the different dimensions of the problem in Denmark today and highlights some of the research underpinning its approach. It introduces the concept of Mental Capital giving organisations a new language and perspective to work with mental health. Mental Capital is the combined psychological, social, cultural, and leadership capacity of an organisation that can be strengthened to improve both individual wellbeing and organisational performance.

The offer goes far beyond existing organisational approaches to employee wellbeing which focus on stress and engagement. It outlines an organisational survey that enables calculation of the Mental Capital Index. This index has the capacity to shift an organisation's focus from reactive, individual-level issues to proactive, organisational-level insight. By translating complex organisational and human dynamics into actionable measures across four critical domains- psychological strength, social connectiveness, cultural openness and leadership capacity, it opens new pathways for measurable impact.

Widespread adoption of this approach has the capacity to transform Danish organisations and society to the point where they are the envy of the world.

**Sarah Stewart-Brown**  
**Emeritus Professor of Public Health**  
**University of Warwick UK**  
**September 2025**

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## 02 Executive Summary

Mental health is no longer only a wellbeing concern – it has become a strategic challenge affecting organisational performance, productivity, and societal outcomes. Traditional approaches focusing solely on individual wellbeing have proven insufficient, leaving a significant portion of organisational potential untapped.

Mental Capital – the combined psychological, social, cultural, and leadership capacity within an organisation – offers a new framework for understanding and managing mental health at a strategic level.

Unlike individual-focused interventions, Mental Capital captures organisational capacity, enabling organisations to detect risks, unlock potential, and drive measurable performance gains.

The Mental Capital Index (MCI), developed by Goodtalks, translates complex organisational dynamics into actionable insights, giving organisations early-warning signals and the ability to implement proactive interventions before traditional KPIs indicate risk.

Findings from the first Danish benchmark study (April 2025) made in collaboration with the Consultancy firm, M.B.C. reveal both strengths and areas for improvement in the Danish labour market. Findings reveal that:

**38%** of employees never, rarely, or only sometimes feel calm in high-pressure situations.

**31%** do not experience their workplace as a secure environment for learning and development, where failure is accepted.

**41%** are not comfortable discussing difficult personal matters with their manager.

At the same time, **84%** report strong self-confidence in their abilities, underscoring the resilience and capacity present in the workforce.

For leaders and organisations, this represents both a challenge and a strategic opportunity: by building Mental Capital, organisations can enable individual well-being, strengthen workforce performance and business impact, and reduce broader societal costs.

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*Addressing Mental Capital is not just a wellbeing initiative – it is a strategic imperative that creates value for employees, organisations, and society.*

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# 03 The Mental Health Challenge

## *Focus in this section*

Mental health has emerged as a critical performance and productivity issue worldwide, highlighted by OECD and other global studies.

In Denmark, the challenge is equally acute — stress and low resilience affect a significant share of the workforce.

The costs are substantial, impacting individuals, organisations, and society at large.

Existing research predominantly examines the individual perspective, often overlooking the organisational and strategic dimensions.

This report reframes mental health as both a societal concern and a business imperative.

# Mental Health is no longer only a Wellbeing Concern – it is a Rising Health and Performance Challenge in Modern Workplaces

Mental health-related issues are now among the **top 3 causes of long-term absence** in most OECD countries.

Up to **25% of employees report chronic stress or low engagement.**

**Insurance claims, sick leave, and staff turnover** are increasingly linked to poor psychosocial conditions.

Traditional health & engagement **metrics fail** to capture the full picture.



1 in 4 employees report mental strain



15–30% productivity loss due to presenteeism



+20% rise in insurance costs due to stress-related claims



High turnover in teams with poor psychological safety

# The Mental Health Challenge in Denmark is a Serious Societal and Financial Challenge

High stress levels are affecting individual wellbeing, workforce capacity, and the economy – with a cost of DKK 54.6B annually.

## People

430,000 Danes experience severe stress daily

Almost one in five employee feels stressed - 66% of 18–34-year-olds feel stressed at least sometimes

46% fear they are not good enough at work (60% among young adults)

## Workforce

Work-related stress reduces labour supply by 55,600 FTEs annually

Half of employees reporting stress say it is due to their working life

30,000 hospitalizations from stress each year

1,400 deaths annually related to stress

## Economy

DKK 54.6 billion lost in prosperity annually due to stress

Significant pressure on healthcare and insurance systems

# Understanding Stress: From Engagement to Risk

*Stress is a universal human response – its impact depends on balance and context*

Optimal stress creates flow. Excessive stress undermines wellbeing



## WHO definition:

- Stress is a state of worry or tension caused by a difficult situation. It is a natural human response that prompts us to address challenges and threats in our lives. Not inherently negative.

## Balanced challenge:

- Flow occurs when skills and challenges align; moderate stress can drive growth.

## Critical threshold:

- Chronic or excessive stress undermines wellbeing, performance, and long-term health.

**While some stress can be a driver of performance and adaptation, the high prevalence of chronic stress in today’s workforce represents a major risk for organisations and society**

# Existing Research and Reports Focus on the Individual Perspective

## *Research shows Connection between Mental Capital, Mental Wellbeing and Mental Capital on Individual Level*

Dimension	Mental Health	Mental Capital	Mental Wellbeing
<b>Definition</b>	The component of overall health defined by an individual's usual emotional state, cognitive, psychological and behavioural functioning and interpersonal relationships. It extends from severe and enduring psychiatric disorder to mental wellbeing.	Refers to a person's cognitive and emotional resources — including learning ability, resilience, and emotional intelligence	A positive state in which individuals thrive, experience meaning and engagement, and have high life satisfaction
<b>Focus</b>	A reflection of current psychological functioning and absence/presence of mental disorders.	Building long-term capacity and adaptability, incl. skills, resilience, and social competence.	Subjective well-being and quality of life – positive emotions, engagement, purpose, and social connectedness
<b>Goal</b>	Ensure the individual can function daily, handle stress, and maintain social and work-related capacities	Cultivate the <i>engine</i> : develop and strengthen the individual's potential to manage challenges effectively and make decisions	To promote flourishing, life satisfaction, and meaningful living
<b>Examples/ indicators</b>	Anxiety or depression symptoms, stress levels, cognitive functioning, ability to maintain relationships	Problem-solving, memory, attention, emotional regulation, social skills.	Life satisfaction, optimism, engagement, sense of purpose, social belonging.

**Invest in the engine — and the energy follows. Incorporating both capacity (capital) and current state (wellbeing) gives a richer, more strategic view of mental health in the workplace**

# Mental Health Creates An organisational Health Challenge

*Mental Health is not only a Personal Issue – it is a Strategic Challenge*

**Mental health is no longer a siloed issue  
– it is a system-wide challenge**

## Individual

- Burnout
- Stress
- Loss of identity affect well-being and life quality
- Imposter syndrome

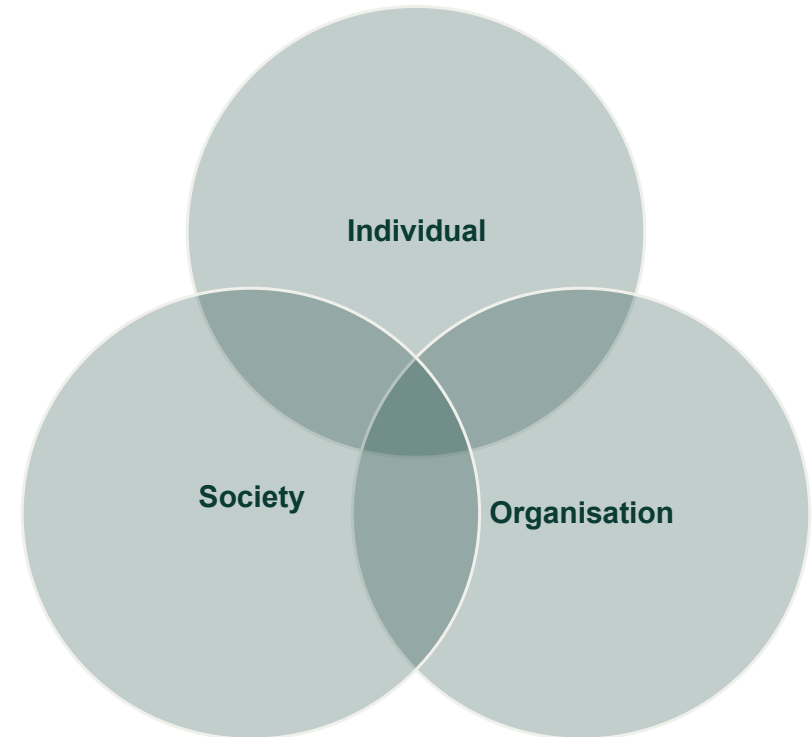
## Organisational

- Absenteeism
- Presenteeism
- Low innovation
- High turnover

## Society

- Rising insurance costs
- Disability claims
- Pressure on healthcare systems
- Productivity loss

**Organisations can enable individual wellbeing and reduce societal costs by investing in mental health.**



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# 04 Mental Capital Index Model

## *Focus in this section*

Mental Capital introduces a forward-looking way for organisations to address mental health — moving beyond treatment to prevention.

Mental Capital reframes the challenge, giving organisations a new language and perspective to work with mental health.

The Mental Capital Index (MCI) translates complex organisational and human dynamics into actionable measures across four critical domains.

It empowers organisations, leaders, and employees to create new conversations and track progress over time — building capabilities, capacity and sustainable wellbeing and performance.

By shifting from reactive, individual-level measures to proactive, organisational-level insight, the model opens new pathways for measurable impact.

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# Definition and Why It Matters

*Mental Capital is a New Concept for Organisations to Work with Mental Health at a Strategic Level*

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MENTAL CAPITAL is the combined psychological, social, cultural, and leadership capacity that exists within an organisation and can be strengthened to improve wellbeing and performance

”

Goes beyond individual wellbeing - captures organisational capacity.

Enables organisations to detect risks and unlock potential.

Can be measured, developed and managed over time.

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# Mental Capital Index (MCI): A Model for Preventive organisational Health and Resilience

Mental wellbeing is a core driver of organisational performance. It shapes how people engage with themselves, colleagues, and the work environment. High mental resilience sustains performance, fosters collaboration and innovation, and enables effective change navigation.

## Strategic Value

The Mental Capital Index Model provides a structured, measurable approach to understanding and improving organisational mental health.

It moves beyond traditional wellbeing to address the core enablers of performance:

- **Psychological strength**
- **Social connectedness**
- **Cultural openness**
- **Leadership capacity**

Integrating mental health into the core business strategy reframes it from not only a social responsibility but a performance imperative.

## Business Impact

Mental Capital is predictively linked to business-critical outcomes:

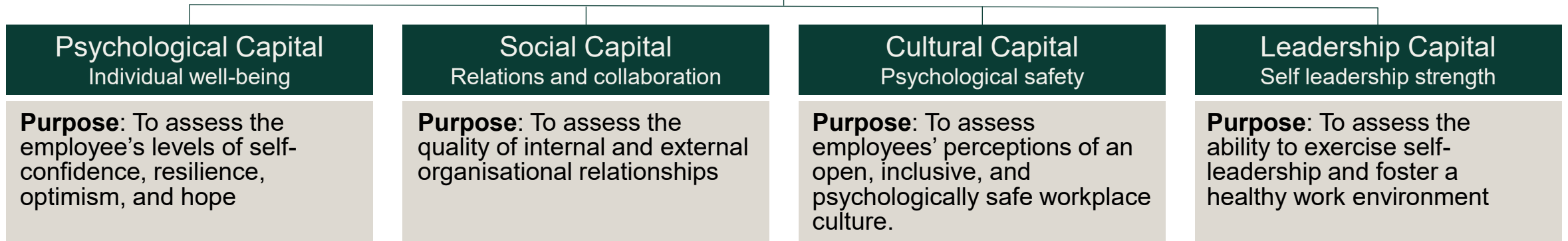
- Increased innovation capability
- Higher engagement and reduced presenteeism
- Lower stress and absenteeism
- Fewer mental health claims and reduced costs
- Improved productivity

“By leveraging Mental Capital, organisations can actively strengthen human capacity and deliver measurable performance gains.”

# The Mental Capital Index Model & Mechanism

The Mental Capital Index (MCI) translates complex organisational dynamics into a clear score across four critical domains – giving organisations a powerful tool for insight and action

## Mental Capital in Organisations



- Engagement surveys are no longer enough.
- As mental health issues rise, old metrics fail to explain – or solve – what truly matters.
- The Mental Capital Index (MCI) is a modern diagnostic system that measures the hidden enablers of wellbeing, innovation, and performance.
- It helps organisations move from blind spots to bold, measurable action.

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# 05 Mental Capital Study of the Danish Workforce as a Benchmark

## *Focus in this section*

In collaboration with MBC, Goodtalks has conducted the first national study using The Mental Capital Index Model.

The Model measures the four core domains — Psychological, Cultural, Social, and Leadership Capital — providing a holistic picture of workforce mental capital.

Findings show challenges across all domains in the Danish workforce, highlighting both systemic risks and opportunities for improvement.

The study establishes a robust national benchmark, enabling organisations to compare, prioritize, and target initiatives.

This benchmark provides evidence-based insights to drive measurable, long-term impact through strategic investments in Mental Capital.

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# Domestic benchmark of the Danish workforce

*Survey conducted among a representative sample of Danish the Danish workforce in March 2025*

## Questions within the four domains of Mental Capital

### Psychological Capital

- I can handle unexpected events in my work
- I have confidence in my own abilities at work
- I feel confident that my colleagues think I am good enough at my job

### Social Capital

- My colleagues support me when I need help
- My colleagues respect what I contribute
- I feel able to talk to my manager about personal matters that are difficult

### Cultural Capital

- I feel safe sharing concerns or uncertainties at my workplace
- My workplace allows me to develop in a secure environment where I am not afraid to fail

### Leadership Capital

- I am able to maintain a healthy work-life balance
- I feel calm in high-pressure situations
- I have enough time to do the things that are important to me outside of my work

## Background variables and answer categories

### Response options:

- Never
- Rarely
- Sometimes
- Often
- Always

### Background questions:

- Age
- Gender
- Education level
- Employment status
- Employment place (public/private)
- Income level

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# Key findings

*Analysis of 659 respondents, a representative sample of the Danish workforce, points to key areas that could be strengthened to unlock the full potential of mental capital across the Danish labour market.*

## Leadership Capital

Ranks as the most challenging area, with respondents reporting negative experiences related to leadership, including work-life balance, maintaining calm in high-pressure situations, and having sufficient time for important things outside of work

## Cultural Capital

Highlights challenges related to psychological safety. Many respondents report that they do not always feel safe to voice concerns or uncertainties at work or that their workplace allows them to develop in a secure environment without fear of making mistakes.

## Social Capital

Respondents report generally positive social relationships with colleagues, but leadership interactions are perceived as more challenging, indicating a focus area for improvement.

## Psychological Capital

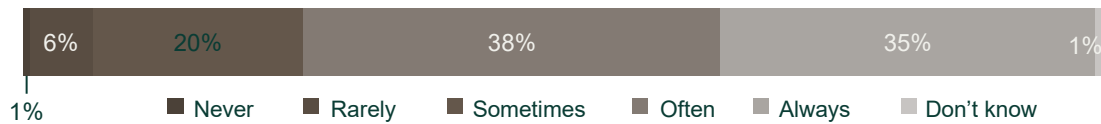
The strongest domain, with the majority of respondents reporting high confidence, resilience, and self-efficacy; however, roughly one in five still experiences challenges in this area.

Survey results highlights significant demographic trends by **gender, generation, income, and education**, offering actionable insights to strengthen workplace mental capital.

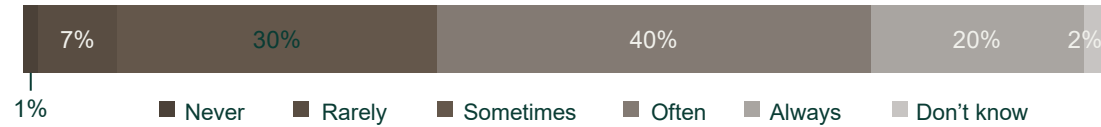
These, alongside domain-level results, are examined in detail in the sections that follow.

# Leadership Capital – Overall Results

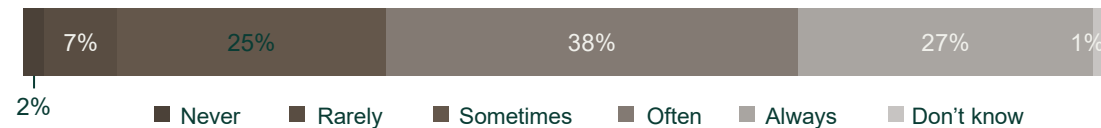
## I am able to maintain a healthy work-life balance



## I feel calm in high-pressure situations



## I have enough time to do the things that are important to me outside of my work



**27%**

never, rarely or only sometimes feel that they can maintain a **healthy work-life balance**.

**38%**

never, rarely or only sometimes feel calm in **high-pressure situations**.

**34%**

never, rarely or only sometimes feel that they have **enough time** to do important things outside of work.

# Leadership Capital & income levels

## Lower income groups report higher levels of work-life balance but lower resilience

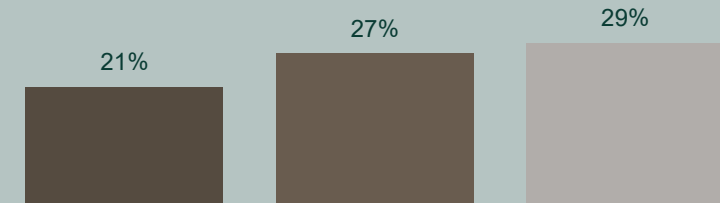
The *Leadership Capital* results show a mixed pattern across income groups. Respondents in the low-income group are less likely to report sometimes, rarely, or never experiencing a healthy work-life balance or having enough time for important things outside work — indicating they may, on average, maintain these aspects more easily than higher-income groups.

However, when it comes to staying calm in high-pressure situations, the high-income group stands out with the lowest share of respondents reporting challenges, suggesting greater confidence and composure under stress.

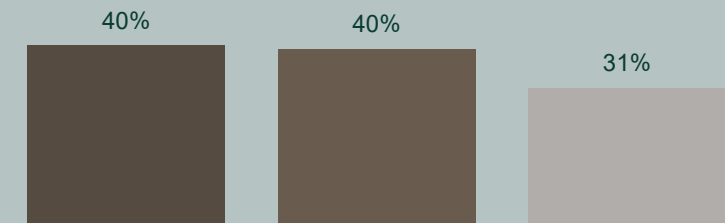
**These differences may reflect variations in job demands, work environments, and role expectations across income levels.**

Low-income: 0-299.999 DKK – Middle-income: 300.000-599.999 DKK – High-income: 600.000 + DKK

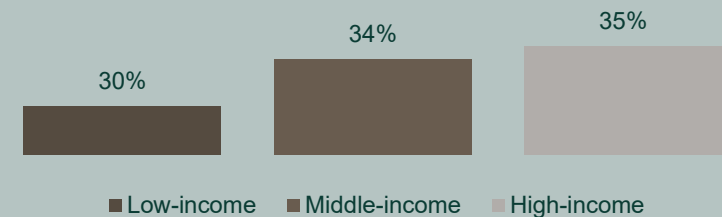
Share of respondents who sometimes, rarely or never feel able to maintain a healthy work-life balance



Share of respondents who sometimes, rarely or never feel calm in high-pressure situations

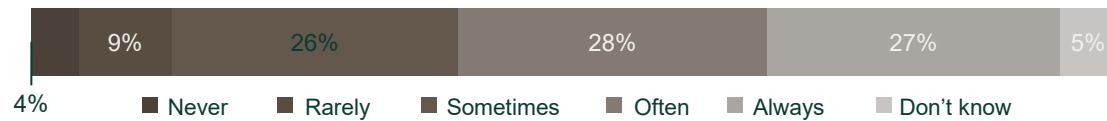


Share of respondents who sometimes, rarely or never have enough time to do things of importance outside of work

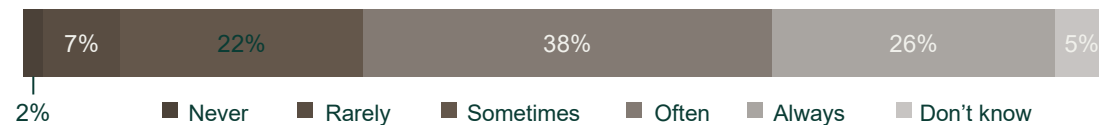


# Cultural Capital – Overall Results

## I feel safe sharing concerns or uncertainties at my workplace



## My workplace allows me to develop in a secure environment where I am not afraid to fail



**39%**

never, rarely or only sometimes feel safe **sharing concerns or uncertainties** at their workplace.

**31%**

never, rarely or only sometimes feel that their workplace to allows them to develop in a **secure environment** where they are **not afraid to fail**.

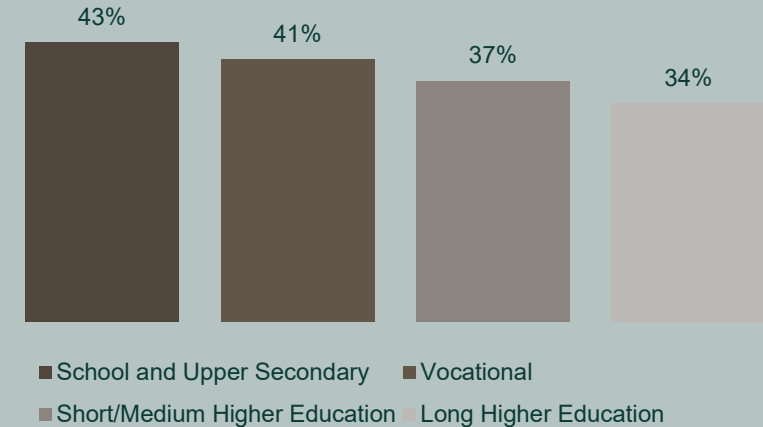
# Cultural Capital & education levels

## People with higher education tend to experience a more open and supportive learning culture at work

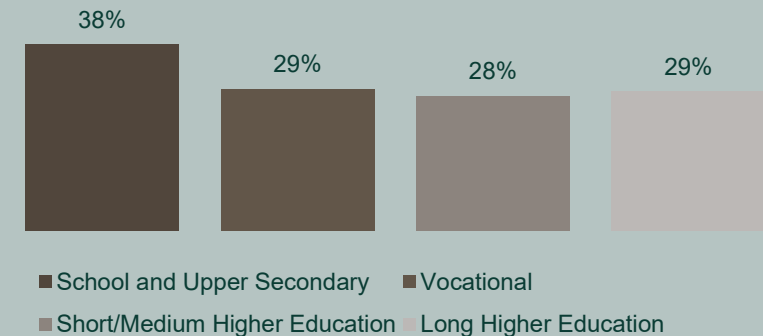
Although differences between education groups are not statistically significant, the data suggests a downward trend in the share of respondents who sometimes, rarely, or never experience aspects of *Cultural Capital* — such as feeling safe to share concerns or being able to develop without fear of failure — as education level increases. The highest shares are found among School and Upper Secondary respondents, and the lowest among those with Long Higher Education.

**This pattern indicates that people with higher education may, to a greater extent, benefit from workplace cultures that foster openness, learning, and psychological safety.**

Share of respondents who sometimes, rarely or never feel safe sharing concerns or uncertainties at their workplace



Share of respondents who sometimes, rarely or never feel that their workplace allows them to develop in a secure environment where they are not afraid to fail



# Social Capital – Overall Results

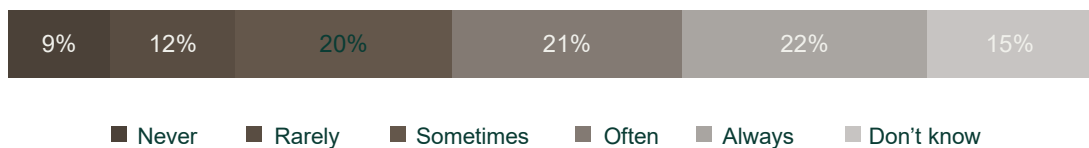
## My colleagues support me when I need help



## My colleagues respect what I contribute



## I feel able to talk to my manager about personal matters that are difficult



**18%**

never, rarely or only sometimes feel that their **colleagues support them** when help is needed.

**14%**

never, rarely or only sometimes feel that their **colleagues respect their contribution**.

**41%**

never, rarely or only sometimes feel able to talk about difficult personal matters with their manager.

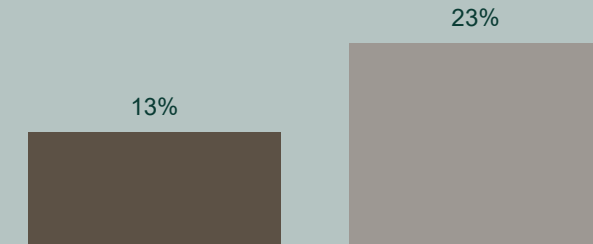
# Social Capital & gender

## Men are less likely to feel supported, respected and able to speak openly at work

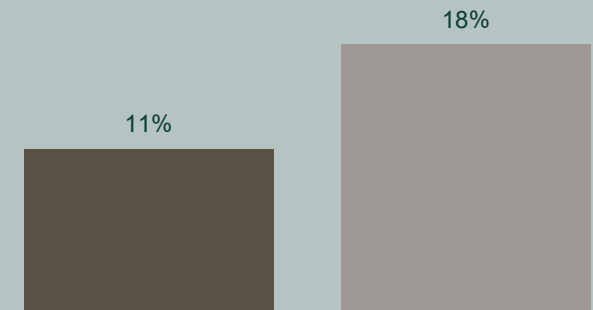
Across all three questions in the *Social Capital* domain, men are statistically significantly more likely than women to report that they *never, rarely, or sometimes* receive support, feel respected, or experience openness in their workplace relationships.

**This suggests that men, compared to women, may face greater challenges in building and maintaining the consistent interpersonal trust and mutual support that form the foundation of strong social capital at their workplaces.**

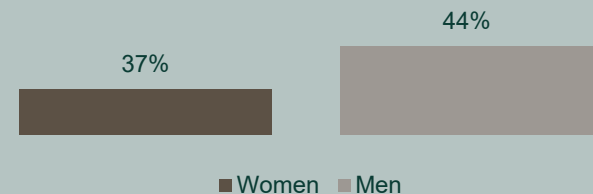
Share of respondents who sometimes, rarely or never feel they receive support from colleagues when they need help



Share of respondents who sometimes, rarely or never feel that their colleagues respect what they contribute



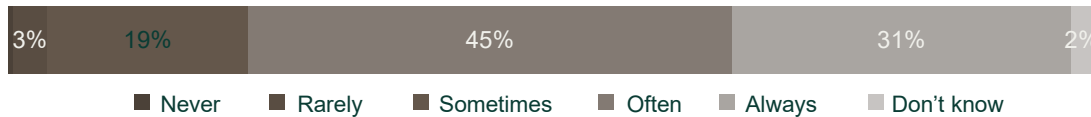
Share of respondents who sometimes, rarely or never feel able to talk to their manager about personal matters that are difficult



■ Women ■ Men

# Psychological Capital – Overall Results

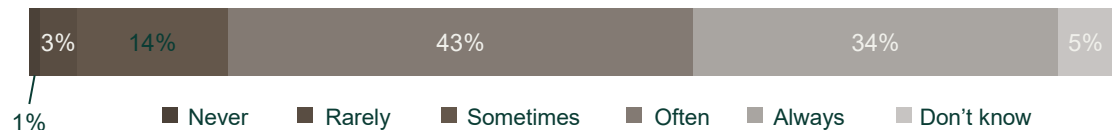
## I can handle unexpected events in my work



## I have confidence in my own abilities at work



## I feel confident that my colleagues think I am good enough at my job



**22%**

never, rarely or only sometimes feel that they can **handle unexpected events** in their work.

**14%**

never, rarely or only sometimes feel **confident in their abilities** at work.

**17%**

never, rarely or only sometimes feel confident that their **colleagues think they are good enough** at their job.

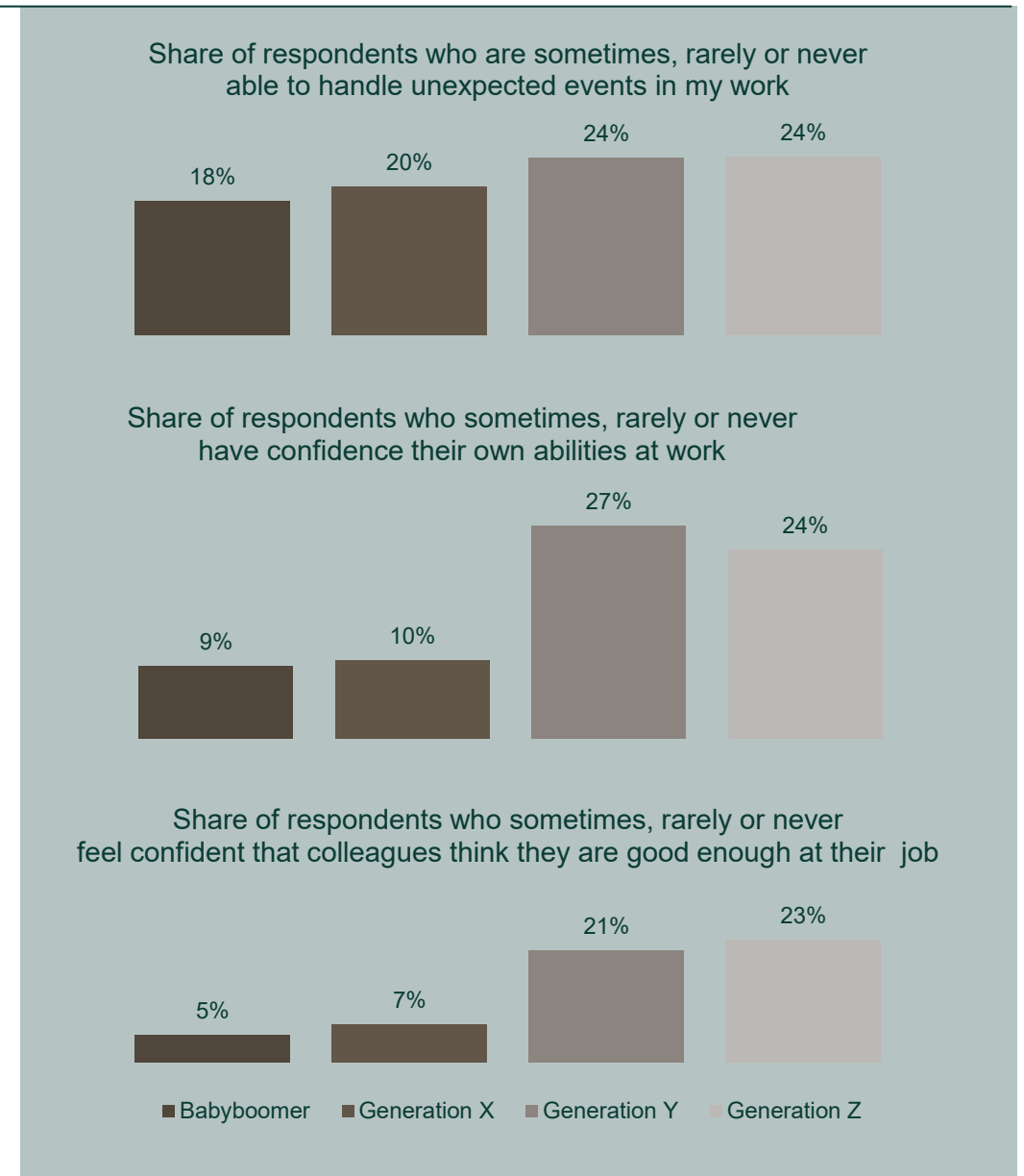
# Psychological Capital & Generations

## Younger generations feel less confident and supported at their workplace

Across all three questions in the *Psychological Capital* domain, there are statistically significant differences between generations and the share of respondents who report *never, rarely, or sometimes*. Baby Boomers and Generation X consistently report higher levels of Psychological Capital compared to Generation Y and Generation Z.

**This pattern suggests that younger generations may feel less confident in their abilities, less equipped to handle unexpected events, and less assured that their colleagues value their competence. These differences are likely also shaped by age and workplace experience, meaning they cannot be attributed solely to generational identity.**

Baby Boomers (1940-1966) - Generation X (1967-1979) - Generation Y (1980-1995) - Generation Z (1996-2012)



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# Strengths in the Danish Workforce

## **High confidence**

The vast majority of respondents (84%) often or always have confidence in their own abilities.

This reflects that many Danes exhibit a high degree of confidence in their own capabilities, and a secure grounding in their professional expertise - a key strength supporting the innovation capabilities and competitiveness of Danish businesses.

## **Supportive workplace relations**

More than 8 out of 10 respondents (81%) often or always feel their colleagues respect their contribution.

This reflects strong and supportive social and collegial relationships in the Danish labour market — a key enabler for enhancing collaboration and driving innovation.

Notably, women report feeling supported and respected to a greater extent than men, highlighting key dynamics in how social capital is experienced across genders

## **Younger generations contribute to openness**

Despite reporting lower confidence and resilience in some areas, younger employees are equally willing to voice uncertainties and share concerns in their workplace as more senior colleagues.

This openness is a critical driver of psychological safety, innovation, and organisational learning in Danish workplaces

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# 05 Linking Mental Capital Index to The Business Outcomes & Further Development

## *Focus in this section*

The next step is to provide further evidence on the link between The Mental Capital Index directly to key strategic and operational KPIs — including innovation, engagement, productivity, health costs, thrive scores, absenteeism, presenteeism, etc.

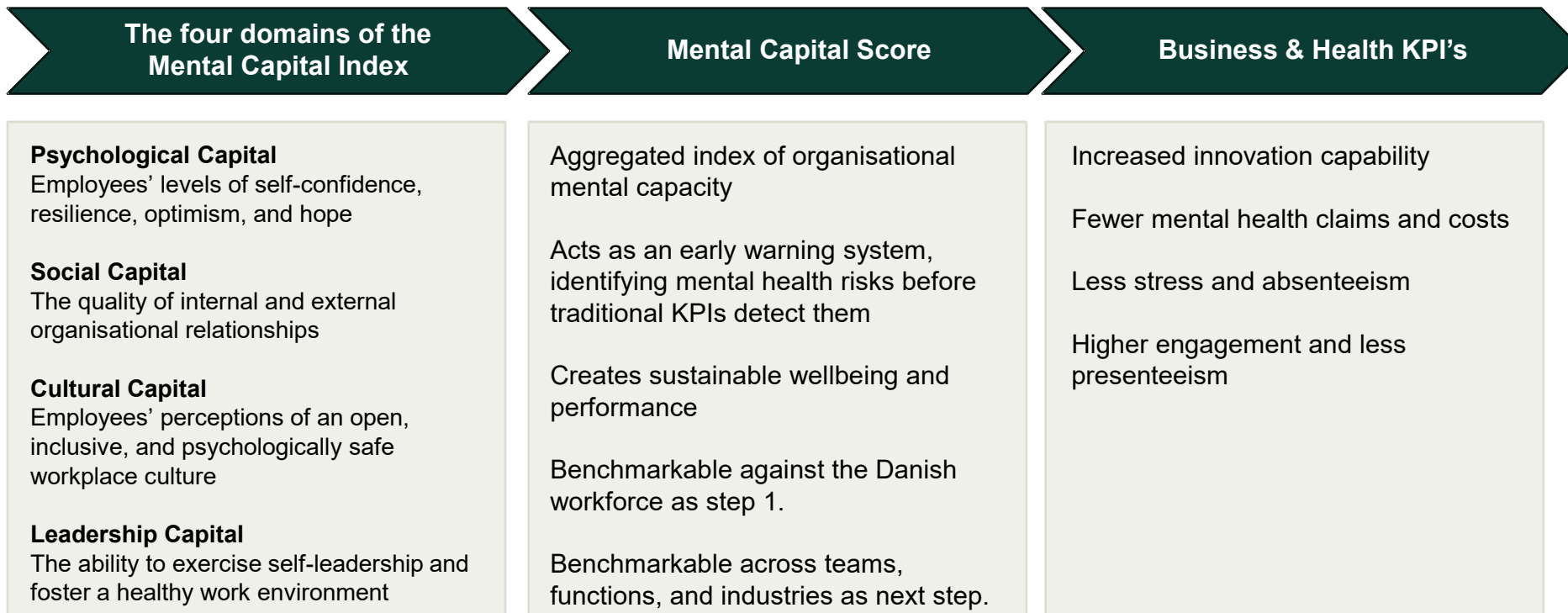
With the launch of the model for organisational application, companies can move **from measuring to actively managing and improving mental capital** as part of their core strategy.

organisations can enable individual wellbeing and reduce societal costs by investing in Mental Capital.

# From Mental Capital to Business Outcomes

## - Linking the Mental Capital Index to Strategic and Operational KPIs

The Mental Capital Index connects psychological, social, cultural, and leadership capacity directly to the KPIs that matter



**By systematically assessing and strengthening the four domains of Mental Capital, organisations gain an early-warning insight into the mental health of their workforce.**

**The aggregated Mental Capital Score enables proactive interventions before traditional KPIs signal risks. This drives measurable improvements in employee wellbeing, engagement, and productivity**

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# Aggregated data from countries including Denmark and the US indicate substantial economic gains from investing in workplace mental health.

## Healthcare and Absenteeism

A one-point increase in employee mental well-being yields savings of DKK 460 per employee per year. Improving average employee mental well-being by five points could unlock DKK 2.3 million in annual savings for an organisation with 1,000 employees.

## Employer ROI and Savings

Every \$1 invested in employee mental health delivers an estimated \$4 return, driven by lower medical costs, reduced absenteeism, decreased disability, and lower turnover. Potential annual savings per employee: \$24,600

## Innovation

Employees in high-trust, mentally healthy workplaces are up to six times more likely to innovate, driving faster product launches and stronger market share growth

“

Investing in mental health drives measurable financial returns, reduces healthcare and absenteeism costs, and significantly boosts innovation and market competitiveness.

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# Model Evolution & Continuous Benchmarking

## *- Evolving the Model – From Measurement to Ongoing Impact*

### Baseline & KPI Link (0–3 months)

- Initial Mental Capital Index measurement of the Danish workforce completed and presented in this report
- Model now launched for organisational-level application
- Early adopter organisations invited to participate in the first Mental Capital assessments
- Ongoing data collection will enable deeper analysis of correlations between Mental Capital and key business KPIs

### Mental Capital Index Surveys & Benchmarking (3–12 months)

- Conduct regular Mental Capital Index surveys to track Mental Capital over time
- M.B.C. and Goodtalks build a cross-sector community of academia, industry players, and organisations to advance the model and establish evidence
- Establish continuous benchmarking datasets across teams, functions, and industries
- Use insights to refine measurement tools and support evidence-based decision-making

### Targeted Improvement Programs (12–24 months and beyond)

- Apply insights from Mental Capital Index and benchmarking to identify priority areas for improvement
- Co-create targeted initiatives with participating companies, stakeholders, and the Goodtalks community
- Share results and case studies within the community to expand the evidence base and refine best practices
- Strengthen the link between Mental Capital, business KPIs, and reduced health-related costs

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# Investing in Mental Capital Delivers Returns for the Individual, the Organisation, and Society at Large

Despite significant investment in mental health initiatives, the challenge persists. Traditional approaches have not delivered the needed change. This report introduces a new framework that links Mental Capital directly to business performance and wellbeing.

**Preventive healthcare & wellbeing** – Proactive strategy strengthening resilience, reducing mental health risks, and supporting human thriving before problems escalate.

**National benchmark as starting point** – Evidence from this study confirms the scale of the mental health challenge in the Danish workforce; sector-specific insights will develop as more organisations join.

**Expected competitive advantage** – Focused efforts and targeted investments in Mental Capital are linked to measurable business benefits. organisations can play a crucial role in enabling individual wellbeing and reducing societal costs.

“  
*Addressing and improving organisational Mental Capital is not just a wellbeing initiative – it is a strategic imperative with returns for **individuals, organisations, and society.***  
”

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