



The business case for workplace health & wellbeing

Healthier
Workplace WA 
>com>au™

Supported by:



Government of Western Australia
Department of Health



A joint Australian, State and Territory Government initiative under the National Partnership Agreement on Preventive Health.



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Rob Rhodes,

General Manager, Transmin

“A healthy business is built by a team of healthy workers. HWWA helped us get started.”



“

Mark Batty,

Executive Manager Environment and Waste, WALGA

“A healthy and vibrant workforce is vital for the productivity and staff retention - HWWA helped us achieve our goal”



“

Ross Fitzgerald,

General Manager, Steel Blue

“HWWA resources can support your company to be healthier - healthy workers are happy, productive workers”

The benefits of investing

A healthy worker is motivated, productive and less at risk from diseases like type 2 diabetes, heart disease and some types of cancer.

Effective workplace health and wellbeing programs can:

- » Increase productivity at work by **29%**.¹
- » Improve overall worker health by **24%**.¹
- » Reduce absence due to sickness.¹
- » Result in healthier and safer workers.^{2,3}
- » Create a positive work environment and workplace culture.



Nathan Ahern,

Co-Founder, Guys Grooming

*“Being healthy is not a fad!
By supporting our workers’ health,
we have reduced sick days
and improved morale.”*

The bottom line

We've put together a 'typical' scenario of how sick leave and staff turnover could affect your business. Take a look at how these factors add up.

Calculate sick leave



SICK DAYS = 30 (a)
Total number of sick days (per workplace/per year)

8 HOURS (b)
Average hours worked (per day/per worker)



\$7,200 - Total cost of sick leave for your workplace (per year)
(a x b x c)



Average hourly wage e.g. \$30 (per worker)



3 The number of workers who resigned (per year) (a)



\$60,000 (b)
Average gross wage of workers (\$) (per year/per worker)



75% (c) - Cost of replacing a worker (%) (National estimate is between 75% - 150% of the workers wage)



\$135,000 Total cost of replacing workers (per year)
(a x b x c)

Calculate staff turnover

Potential Business Savings

$$\$2,160 + \$13,500 =$$

\$15,660
Potential savings from implementing a workplace health program

* It is estimated that implementing a successful workplace health program can decrease staff absenteeism due to sick leave by an average of 30%.

It is estimated that implementing a successful workplace health program can decrease staff turnover by an average of 10%.

The figures used in this calculation are indicative only. For more information please visit our website hwwa.com.au/calc. We thank The Menzies Research Institute Tasmania and the Tasmanian Government for supplying the algorithms that underpin these calculations.

To calculate the cost of your workers'

health, visit hwwa.com.au/calc



The prospects

Within a few months	Within 1 - 2 years	Within 3 - 5 years
↑ worker morale and engagement	↑ individual work performance and productivity	↓ workplace injuries and associated expenses
↑ team cohesion	↑ attraction and retention of employees	↓ absenteeism and sick leave
	↑ improved corporate and recruitment image	↓ incidence of attending work when sick
	↑ individual health knowledge	↑ improved relations among workers and with management
	↑ job satisfaction	↑ return on training and development investment

Adapted from Workcover Tasmania (2012), Your Simple Guide to Workplace Health and Wellbeing

With these benefits, can you afford not to invest in workplace health and wellbeing?



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3. Hymel, P.A., et al., Workplace health protection and promotion. A new pathway for a healthier and safer workforce. *Journal of Occupational and Environmental Medicine*, 2011. 53(6): p. 695-702.
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The costs of not investing in workplace health

Smoking, drinking too much alcohol, unhealthy eating and physical inactivity contribute to time away from work. Poor morale and stress also impact negatively on the bottom line.

Employers
could achieve

**significant
savings**

by reducing the
prevalence of obesity in
their workplaces⁴

A variety of
studies have shown that for
every dollar employers invest in
health promotion over a 3-year
period, return-on-investment
ranges from

**\$1.40 to
\$4.70⁵**

**Poor
health**

increases the
likelihood of
industrial accidents
or injuries⁶

Workers who
smoke can cost businesses
in terms of

**lost
productivity**

due to smoking breaks
and sick leave⁷

Copies of this brochure can be downloaded from the Healthier Workplace WA website or call us for a printed copy. We welcome and value your feedback.

For help in building a business case

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Healthier Workplace WA is delivered by the Heart Foundation WA in collaboration with Cancer Council WA and The University of Western Australia. Healthier Workplace WA is part of the Healthy Workers Initiative, a joint Australian, State and Territory Government initiative under the National Partnership Agreement on Preventive Health.