

The business case for investing in health and wellbeing at work

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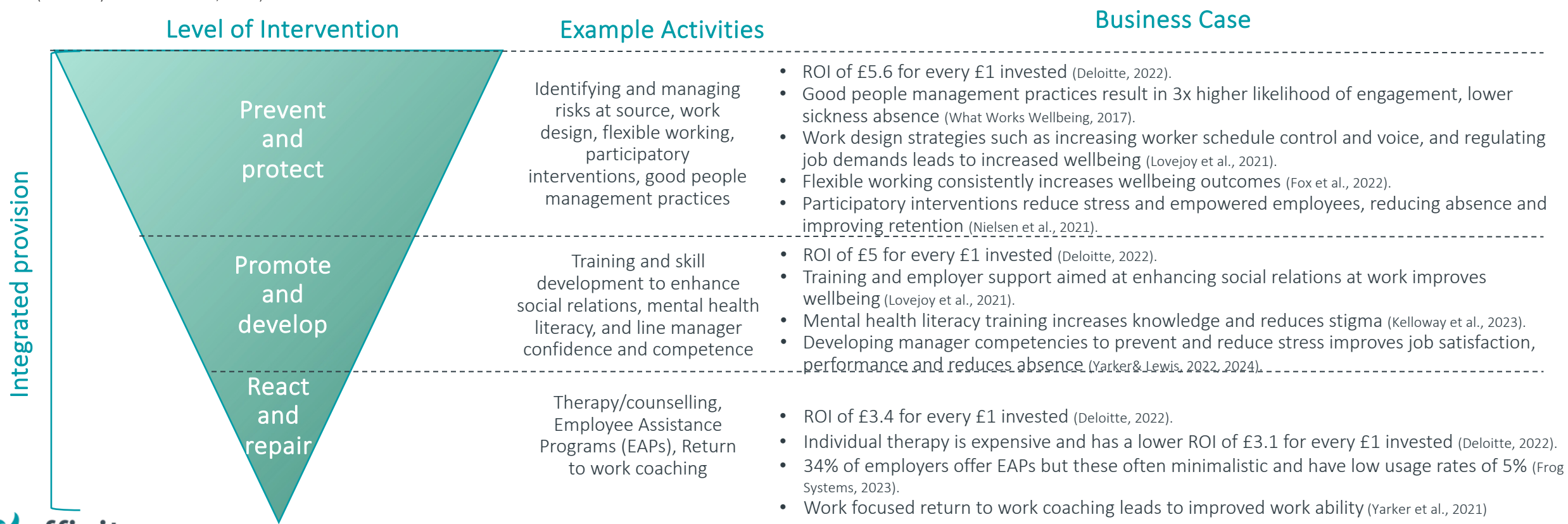
The business case for investing in health and wellbeing at work

Why health and wellbeing is a business-critical issue:

- Annual costs of absence, presenteeism, and turnover reached £53-56 billion in 2020-21 (Deloitte, 2022).
- Stress is one of the main causes of absence, and high workloads are the main cause of stress-related absence (CIPD, 2023).
- Estimated gains from improved productivity, attraction and retention could be around £120-£220 bn per year or over £4000-7000 per employee (BITC, 2023).
- When employees are thriving, they feel 84% more productive and 79% more creative (BITC and YouGov, 2022).

Why integrated provision is vital

- Integrated provision includes co-ordinated and tailored suite of activities at each of the levels of intervention Positive work experiences lead to better overall health (encompassing physical, mental, social and spiritual health), greater innovation at work, and improved job performance (McKinsey Health Institute, 2023).
- Multifaceted interventions that balance work demands and provide job resources on the organisational, team, job, and individual levels enhances health (McKinsey Health Institute, 2023).



Estimating the costs of absence to your business

Definition:

Sickness absence is when an employee is off from work due to sickness or ill health, which could be for either physical or mental reasons.

Calculating the cost of absence¹:

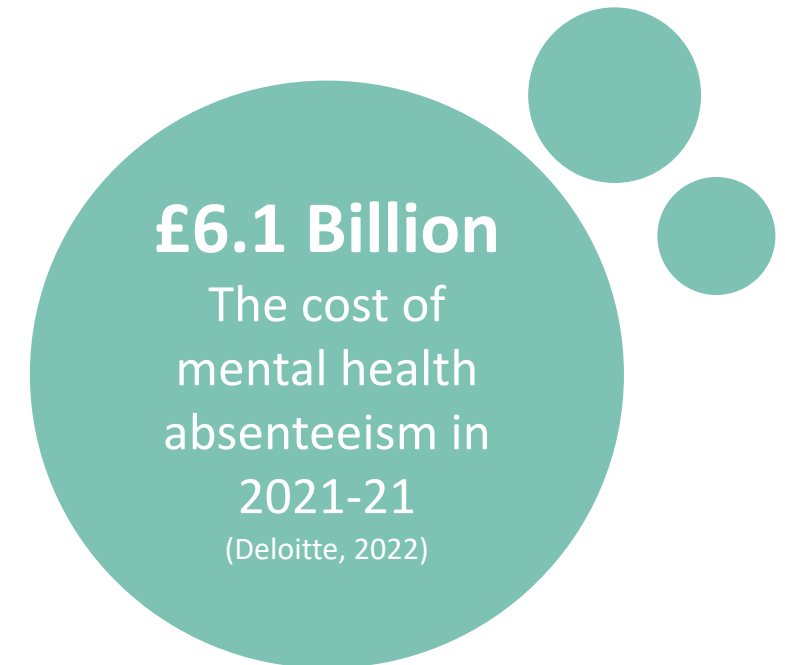
No. of employees x £781² x 55%³



Avg.
sickness
absence
cost



Estimate of
absence due
to stress



1. Donaldson-Feilder, E., Yarker, J., & Lewis, R. (2011). *Preventing Stress in Organizations: How to Develop Positive Managers*. John Wiley & Sons, Ltd. (Original work published 2011)

2. People Management (2022)

3. HSE (2022). Work-related stress, anxiety or depression statistics in Great Britain.

Estimating the costs of turnover to your business

Definition:

Sickness absence is when an employee is off from work due to sickness or ill health, which could be for either physical or mental reasons.



Calculating the cost of turnover¹:

No. of employees leaving the org. each year x £5800² x 20%³

↓
Avg.
turnover
cost

↓
The % of turnover
attributable to
work-related stress

Estimating the costs of presenteeism to your business

Definition:

Presenteeism refers to the state of attending work despite illness, thereby being unable to perform to one's full ability.

Calculating the cost of presenteeism:

No. of employees x £4000



Avg.
presenteeism
cost



1. Donaldson-Feilder, E., Yarker, J., & Lewis, R. (2011). *Preventing Stress in Organizations: How to Develop Positive Managers*. John Wiley & Sons, Ltd. (Original work published 2011)

2. Whysall, Z., Bowden, J., & Hewitt, M. (2018). Sickness presenteeism: measurement and management challenges. *Ergonomics*, 61(3), 341-354.

About Affinity

- Founded in 2006, we are a multi-award winning research and consultancy organisation. We bring together cutting edge research with practical, real-world approaches for work, health and wellbeing. We create original research and tailored solutions for our clients.
- We work with senior leaders and their teams, professional bodies and policy makers to improve employee health, wellbeing and performance.
- Our mission is to improve the working lives of all.



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Endnotes

1. Preventing Stress in Organizations: How to Develop Positive Managers, Emma Donaldson-Feilder, Joanna Yarker and Rachel Lewis (2011)
2. CIPD (2008)
3. Unclear?...book doesn't give reference
4. Sainsbury Center for Mental Health (year?)