

How to invest in healthy work

IOM and IOSH have come together to share our joint expertise and help elevate the ways health and safety enables good work. For this briefing, our definition of health and safety incorporates wellbeing. All three aspects reduce risk to employees and improve their health.

By demonstrating how safe and healthy work drives higher performance it moves these initiatives from a “cost of doing business” to an “enabler” of profitability”.

Profiting from health

The economic risks to organisations of not embracing wellbeing are substantial. Poor health and wellbeing can lead to significant productivity losses, costing employers globally around \$530 billion annually (WEF). Mental health issues alone accounted for 17.5 million lost working days in the UK in 2022.

Additionally, organisations with low wellbeing scores see lower shareholder returns and higher absenteeism. The World Economic Forum points to those who have invested in employee health and wellbeing seeing 115% growth in earnings per share compared to 27% for their competitors.

The case for investment is strengthened by analysis suggesting that an average return of £4.7 on every £1 spent on mental health and wellbeing can be achieved (Deloitte).

Unlocking efficiencies

Investing in employee wellbeing can enhance workforce skills and productivity by creating a safe and healthy work environment. This not only improves employee engagement and retention but also fosters innovation and reduces absenteeism. For instance, organisations with high employee engagement have 41% lower absenteeism and 59% lower turnover rates (Gallup).

Considering that the cost of replacing a junior role, accounts for £30,614 (BrightHR) and senior roles increase exponentially, savings from investing in health, safety and wellbeing can be realised very quickly.

Research indicates that a meaningful increase in employee wellbeing can lead to an average productivity increase of about 10% (Harvard). This is supported by a study showing that happy workers are up to 13% more productive (Oxford University).

The costs of doing nothing

Not engaging in wellbeing activities can lead to increased absenteeism, higher turnover rates, and reduced productivity. According to HSE figures, 1.7 million working people suffer from work-related illnesses, including 875,000 experiencing work-related stress, depression, or anxiety¹. This results in significant financial costs, with poor mental wellbeing costing UK employers an estimated £42 billion to £45 billion (Deloitte) annually due to presenteeism,

sickness absence, and staff turnover. Work-related stress and burnout are estimated to cost the UK economy £28 billion per year.

Fundamental components for success

IOSH and IOM experts agreed that to ensure the success of interventions and activities, several core components must be included.

First, you need a clear and compelling purpose. This involves defining the goals and objectives of the programme, ensuring they align with the overall mission and values of the organisation.

Second, demonstrate effective leadership and management. Leaders must be committed to the purpose and the programme, providing direction, support, and resources necessary for its success. This includes fostering a culture of psychological safety or confidence where employees feel valued and heard.

Third, employee engagement and participation are vital. Programmes should be co-created with input from employees to ensure they meet their needs and are relevant to their work environment. This can be achieved through regular feedback loops and open communication channels.

Fourth, line managers and supervisors are vital. Their attitudes, actions and behaviours have a direct impact on employee wellbeing. IOSH has researched [the role of line managers in promoting positive mental health](#).

Lastly, embed continuous evaluation and improvement. Regularly assessing the programme's impact and adjusting based on feedback and data ensures it remains effective and relevant. By incorporating these components, programmes and activities are more likely to succeed and deliver meaningful benefits to both employees and the organisation.

Conclusion

People are always the 'secret sauce' capable of boosting the success of their organisations. Safety and health managers who champion good work across their organisations not only improve the lives of staff, they also help deliver performance, productivity and profit.

When you and they appreciate the (good) business case, their role can expand beyond safeguarding the organisation from harm, becoming changemakers who contribute to adaptation, improvement and success at times of economic challenge.

Actions today for healthier work tomorrow

Here are starting points you and your people can access to gain further insights, explore resources and learn what fundamentals to focus on:

1. Access free unbiased expert evidence or enlist help from the [Institute of Occupational Medicine](#)
2. Do [free bitesize learning](#) showing how safe, healthy work sustains organisations and people or find out how IOSH [works with businesses](#) to generate improvements
3. Use great government resources like the [Talking Toolkits](#) from the Health and Safety Executive (HSE)