

# The BUSINESS CASE FOR WELLBEING

Wellbeing is our ability to feel good and function effectively at work. It is synonymous with high levels of mental and physical health (Huppert, 2008; Keyes, 2002; Ryff & Singer, 1998). Cross-sectional, longitudinal and experimental studies, high levels of wellbeing have been shown to be associated with a range of positive organizational outcomes, including:

- **Improved individual performance** – Employees with higher levels of wellbeing have been found to be learn more effectively, be more creative, have better relationships, be more pro-social in their behavior, feel more satisfied in their jobs and perform better (Chida and Steptoe, 2008; Diener et al., 2010; Dolan et al., 2008; Lyubomirsky et al., 2005).
- **Up to 8 x time more engaged** – By helping employees to maximize their personal resources, supporting them to function to the best of their abilities individually and collectively and producing a positive overall experience at work it appears, it is estimated employees are up to eight times more likely to be engaged when wellbeing is a priority in their workplace (New Economic Foundation, 2014; World Economic Forum, 2010).
- **Up to 3 x more productive** – employees with higher levels of wellbeing are able to work longer and more effectively due to their improved goal attainment and levels of resilience. It is estimated the healthiest Australian employees are almost three times more productive than their unhealthy colleagues (Medibank Private, 2005; World Economic Forum, 2010; PwC, 2014).
- **Improved safety with a 32% average reduction in claims** – Employees with higher levels of wellbeing are more likely to take early action and seek help rather than risk poor health. It is estimated workplace health programs can achieve an average of 32% reduction in workers' compensation and disability claim costs. (Chapman, 2003)
- **Up to 30% reduction in sick leave** – Healthy workers take up to 9 x less the annual sick leave absences of unhealthy workers (2 days annual sick leave compared to 18 days for an unhealthy worker). It is estimated that workplace health programs can reduce sick leave by up to 30% (Medibank Private, 2005; Dishman et al, 1998).
- **4 x less likely to lose talent** – Employees who take an unfavorable view of their workplace's commitment to health and wellbeing are four times more likely to leave in the next 12 months. In contrast, 64% of those who take a favorable view indicate they are likely to stay for the next five years (World Economic Forum, 2010).
- **Based on improvements in lower absenteeism**, presenteeism and health claims alone, PwC estimate that for every \$1 spent on improving wellbeing, companies are likely to see a return on investment for action of \$2.30 in benefits for the organization (PwC, 2014).

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