



Managed Wellness Program

COST BENEFIT ANALYSIS For Distribution & Manufacturing

ENVIRONMENT:

Long periods standing that could include lifting, bending, reaching & repetitive tasks that can lead to stress on joints and muscles, foot, hip, back and shoulder pain, mental and physical fatigue resulting in absenteeism, presenteeism, low morale and turnover.

AVERAGE EMPLOYEE COSTS:

RISK	ANNUAL SINGLE EMPLOYEE COST	NUMBER OF EMPLOYEES	RATE APPLIED	TOTAL ANNUAL COST
Absenteeism	\$3,100 ¹	300	30% ⁵	\$279,000
Presenteeism	\$31,000 ²	300	30% ⁶	\$2,790,000
Fatigue	\$1,500 ³	300	76% ⁷	\$342,500
Turnover	\$4,700 ⁴	300	49% ⁸	\$690,900
Additional Uncalculated Costs:	<ul style="list-style-type: none">Poor work culture from lack of health-related benefitsWorkers' Compensation claims from injuries and work-related ailments			\$4,102,400

Costs calculated from:

¹Wage loss, overtime pay, lesser quality of work, lost productivity, lost management time, poor morale; average cost between \$3600/hourly and \$2660/salary, *The Causes and Costs of Absenteeism*, Investopedia.com, May 26, 2021

²Presenteeism Costs 10X More Than Absenteeism, ThriveGlobal.com, Jan. 14, 2021

³Decreased productivity and healthcare cost; *Real Cost of Fatigue in Workplace*, National Safety Council, NSC.org Fatigue Calculator, 2023

⁴Recruiting, training, benefits, lost-time and productivity from others for interviews, training and flow disruption; *The Real Costs of Recruitment*, SHRM.org, April 11, 2022

⁵Assuming rate of variables reported to cause Absenteeism that Wellness program will contribute to resolving; *The Causes and Costs of Absenteeism*, Investopedia.com, May 26, 2021

⁶Assuming rate of variables reported to cause Presenteeism that Wellness program will contribute to resolving

⁷Percent of employees who reportedly feel tired at work, *Fatigue In The Workplace: Causes & Consequences of Employee Fatigue*, National Safety Council 2017 report

⁸Rate of turnover in the Warehouse industry; *Warehouse Turnover Hurts More Than You Think*, KPIsolutions.com, May 10, 2023

PROGRAM EXPECTED BENEFITS:

REDUCED FATIGUE	LESS ABSENTEEISM & LESS PRESENTEEISM	INCREASED RETENTION
Compression socks increase blood circulation + body-aligning orthotics reduce physical stress on muscles & joints to reverse effects of sleep loss, long hours and all-day standing	Less time called off work to recover from stress, heal from pain or injury & for physical therapy or doctor appointments. More cognitive awareness and less costly distraction errors.	Increases positive work culture with competitive health benefit that proves employer appreciation & raises perceived value of employee.

PROGRAM COST:

ANNUAL EMPLOYEE COST	NUMBER OF EMPLOYEES	TOTAL ANNUAL COST
\$250	300	\$75,000

NET BENEFIT SAVINGS = \$4,027,400