



Unlocking the potential: how boosting employee health results in financial savings.

26th April 2024

Presented by GoodShape in conjunction with the HFMA.



The NHS vs the private sector 2022 – 2023.

How does the data reflect the overall health status of the workforce?



NHS	2022	2023	Variance
Average absence rate (%)	7%	5.6%	- 1.4%
Days lost per employee	16	12.5	- 3.5 days
Short-term absence rate	4.2%	3.3%	- 0.9%
Long-term absence rate	2.8%	2.3%	- 0.5%

Source: GoodShape Database
NHS: 70,000 employees
Industry: NHS

Private Sector	2022	2023	Variance
Average absence rate (%)	4.4%	3.7%	- 0.7%
Days lost per employee	10	8.5	- 1.5 days
Short-term absence rate	2.3%	1.6%	- 0.7%
Long-term absence rate	2.1%	2.1%	- 0%

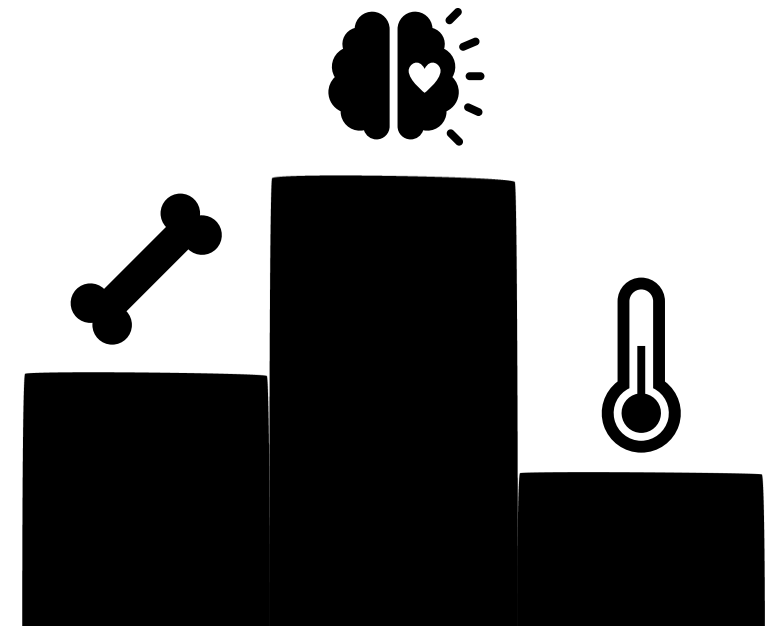
Source: GoodShape Database
Private sector: 88,000 headcount
Industries: Transport / Construction & Engineering / Retail / Manufacturing / Water & Utilities

NHS absence reasons 2022 – 2023.



How does the data reflect the overall health status of the workforce?

Top 3 reasons for absence	
2022	2023
1. Cough, cold, flu, COVID	Mental health, stress, anxiety, burnout
2. Mental health, stress, anxiety, burnout	Musculoskeletal
3. Musculoskeletal	Cough, cold, flu, COVID



Source: GoodShape Database
Industry: NHS

The cost of ill health across the NHS – 2023.



16m
days

Lost to absence

70,000

Workers lost due to
absence

FTE equivalent in days

12
days

Days lost per employee
per year

£2.5b

Cost of productivity

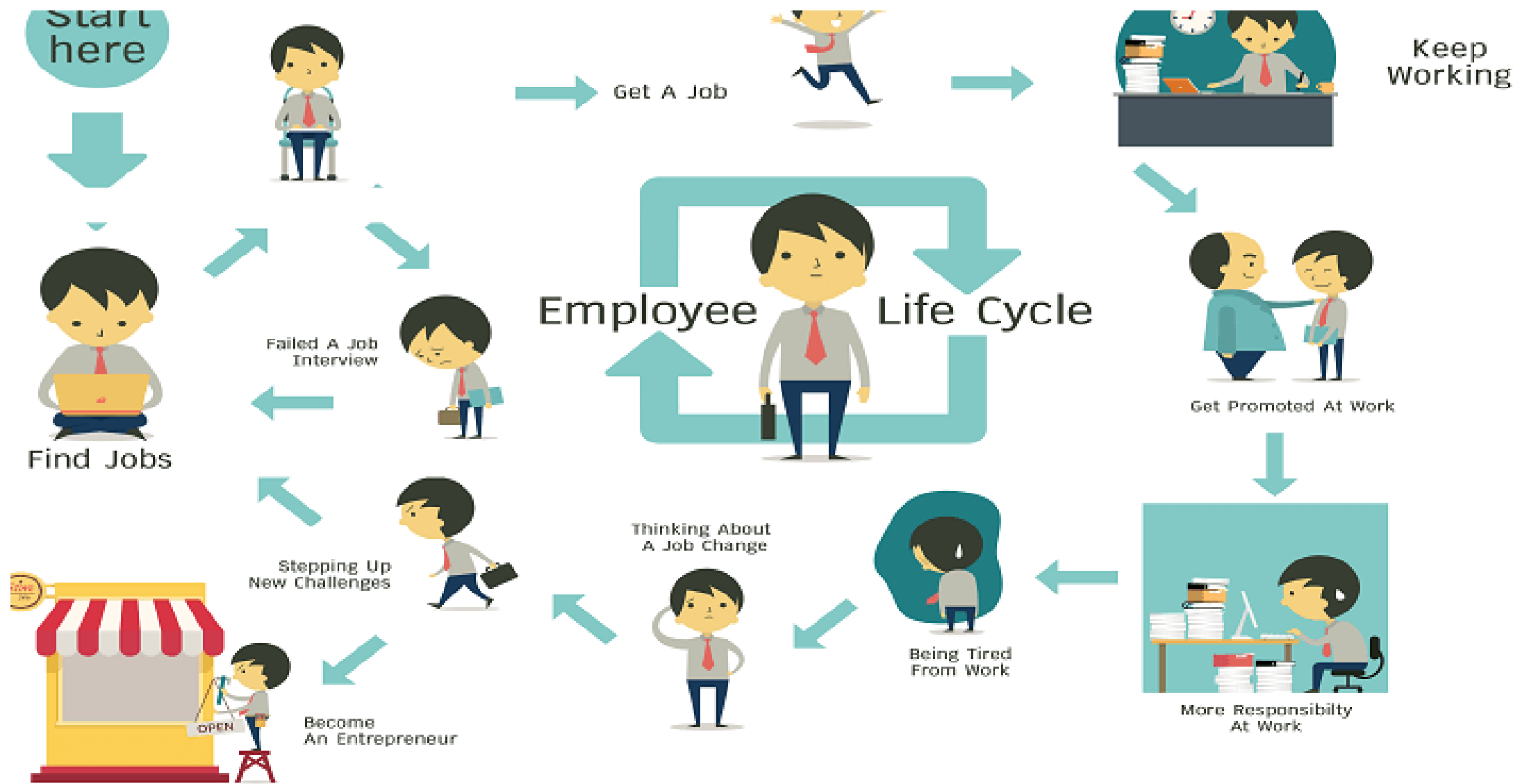
excluding bank/agency cover

How boosting
employee health
results in financial
savings is no longer
valid



Yarlini Roberts

Chief Finance Officer – Kingston Hospital
Foundation Trust & Hounslow &
Richmond Community Trust



What are the problems?

- Significant number of days lost per employee due to sickness
- Key drivers for these are mental health issues (stress) and MSK
- Low morale, feeling of not being valued
- Lack of Resilience
- Negative impact of agile working
- Not able to recruit locally
- Reduction in discretionary effort





What are the solutions?

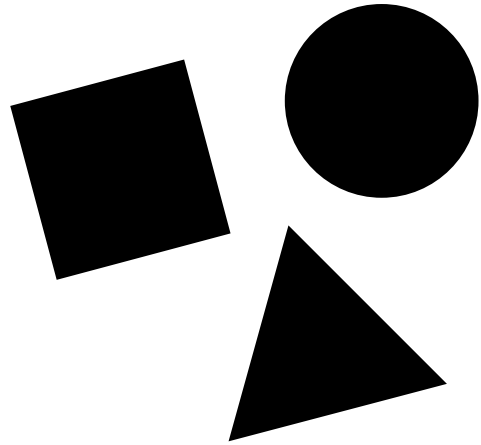
- Access to Internal Occupational Health services
- Access to Health and well being
- Access to training and development
- Creation of People Compact/ Psychological Contract
- Importance of Team working
- Organisations use position as Anchor Institutions



Solutions.

Barriers to success.

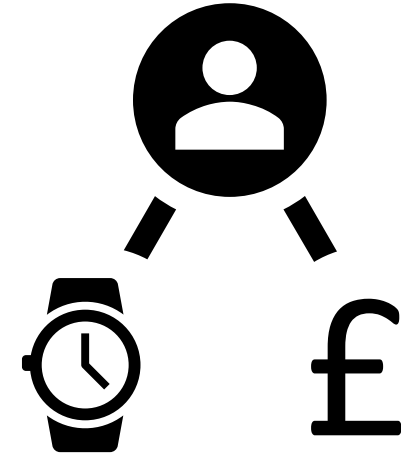
What's not working?



Fragmented strategies



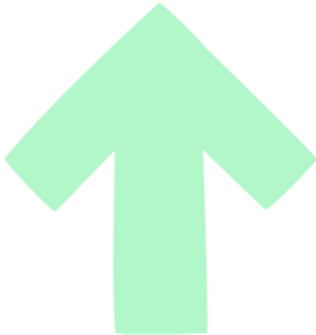
Lack of reliable data access



Resource limitations

Positive correlations.

Investing in wellbeing yields financial savings and results across your organisation.



Higher



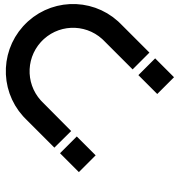
Job satisfaction and happiness



Morale and collaboration



Productivity and decision making



Attraction and retention (EVP)



Patient care quality



Lower



Absence rate and length



Stress and burnout



Bank and agency spend



Turnover and recruitment cost

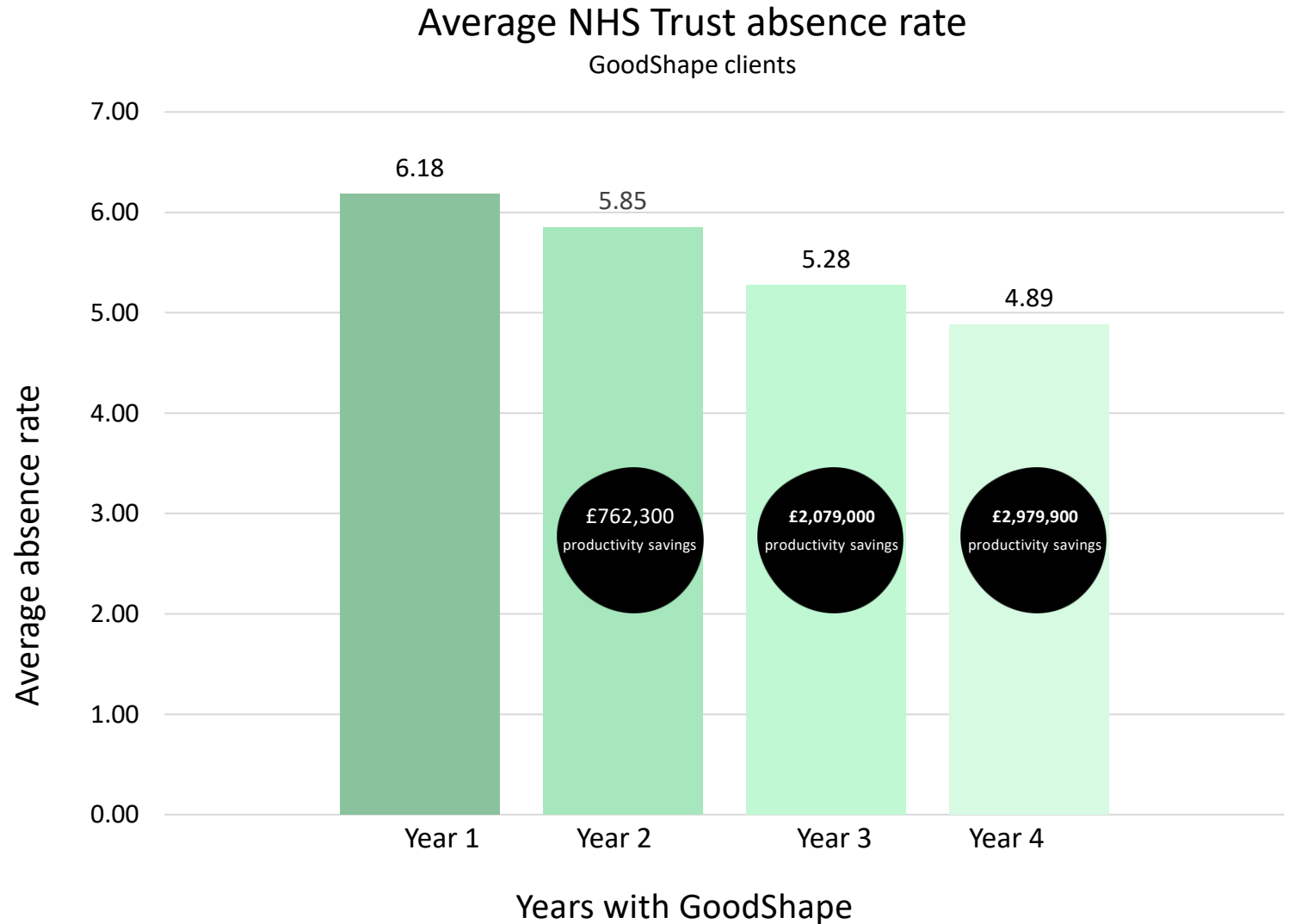


Insurance and healthcare cost

NHS Trust results.



How can you achieve results like these?



NHS Trust results.



Annually, a typical Trust of 6,000 employees can see a 15% reduction in absence.

Annual cost of absence: Average NHS Trust

£12m	Lost Productivity Based on 72,504 days lost to absence / 318 FTE's	210	FTE's Lost Annually Due to Staff Turnover Where health is a significant factor
£5m	Replacing Sickness (20% of absence covered) Cost of agency & bank. 29,001 days / 127 FTE's	1,590	Serious Health Issues Identified having long term health issues
£17m	Cost of Lost Productivity, Sickness & Admin Equivalent to 101,505 days / 445 FTE's	12	Days Lost Per Employee



Annual savings with GoodShape

£2.5m	Target Savings	8:1	Return on Investment
15%	Absence Reduction: 5.30% to 4.51% (-0.79%)	67	FTE's back into services / 15,225 days

Total UK staff: **6,000**
Total annual salaries: **£230m**
Average salary: **£38.5k**

Days lost PA to absence: **75k days**
Absence rate: **5.3%**
Bank & agency spend: **£34m** (£5m/15% covering sickness)

Sources: NHS Digital, NHS Trust Annual Board Report, GoodShape database

