

# Get Healthy at Work Small Biz Survey 2016

## Background

In April 2016, SafeWork NSW in partnership with Hall and Partners | Open Mind conducted research with a range of business decision makers to assess and understand attitudes towards healthy workplaces and to assess the degree to which health in the workplace had an impact on a range of business metrics.

A total of 289 respondents from Small and Medium enterprises (5-200 employees) Australia wide completed a 15 minute online questionnaire. Sample was drawn from a commercial online panel and all participants were screened to ensure that they had personal responsibility for strategic decisions within the business (including HR decisions). The questionnaire was approximately 15 minutes in length and covered a range of topic areas, including a review of current health related activities being undertaken, attitudes towards staff health and wellbeing, perceptions of staff health and reported rates of absenteeism and the costs associated with absenteeism. After a review of the data, final data was post weighted to be a representation of the Australian Small and Medium enterprises (SME) population by business size.

## Key metrics

As part of the survey, business decision makers were asked a range of questions which were used to assess both the current health of the business and absenteeism rates. The purpose of these questions was to provide insight into business health and to assist SafeWork NSW understand the impact (if any) of ill-health on businesses in Australia. Several key metrics were used to assess the impacts of health and wellbeing on SMEs:

- **Healthy versus unhealthy businesses:** for this research, the 'health' of the business was self-defined by the business decision maker. All respondents were asked to indicate whether they felt that most of their staff were happy and healthy. If business decision makers disagreed with this statement (i.e. most staff were not happy and healthy) then for the purposes of this research, the business was classified as being 'unhealthy'.
- **Absenteeism rate and costs:** Business decision makers were asked to indicate the number of days lost to absenteeism (unplanned sick leave) over the three month period prior to the research being conducted. This figure, along with details of the total number of staff available across that period and average salary per staff member was used to derive the absenteeism rate for the business and the annual cost of absenteeism, on average, for the business. Businesses which fell roughly within the top 30% in terms of absenteeism rate were classified as experiencing

‘high rates of absenteeism’ for the purposes of this research. Those in roughly the bottom 30% are classified as experiencing ‘low rates of absenteeism’ in this research.

## Key highlights

- Businesses which are classified as ‘unhealthy’ were significantly more likely to experience high rates of absenteeism, when compared to those who are not classified as ‘unhealthy’. More than half (54%) of ‘unhealthy’ businesses experienced ‘high rates of absenteeism’, this compared to only 22% of businesses who were not classified as ‘unhealthy’ businesses.

**Table 1: Rates of absenteeism for healthy and unhealthy businesses**

	Healthy	Unhealthy
<b>Low rates of absenteeism</b>	78%	46%
<b>High rates of absenteeism</b>	22%*	54%

*Base: All respondents (n=289)*

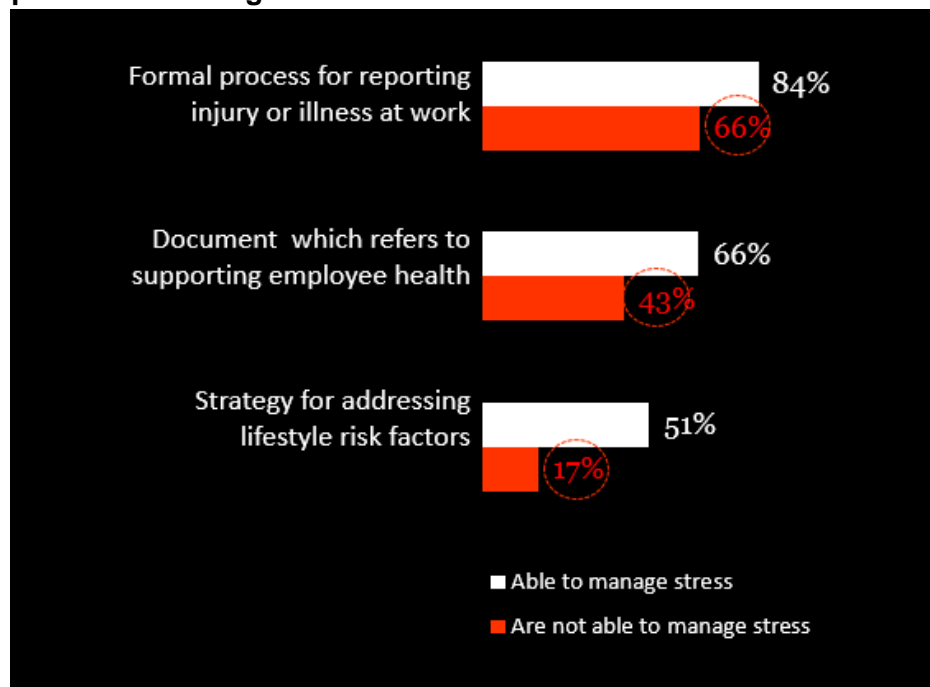
*\*significantly different at the 0.05 level*

- Based on cost estimates provided by businesses, businesses classified as experiencing ‘high rates of absenteeism’ cost around \$50,000 more to run over five years, when compared to businesses who experience ‘low rates of absenteeism’.
- Businesses who do not have staff who are ‘fit and sporty’<sup>1</sup> are three times more likely to experience high rates of absenteeism when compared to businesses who have staff who are fit and sporty. 27% of businesses who are classified as experiencing ‘high rates’ of absenteeism have staff who are not fit and sporty. This proportion drops to just 9% when looking at companies with low absenteeism.
- Businesses who do not have a majority of staff classified as fit and sporty cost around \$34,000 more to run over five years, when compared to businesses where most staff are ‘fit and sporty’.
- Businesses where decision makers feel that most staff could not handle the stress and strain of their job are twice as likely to experience absenteeism when compared to businesses where respondents feel a majority of their staff can handle job stress and strain. More than one quarter (28%) of businesses who are classified as experiencing ‘high absenteeism’ feel that most of their staff can’t handle stress and strain, this compares to just 13% of businesses classified as experiencing ‘low absenteeism’.
- Not managing stress costs a business around \$16,000 over five years.

<sup>1</sup> As stated by business decision makers

- Businesses where decision makers feel most of their staff are unable to handle the stress and strain of the job are significantly less likely to have formal health and wellbeing processes in place as outlined in the diagram below:

**Figure 1: Relationship between stress and formal health and wellbeing processes/strategies**



*Significantly different at the 0.05 level*

- It appears that there is a relationship between active participation in health and wellbeing programs provided by the business and the health of staff. Businesses classified as 'healthy businesses' were significantly more likely to indicate that most of their staff actively take place in health and wellbeing programs provided by the business (62%) when compared to businesses classified as 'unhealthy' (28%).
- Smaller businesses (those with 5-20 employees), older businesses (those which have been operating for more than 20 years) and businesses with staff that generally sit for most of the day are all less likely to indicate that most of their staff actively participate in health and wellbeing programs provided by the business.
- Finally, businesses with staff who sit for most of the day are significantly more likely to also indicate that their staff are overweight. More than one third of businesses who have staff who sit for most of the day also reported that most of their staff are overweight, this compared to just 16% of businesses who had staff who were generally up and about.