

Occupational health

A guide for company directors and commissioners of services



Enhancing employee health, workforce productivity, business performance and the economy

The business case

There is a rounded business case for investing in occupational health. Such investment adds value through reduced costs associated with ill health prevention, improved productivity and many intangible benefits.

Employers cite several reasons for providing an occupational health service including:

- Financial – to reduce costs or add value to the business
- Legal – to comply with health and safety laws and regulations
- Moral – it is the right / ethical / socially responsible thing to do
- Reputation – to avoid damaged business from occupational illness

Financial drivers

Sickness absence costs UK business £28.8bn/year; a median cost of £554/employee, and 2-16% of payroll. Costs of presenteeism i.e. being at work but with impaired productivity are thought to be much higher. Occupational illness and accidents cost British businesses £2.8bn/year. Effective occupational health programmes can deliver significant savings to a range of employer's direct and indirect costs by preventing occupational illness and promoting employees' health and performance. Occupational health involvement is commonly ranked among organisations' most effective methods for managing long-term sickness absence. Leading companies which connect health and productivity strategies to business objectives report lower costs and higher productivity.

Legal drivers

The Management of Health & Safety at Work Regulations 1999 require employers to appoint a competent person(s) to help meet their legal duties for health and safety considering the size of the undertaking and risks involved. A health professional is not always needed but employers still need to call on a competent doctor or nurse to manage any occupational health problems. Large employers may employ a competent occupational health professional to manage their occupational health programme and provide advice.

Directors can be personally liable when health and safety legislation is breached. Those convicted are liable for fines, and for gross negligence manslaughter, life imprisonment. HSE prosecuted 46 directors and managers in the year with fines routinely hitting £1 million for non-fatal offences.

Moral drivers

Employers' organisations recognise that looking after employee health makes the workplace a more productive, attractive and corporately responsible place to work and that it benefits the local community and the country since healthy people require less support from health and social care services. Most surveyed employers feel they demonstrate commitment to corporate social responsibility by looking after employee health.

Corporate image and reputation

Organisations which value employee health and wellbeing can gain through an improved profile as well as to their bottom line. Highly effective companies commit to the importance of health and its impact on the business by including employee health and productivity in their goals and values statements to articulate a “culture of health”. Employers’ organisations recognise that: looking after employee health makes the workplace a more productive, attractive and corporately responsible place to work.

When things go wrong and people develop occupational illnesses then morale and productivity suffer. Litigation damages reputation and can lead to lost business.

Occupational health services

Occupational health services contribute to the effective management of the health of workers and workplaces, supporting employers to meet their legal responsibilities to:

- Provide healthy workplaces and work
- Protect people from developing work-related ill health
- Provide health surveillance
- Adjust work for people with health problems or a disability.

Occupational health staff

Occupational health doctors and nurses are the suitably qualified persons to enquire about symptoms, inspect or examine employees. Larger teams may include allied health professionals e.g. physiotherapists, counsellors and occupational health technicians.

Costs of employee ill health

Tangible costs		Intangible costs
Direct	Indirect	
<ul style="list-style-type: none"> • Restricted duties • Sick pay • Disability pensions • Fines • Legal costs • Compensation 	<ul style="list-style-type: none"> • Overtime cover • Temporary agency staff • Management time • HR / payroll time • Recruitment fees • Training of replacements 	<ul style="list-style-type: none"> • Presenteeism • Lost productivity • Engagement • Staff turnover • Employee relations • Corporate image

Benefits of occupational health

Workers	Employers	Society
<ul style="list-style-type: none"> • Protect and promote health • Help prevent work-related illnesses • Manage return to work after illness • Maintain earnings • Maintain quality of life 	<ul style="list-style-type: none"> • Help reduce sickness absence • Improve business performance • Avoid litigation • Improve corporate image 	<ul style="list-style-type: none"> • Reduce NHS care costs • Reduce the cost of state benefits • Increase tax revenues • Revitalise the UK economy

Getting help

If you do not have access to an occupational health service or professional then the following may help:

To find an occupational health doctor or nurse:

[Society of Occupational Medicine](#) – free directory of occupational health and medicine professionals – including qualifications, experience and contact details.

<https://www.som.org.uk//find-oh>

[Health & Safety Executive](#) – list of ‘appointed doctors’ who can perform statutory medical examinations for asbestos, lead, ionising radiations, etc.

www.hse.gov.uk/doctors/

To find an occupational health service:

[SEQOHS](#) – list of accredited occupational health services which have been independently audited and which meet the SEQOHS standards.

www.seqohs.org

Further information

Occupational health: the value proposition. Society of Occupational Medicine. London 2017. www.som.org.uk

“Occupational health: the value proposition’ brings together in one place key research and evidence detailing the business benefits for the provision of occupational health within the workplace. Taking the assessment beyond legal compliance, this honest and accessible report highlights how occupational health can bring added, measurable value in terms of employee productivity and engagement. The report supports and complements the practical guidance produced by IOSH. Ensuring that employees are happy, healthy and in work is at the heart of IOSHs vision and this report offers further evidence of the benefit such an approach can bring to all organisations.”

Bev Messinger, Chief Executive,
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and Health