

## Illustration of the Financial Cost of Stress for a Typical Organisation

Using the National averages (where known) for all metrics, sources as shown

Total FTE Headcount = 50

Average annual employee salary = £27,600 (Source – Office of National Statistics)

### The Cost of Absence

2.8% Absence (as a % of the annual salaried days) (Source – CIPD 2016 Absence Management Survey)

1.4% Stress or mental health-related absence (Source – 49% of all absence relates to mental health, Health and Safety Executive)

£9,660 Annual cost of Temporary / Agency staff to cover absence

(Based on providing cover for half of the mental health related absence, at the average national wage)

### The total cost to the organisation of stress-related absence is £23,000

According to a report by the Centre for Mental Health, the cost of lost productivity due to presenteeism (employees attending work, but performing at reduced productivity) is estimated to be 1.5 times the total cost of absenteeism.

Cost of presenteeism to our example organisation **£34,500**

### The Cost of Replacing Staff Who Leave

16% organisation staff turn-over or churn (Source – report by the Sainsbury Centre for Mental Health)

10% of staff resignations result from stress (MIND Survey, 1 in 10 people had left a job because of stress)

£5,400 average logistics costs to fill a vacant position (Source – report by Oxford Economics)

45 hours average spent interviewing and administrating recruitment

£35,000 average annual salary of those interviewing candidates

Lost productivity while a new hire 'learns the ropes': Based on and 23 week ramp-up, averaging 60% productive across that time

10 days of colleagues' time spent training, mentoring and supporting a new employee

### The total cost to the organisation of replacing staff who leave because of stress is £7,600

**TOTAL ANNUAL COST of Stress / Mental Health related absence, under-performance and resignations to the organisation**

**£65,100**

**This is equivalent to over £1,300 per employee, per year**