

Defining the ROI of an EHS system

The importance of being able to respond effectively to Environmental, Health and Safety (EHS) issues is growing.



Investment in EHS systems is most influential factor



Verdantix reports that 44% of surveyed companies¹ see investing in EHS systems as one of the most influential factors in improving EHS performance, driven by a focus on ESG and sustainability initiatives, total worker health, and increasing digitisation.

And while the administrative and safety benefits of EHS systems are already well recognised, it seems there's more to it than that.

Verdantix also found that more than 85% of EHS functions² contribute to the broader management of quality, operational risk, worker wellbeing, and supply chain and contractor strategies.



of EHS functions have broader operational benefits.

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Clearly, lacking a fully integrated, digital EHS system places an organisation at risk of falling behind.

That's because EHS software combats both significant direct and indirect costs...



Direct costs

- \$163.9 billion Cost of deaths and injuries to the US, employers, and individuals in 2020³
- \$145,027 per violation OSHA fine for willful or repeated violations⁴

• Increased insurance premiums and potential civil lawsuits

• Costly inefficiencies from unnecessary paperwork replication, error-prone spreadsheets, and lack of transparency

Indirect costs

The indirect costs of injuries may be **20 times the direct cost**⁵ due to:

- Reduced productivity
- Absenteeism
- Training and onboarding replacement employees
- Accident investigation
- Implementing corrective measures

... as well as mitigating significant risks.



Reputational damage

41% of companies that experienced a negative reputation event reported loss of brand value and revenue⁶



Disengaged employees

\$450-\$550 billion per year estimated cost to US businesses⁷



Difficulty in recruiting and retaining staff

Millennials are **22x more likely** to work for a company with a high trust culture⁸



Equipment damage and materials loss

Unplanned downtime costs manufacturers **\$50 billion** per year⁹

An EHS system unlocks real value across the organisation in a variety of ways:



Reduction in accidents and injuries

>20% expected reduction in injury and illness rates¹⁰

\$4 to \$6 return for every \$1 invested¹¹



Greater employee engagement & higher talent attraction

75% of millennials interested in the sustainability efforts of their employer and coworkers¹⁴

75% of employees say that feeling personally safe and secure in the workplace is really important to them¹⁵



Reduction in regulatory fines and penalties

40%–50% reduction in primary containment incidents¹²



Decreased injury rate

29% decrease in average injury rate after one year of implementing behaviour-based safety through EHS software¹⁶

52%

Increased operational productivity

52% lower days away, restricted, or transferred rate than industry average for organisations with exemplary safety management systems¹³



Added value to your business

96% of the world's largest 250 companies report on their sustainability performance¹⁷

49% firms planning to increase spend on environmental compliance in 2023¹⁸

The ROI benefits of EHS software impact every department across your organisation.



- Increased efficiencies through automation
- Greater effectiveness through incident analysis
- Acceleration of cultural change
- Reduction in daily risks
- Compliance requirements met more easily and comprehensively
- · Seamless paper trail for audits

Operations

- Deeper insights into enterprise
- Safer staff less absenteeism
- Greater productivity
- More engaged employees
- Easier recruiting and staff retention
- claims
- Lower insurance premiums
- More efficient paperwork processes
- Eradicate rework across departments
- Risk reduction of fines and civil lawsuits

Employees

- Safer work environment
- Opportunity to directly contribute to EHS culture
- · Convenient access to policies, procedures, and safety data sheets
- Easy and efficient skill and compliance training programs
- Higher morale through active engagement

Businesses are already realising the benefits.



Incident rate improved from 4.6 to below 1

Sayfa Group **300%**

Threefold increase in reported events driven by worker participation



Safety culture is soaring, with a 95% employee acceptance rate

Your competitors aren't waiting. Can you?

EHS software platforms are providing real value to organisations right now. In addition to reducing safety risks, enhancing compliance, and improving sustainability, they're providing the opportunity to aid in improving worker mental health and total wellbeing. They prove their ROI in multiple ways, every single day. And every day that you're not taking advantage, you're going backwards.

Find out more about the value an EHS software platform can bring to your organisation at donesafe.com.

1 https://www.verdantix.com/report/environment-health-safety/global-corporate-survey-2022-ehs-budgets-priorities-and-tech-preferences

- 2 https://www.verdantix.com/report/environment-health-safety/global-corporate-survey-2022-ehs-budgets-priorities-and-tech-preferences
- 3 https://injuryfacts.nsc.org/work/costs/work-injury-costs/
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