

# ESTIMATE THE IMPACT OF WORKPLACE INJURIES ON YOUR PROFITS & SALES

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## Direct Cost

To calculate the direct cost, enter the following information:

Total value of the insurance claim for an injury or illness \$ \_\_\_\_\_

## Indirect Cost

To calculate the indirect cost of this injury or illness, multiply the direct cost by a cost multiplier. The cost multiplier that you use will depend on the size of the direct cost.

If your direct cost is:	Use this cost multiplier:
\$0-\$2,999	4.5
\$3,000-\$4,999	1.6
\$5,000-9,000	1.2
\$10,000 or more	1.1

Direct cost x Cost Multiplier = INDIRECT COST

\$ \_\_\_\_\_ x \_\_\_\_\_ = \$ \_\_\_\_\_

## Total Cost

Direct Cost + Indirect Cost = Total Cost

\$ \_\_\_\_\_ + \$ \_\_\_\_\_ = \$ \_\_\_\_\_

## Impact on Your Profitability

To calculate an incident's impact on your profitability, you will use your profit margin to determine the sales your company would need to generate to pay for this injury or illness:

Divide your total profits by or total sales to get your profit margin

Total profits divided by Total sales = Profit Margin

\$ \_\_\_\_\_ divided by \$ \_\_\_\_\_ = \_\_\_\_\_

Divide the total cost of an injury or illness by your profit margin to determine how many sales your company must generate to pay for the injury or illness. Keep the profit margin in decimal form (e.g. .04)

Total cost of injury or illness divided by profit margin = Sales required to pay for injury or illness

\$ \_\_\_\_\_ divided by \_\_\_\_\_ = \$ \_\_\_\_\_

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