



A Simple Cost Benefit Analysis.

It really is simple to do cost benefit analysis. Take a piece of paper or open a word document and on one side list all the costs of doing a particular thing and on the other side all the benefits.

For example, a training course on how to lift heavy items to avoid injury.

Cost	Benefit
Training materials required	Reduced staff absence due to back pain
Staff costs when they are away from their normal work	No compensation claims for failing to carry out safety training
Training and retraining	No fines for breaches of health and safety law
Facilities tied up for training and unavailable for other uses	Possible favourable publicity and morale as a caring employer

This model may also have costs and benefits calculated in figures to show the positive or negative financial outcome, but this is not always possible and may involve a personal or emotional evaluation and judgment.

Using this model helps us to focus on the value of the outcome by weighing up costs and benefits.

It is important to consider all the costs, and you may want to weight them, based on the likelihood of occurring. Sometimes it almost worth taking a similar approach to a risk assessment, considering likelihood of the cost being realized versus the impact.

Need help?

You can contact at us and arrange a call at: sedg@tsdg.co.uk