Putting a Dollar Value on Hardhats

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Head injuries are expensive. Wearing head protection prevents head injuries. Therefore, making workers wear hardhats will save your company money. The logic is undeniable. But if CEOs complain about the cost of hardhats, logic might not be enough to overcome their objections. Now if you could put a *dollar figure* on the benefits your company will realize by equipping workers with hardhats, you'd have something. And maybe you can. Try this on for size:

\$19 million

That's how much road construction companies in the U.S. would have saved in one year (1998) in head and neck injuries prevented if they had equipped all at-risk workers with a hard hat. Here's how the calculation works:

- 574,000 workers were exposed to head and neck injuries in 1998;
- An estimated 35.9% (206,000) didn't use head protection;
- Total costs of head and neck injuries was \$20.5 million (733 injuries x \$28,000 average cost per injury);
- At \$8 a unit, it would have cost \$1.65 million to equip all victims with hardhats; and
- If those injuries had been prevented \$18.5 million would have been saved.

What It Means

There are a lot of assumptions here—the reason workers weren't wearing hardhats is that they weren't equipped with one; hardhats would have prevented each injury. But what's important isn't so much the precise figures but the approach and thinking behind the calculation. And, if you like the argument, there are similar calculations for:

- Hand protection (\$48 million supposedly saved);
- Hi-visibility apparel (\$65 million); and
- Hearing protection (\$14 million).