Employers share the burden as chronic diseases, such as obesity and diabetes become more common among workers and their dependents. Poor health generates costs for employers, such as greater healthcare expenses; and higher rates of disability, absences for illness and medical appointments, and presenteeism (working while sick) generate indirect costs that reduce workforce productivity and contribute to declines in labor force participation.¹

Unmet vital conditions and associated lack of educational and economic opportunities shape the health, wealth, and well-being of Americans, drive the U.S. health disadvantage, and raise costs for businesses.

Today’s business leaders can play a meaningful role in the lives of their employees, consumers, and communities. Helping communities meet the vital conditions that all people need to thrive can create opportunities for business.

A stakeholder approach argues that businesses succeed when they create value for the groups that are part of the cooperative scheme that allows a firm to exist and to be successful over time. Stakeholders are employees, customers, suppliers, communities, and shareholders and investors. Firms that consistently engage stakeholders tend to achieve better outcomes, including greater innovation and higher profits, over time.²
Businesses can be rewarded with a range of values for taking steps in communities to address the U.S. health disadvantage

- **Healthier workers and lower healthcare costs**: For example, annual healthcare costs to employers for employees with diabetes are more than $4,000 higher than for employees without diabetes.\(^3\)
- **More productive on-the-job employees**: For example, workers who live in healthier communities are more likely to be punctual and have fewer unplanned absences.\(^4\)
- **Greater ability to recruit and retain talent**: Businesses can implement specific community-strengthening strategies that substantially reduce recruitment costs and increase retention rates. For example, see detailed Exemplars for Belden, Inc., Greyston Bakery, Bank of America, and Hyatt Hotels in *Community Health and Economic Prosperity: Engaging Businesses as Stewards and Stakeholders—A Report of the Surgeon General*.\(^5\)
- **Greater brand recognition and more loyal customers**: For example, 66% of respondents in a Nielsen survey said they are willing to pay more for products and services from companies committed to positive social and environmental action. According to a Cone/Porter Novelli study, 88% of consumers would buy from, and 66% would switch purchases to, a purpose-driven company.\(^6\)
- **Greater profitability**: For example, publicly traded companies with a stated purpose, generous compensation, and quality customer service that invest in their communities and minimize their adverse impact on the environment outperform other companies by a factor of 10.\(^7\)

### Notes


