

IMPACT ON YOUR PROFITABILITY

To calculate an accident'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 total sales to get your profit margin.

Total Profits/Total Sales = **Profit Margin**

\$ _____ / \$ _____ = _____

Divide the total cost of an injury or illness by your profit margin to determine how many sales your companies 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/Profit Margin = **Sales Required to Pay for Injury or Illness**

\$ _____ / _____ = \$ _____