

## Control WC Costs Through Safety

Has your business had an increase in workers' compensation costs as a result of workplace accidents? If so, it's time to take a closer look at your safety program. The key to spending fewer dollars is more than just stopping a few accidents; it is having a sound safety program designed to continuously improve. A safety program that is compliant with Occupational Safety and Health Administration (OSHA) standards for those in the hospitality, entertainment and recreation industry can yield significant savings for by reducing injuries and illnesses, saving workers' compensation dollars over the long run.

### Building a Solid OSHA Program

There are five entry-level steps you can take to have a well-rounded safety program that produces a safe work environment, achieves OSHA compliance, reduces accidents and ultimately reduces workers' compensation costs.

1. Develop the various programs required by the OSHA standards.
2. Integrate those programs into daily operations.
3. Investigate all injuries and illnesses.
4. Provide training to develop safety competence in all employees.
5. Audit your programs and your work areas on a regular basis to stimulate continuous improvement.

### Develop Programs Required by OSHA Standards

Aside from being a requirement for businesses engaged

in hospitality services or the entertainment and recreation industry, OSHA standards provide a good pathway to incident reductions. A hefty number of accidents stem from poorly developed, trained or implemented OSHA programs: slips or trips may come from poor housekeeping standards, burns and scalds from lax kitchen safety guidelines, and not following proper use of hazardous materials, such as cleaning products, can result in preventable illness and injury.

Many of the OSHA standards require some type of written program be developed and then communicated to all employees. Experience shows that companies with thoroughly developed, OSHA-compliant programs have fewer accidents, more productive employees and lower workers' compensation costs.

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**A safety program that is compliant with OSHA standards can yield significant savings for you by reducing injuries and illnesses – saving workers' compensation dollars over the long run.**

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### Integrate Programs into Daily Operations

Policies alone won't get results; the program must move from paper to practice to succeed. Putting a policy into practice requires a strategic plan clearly communicated to everyone, good execution of that plan based on developed competencies, and a culture that inspires and

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rewards people to do their best.

When developing your safety initiative, there must be an emphasis on your supervisors and helping them succeed. If your management team knows the safety program and wants to make it happen, the program succeeds; if not, it will be an endless drain on resources and energies. Providing supervisors with knowledge and skills through training is critical to the success of your safety program.

A solid OSHA program integrated into the daily operation and led by competent supervisors is just the beginning. Successful safety programs focus on being proactive instead of being reactive. Accident investigations provide an excellent source of information on real or potential issues present in the workplace.

## Investigate All Injuries and Illnesses

Workers' compensation is designed to recompense employees for injuries or illnesses that arise from or out of the course of employment – the more injuries you have, the higher your workers' compensation costs. To reduce those costs, you must reduce your accidents. And the ability to reduce accidents is significantly enhanced when accidents are fully investigated instead of simply being reported.

Accident reports are historical records only citing facts, while accident investigations go deeper to find the root cause and make improvements. Businesses that stop rising workers' compensation costs have an effective accident investigation process that flushes out the root cause of the problem. Unless the root cause is discovered, recommendations for improvement will remain fruitless. Again, training proves beneficial because a supervisor skilled in incident analysis is a better problem solver for all types of production-related issues, not just safety.

All accidents should be investigated to find out what went wrong and why. Some may suggest investigating every accident is a bit over the top and that only those that incur significant costs are worthy of scrutiny. But if

your emphasis is only on those incidents that have to be recorded on the OSHA 300 log, you close your eyes to the biggest accident category: first aid-only incidents. Many companies focus on recordables or lost time accidents because of the significant costs involved, but they don't realize that the small costs and high numbers of first aid-only incidents really add up.

Statistics show that for every 100 accidents, 10 will be recordable and one a lost-time incident. If you investigate only recordables or lost time accidents, 89 go unnoticed. Would you consider a quality program that allows an 89 percent failure rate successful? Reducing serious accidents means you must reduce your overall rate of all accidents – including first aid-only incidents. That only happens when every incident is fully investigated to find the root cause, and corrective actions are identified and integrated into your daily operations.

## Training and Auditing for Continuous Improvement

The final steps focus on training and auditing your program for continuous improvement. Training plays a significant role in safety and in reducing workers' compensation costs. The goal of training is to develop competent people who have the knowledge, skill and understanding to perform assigned job responsibilities. Competence, more than anything else, will improve all aspects of your business and drive down costs. Supervisors must have the knowledge and ability to integrate every safety program into their specific areas of responsibility. Every employee must know what is expected of them when it comes to implementing safe work procedures. Once the programs are developed and implemented, they must be reviewed on a regular basis to make sure they are still relevant and effective.

This might require a significant change in how you manage your safety program, but if your workers' compensation rates are high, it may be time to make this leap.

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## Tangible Benefits

1. Studies indicate there is a return on investment and that companies see direct bottom-line benefits with a properly designed, implemented and integrated safety program.
2. A competency-based safety program is compliant with OSHA requirements and therefore reduces the threat of OSHA fines.
3. A competency-based safety program lowers accidents, and fewer accidents lower workers' compensation costs. When incidents do occur, a competency-based safety program fully evaluates the issue and finds the root cause to prevent reoccurrence and provides a workplace that is free from recognized hazards.
4. A safer workplace creates better morale and improves employee retention. Auditing keeps your programs fresh and effective, and drives continuous improvement.
5. A competency-based program produces people who are fully engaged in every aspect of their job and are satisfied and fulfilled producing high-quality goods and services.

## How Can We Assist You?

At Bankers Insurance, LLC, we are committed to helping you establish a strong safety program that minimizes your workers' compensation exposures. Contact us today at (800) 541-1419 to learn more about our OSHA compliance and safety program resources.