

# SMALL BUSINESS

Successful Safety Program  
Implementation

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**MEMIC**



# Webinar Focus & Questions



## NOTES

- The focus of this webinar is workplace safety.
- Attendees must be prepared to review Human Resource and Employment Practices Liability questions with their independent insurance agent and/or company's legal counsel.



## QUESTIONS

- All questions can be sent through the Q&A.
- Our panelists will respond to questions when possible, during the webinar.
- Additional resources, including slide deck will be provided at the end of the session.







# Learning Objectives

Small Business Webinar



1. Develop tangible, SMART goals to promote occupational health and safety at your workplace.



2. Navigate available resources to develop programs and training.



3. Discuss strategies to effectively engage employees in safety.





# INTRODUCING

## Your Host & Presenters



**Peter Koch**  
**Host**

Manager,  
Digital Technology,  
WCP®



**Rose Wess**  
**Presenter**

Safety Management  
Consultant,  
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**Anna Hooper**  
**Presenter**

Safety Management  
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**Allison Short**  
**Presenter**

Safety Management  
Consultant,  
CSP, CIT





# Management Engagement

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Allison Short,  
Safety Management  
Consultant





# What is Management's Role?



Safety Vision



Establish SMART safety goals



Allocate resources for safety







Define expectations  
and accountability for safety








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# How Do Injuries Affect the Bottom Line?







    osha.gov/safetypays

 An official website of the United States government. [Here's how you know](#) 

 U.S. DEPARTMENT OF LABOR

**Occupational Safety and Health Administration**

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# OSHA's SAFETY PAYS Program

The Safety Pays Program raises awareness of how occupational injuries and illnesses can impact a company's profitability. The program features multiple tools to help employers understand the financial impact of workplace injuries. The Safety Pays Tool uses data collected from thousands of workplaces to provide businesses with the opportunity to compare their workplace safety performance with industry peers. The Individual Injury Estimator focuses on how much a specific injury could cost a business. Through these tools and related resources, the Safety Pays Program provides valuable information to help employers understand the value of implementing workplace safety and health practices that keep employees safe while lowering costs due to work-related injuries and illnesses.

### Safety Pays Tool

Estimate the effect of all injuries and illnesses on your business.


[Safety Pays Tool](#)

### Individual Injury Estimator

Find out how much a specific injury could cost your business.

[Individual Injury Estimator](#)

### Resources









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# OSHA's Safety Pays Program

## Learn How Much Workplace Injuries Are Costing Your Business

**If you don't know the number of cases, the tool will allow you to:**

- Learn about the likelihood of an injury occurring based on your industry and employment size
- Explore the potential costs of a typical injury in your industry

## Learn About Current Costs and Their Impacts on Your Business

**If you know your actual number of cases, then you can use the tool to:**

- Compare your rate to the rates of other comparably-sized employers in your industry
- Calculate the potential annual burden of these cases





# Example

## **Step 1** Provide basic information on your industry and business size.

### 1. Enter NAICS code or description

Don't know? [Look up your industry.](#)

493-Warehousing and Storage



Clear NAICS (resets all inputs below)

### 2. Enter number of employees: ?

35





## Step 2 Enter injury/illness and lost-time case numbers for your business.

**1. Injury/Illness** How many workers' compensation cases do you have per year (such as cases entered on OSHA's Form 300A)? [?](#)

Choose one:

☒ **Use the industry average** for businesses in my NAICS code.

☐ **Enter the number** of injury and illness cases per year: [?](#)

☐ **Enter Rate/100** of injury and illness cases per year (from OSHA Form 300A): [?](#)

**2. Lost time** Of these cases, how many included days away from work, work restriction or job transfer?

Choose one:

☒ **Use the industry average** for businesses in my NAICS code.

☐ **Enter the number** of lost-time cases per year: [?](#)





## How Your Business Compares to Your Competitors



Your business has a **higher rate** of annual occupational injuries and illnesses compared to all competitors in the same industry.

FIGURE 1: TOTAL CASE RATE (TCR)<sup>1</sup> PER 100 FULL-TIME WORKERS



It is critical to make safety and health improvements to reduce occupational injuries and illnesses and improved profitability by increasing productivity.

**Top-performing competitors have the lowest TCR in their industry category.** "Top-performing" refers to safe, healthy, and often more productive and have lower costs.

1. The rate of recordable injuries and illnesses per 100 full-time workers = (number of recordable injuries and illnesses / 200,000 / number of hours worked by all employees) x 100

2. Average





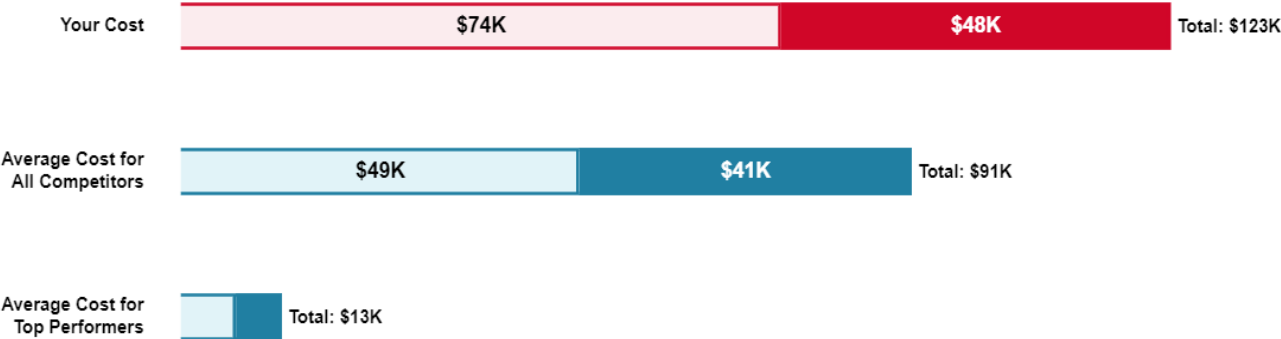
## Expected Annual Costs of Your Industry Competitors



Your business could incur annual costs that are **\$68K higher than top-performing businesses**, giving those businesses a competitive advantage. This is equivalent to **\$2.5M in additional sales** based on your business's profit margin of 3%. Your business would need to make up for the profits you are losing due to occupational injuries and illnesses.

FIGURE 2: EXPECTED COST IN AN AVERAGE YEAR

Key:  = indirect costs  = workers' compensation claims/direct costs



The chart above displays estimates of the costs to your business as a long-term annual average. Your business's actual cost experience in the past years may differ because a typical year will normally be below the long-term average, and because states differ significantly in their average payments.

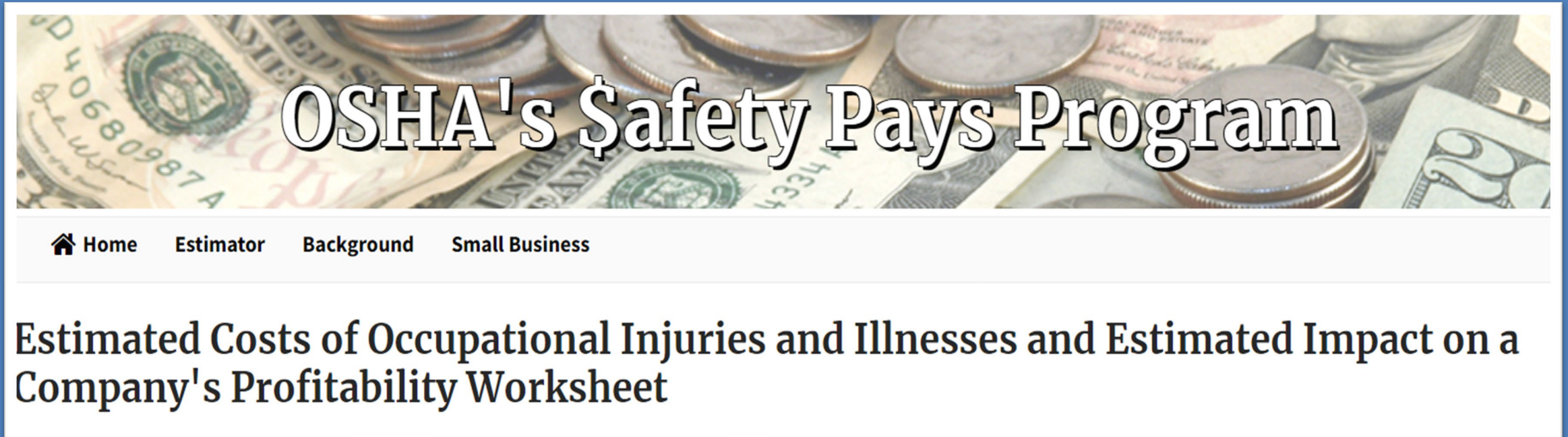
Since your business is insured by a third party, your business will not pay workers' compensation claims directly, but your business will bear the indirect costs. Over time, your business's insurance premium will also be affected by your safety performance.





# Another Tool

Utilize this tool to indicate impact of one injury to the bottom line.

The image is a screenshot of the OSHA's Safety Pays Program website. The header features a background image of US currency, including coins and a \$20 bill. The title "OSHA's Safety Pays Program" is prominently displayed in a large, white, serif font with a black outline. Below the title is a navigation bar with four links: "Home" (preceded by a house icon), "Estimator", "Background", and "Small Business". The main content area below the navigation bar contains the text "Estimated Costs of Occupational Injuries and Illnesses and Estimated Impact on a Company's Profitability Worksheet" in a black, serif font.

## OSHA's Safety Pays Program

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### Estimated Costs of Occupational Injuries and Illnesses and Estimated Impact on a Company's Profitability Worksheet





# Strain

- Assuming 3% profit margin.
- \$67, 000 combined direct and indirect costs
- \$2,241,600 additional revenue needed to offset individual strain injury cost.

## Estimated Total Cost

The extent to which the employer pays the direct costs depends on the nature of the employer's workers' compensation insurance policy. The employer always pays the indirect costs.

| Injury Type | Instances | Direct Cost | Indirect Cost | Total Cost | Additional Sale (Indirect) | Additional Sale (Total) |
|-------------|-----------|-------------|---------------|------------|----------------------------|-------------------------|
| Strain      | 1         | \$ 32,023   | \$ 35,225     | \$ 67,248  | \$ 1,174,176               | \$ 2,241,600            |





# Setting Annual Safety Goals

- SMART Goals

**Specific** - *what is your expected outcome*

**Measurable** - *an outcome that can be assessed*

**Achievable** - *an outcome that is realistic*

**Relevant** - *helps on your mission or bigger objectives*

**Time frame** - *realistic timeframes*

- Communicate the goals and keep track of progress
- Report results back to the workplace





# Teamwork and Safety Culture

- Managers must create an environment that is supportive and committed to safety and teamwork.
- Empirical evidence directly linking worker perceptions of teamwork with subsequent organizational records of injuries.

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McGonagle AK, Essenmacher L, Hamblin L, Luborsky M, Upfal M, Arnetz J. Management Commitment to Safety, Teamwork, and Hospital Worker Injuries. J Hosp Adm. 2016;5(6):46-52. doi: 10.5430/jha.v5n6p46. Epub 2016 Sep 18. PMID: 27867448; PMCID: PMC5113017.





# Program Development

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Rose Wess,  
Safety Management  
Consultant





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# Written Programs

## 01 Compliance

Aid in maintaining regulatory compliance.

## 02 Expectation

Help set expectations and maintain consistency.

## 03 Responsibilities

Manage Responsibilities.

## 04 Culture

Build and maintain a strong safety culture.





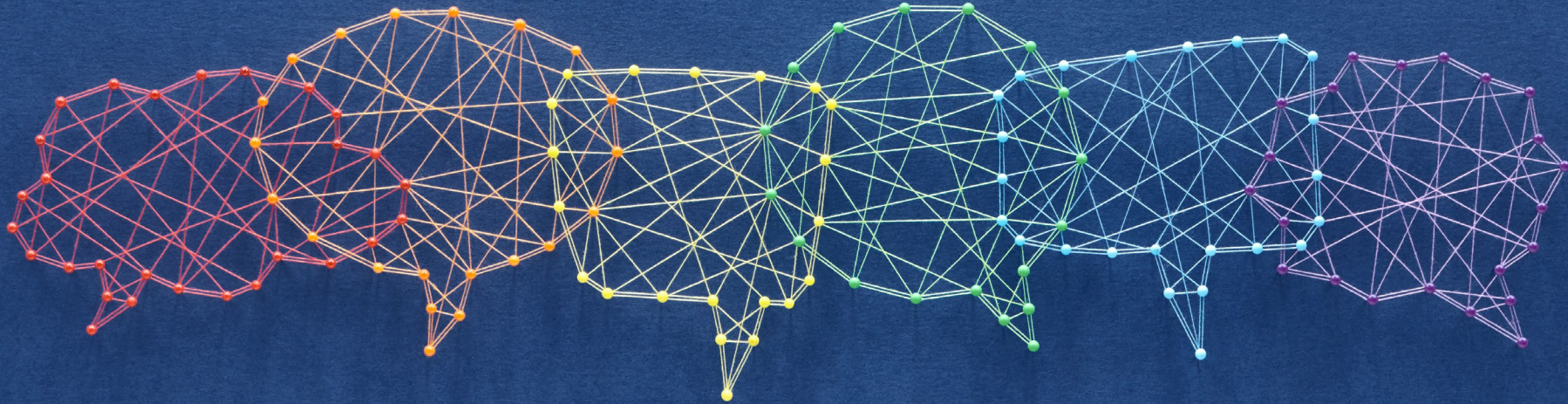
# Employee Engagement

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Anna Hooper,  
Safety Management  
Consultant







# Employee Engagement

How do I **get** employees engaged?

**Keep it Simple**

**Assign Responsibilities**

**Leadership Commitment**







# Engagement Activities

- Routine Safety Meetings
- Incentive Programs





# Employee Engagement

How do I **keep** employees engaged?

## Communication

Constant  
Employee Feedback  
Focus on prevention and successes

**Keep it fresh**





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# Hazard Recognition & Mitigation

- Plan on how to address hazards in the workplace
  - ~ Risk Matrix
  - ~ Hierarchy of Controls

A close-up photograph of a workspace. In the foreground, a white document with the title "Hazard Assessment" in large, bold, black letters is held by a gold-colored metal clip. A fountain pen with a black barrel and gold accents lies on the document. To the left, a blue folder with a textured cover is partially visible. In the background, a portion of a silver laptop keyboard is shown, with keys labeled "fn" and "control".

**Hazard Assessment**





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# Hazard Recognition

How do I know what hazards my employees are exposed to?



**Standard  
Industry  
Hazards**

**Workplace  
Inspections**

**Employee  
Reports**





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# Hazard Recognition

Table 1: Risk matrix

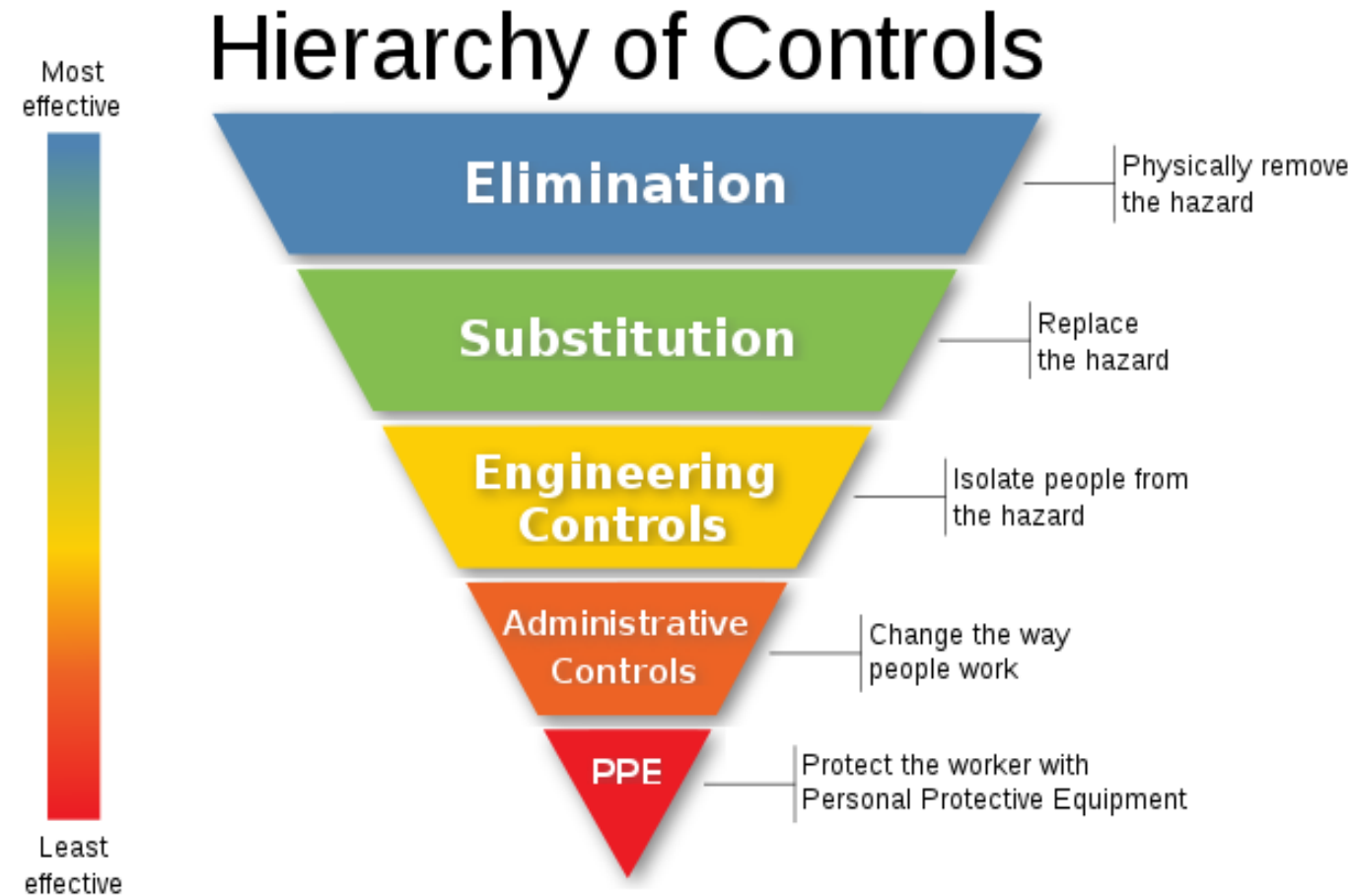
| Probability | High |     |      |      |
|-------------|------|-----|------|------|
|             | Med. |     |      |      |
|             | Low  |     |      |      |
|             |      | Low | Med. | High |





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# Hazard Mitigation





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# SUMMARY

- Develop tangible, SMART goals to promote occupational health and safety at your workplace.
- Navigate available resources to develop programs and training.
- Discuss strategies to effectively engage employees in safety.





# QUESTIONS?





# Thank you for attending!

To download this and other webinars:  
<https://www.memic.com/webinar-downloads>

You'll receive a follow-up email which will include:

- ? Responses to all unanswered questions
- 🔗 A link to this recording

