



A Management Checklist

A poor safety record is almost always a symptom of other more basic problems in a business, says Hank Sarkis, president of The Reliability Group, a consulting firm in Miami. While there may be no quick fix for the apparent underlying organizational problems, Sarkis says, most businesses can achieve results quickly by applying the following general recommendations:

1. All accidents can be prevented. Do not settle for less than perfect safety results.'
2. The best consultants are a company's own workers. Allow them flexibility to decide how the work gets done.
3. Do not pressure people to work safely without first knowing the specific causes of accidents in your operation.
4. Encourage first-line supervisors to do everything they can to make the workplace more fun and cheerful.
5. Keep things simple. Don't burden workers with a lot of written procedures.
6. Develop a system for reporting events that almost resulted in accidents in the workplace, but design the system so that it doesn't threaten or blame the employees.
7. Do not place too much emphasis on incentives such as awards or prizes to make an operation safe.
8. Never hire employees; hire partners. All workers should have part of their compensation tied to the long-term financial health of the organization.
9. Provide a method for workers to give supervisors both positive and negative feedback on all operational matters.
10. Don't be satisfied with short-term accomplishments. Always strive for continuous improvement.

The company's efforts altogether have created a positive attitude about accident and injury prevention, Pierson says. One major benefit is that employees now spend time coaching their co-workers on safety, promoting teamwork.

Mid-Atlantic's success with eliminating accidents illustrates how companies can make the transition from simply policing employee compliance with safety rules to creating a "safety culture" in the workplace. The roads to success are as varied as the companies that pursue it.

At Wayne's Tire, supervisors got serious about safety after they were made aware of the toll that accidents were taking on the company's bottom line and their own paychecks, says David Stanley, the company's vice president. Managers were offered new financial incentives to improve safety. And employees started wearing back belts to reduce back strain and goggles to prevent eye injury.

The company also improved the way it dealt with injured workers, helping them get appropriate medical care and keeping in contact with them while they were at home recuperating. Injured workers were also encouraged to return to work part time and in modified capacities until they had recovered completely.

More-rigorous screening of job applicants turned out to be one of the most effective safety strategies adopted by American Property Construction. When construction was booming several years ago, "we didn't have time to check the references of every applicant," says Allan Sherman, president. Workers' comp claims went up as a result because some of those hired were not suited for the work.

After an employee suffered a broken back in a workplace accident, Sherman and his partner "decided to take more time to educate our employees in safety and to say something any time we found an infraction," he says. They made it clear that the company meant business. Workers who showed up on construction sites wearing sneakers were sent home. No one was permitted to use a power saw without wearing goggles.

Sherman also stressed the link between costly accidents and weekly paychecks. "We explained that we would have more money to pay them, and more money to put into profit sharing," by bringing accidents under control, he says.

Although the degree to which certain factors make a difference in claims is difficult to measure, Sherman believes employees' attitudes do have an impact on workplace safety. "We try to make them have a home here," he says. The company offers higher salaries than most construction firms, vests employees in profit sharing after five years, and promotes from within. The 13-year-old firm's two

vice presidents started as carpenters, and 17 of the company's first 30 employees are still working there.

Employee attitudes also play an important role in Trendway's admirable safety record, says Catherine Johnson, of HJH Consulting. She toured the facility last year as part of a nationwide research project to identify effective workers' comp safety programs. Johnson says the company's "positive, family-oriented culture" works to prevent accidents.

"I hope the culture of the company has a lot to do with it," says Marlene Serne, the director of human resources.

Among other things, the nonunion company has an aggressive, employee-directed safety program aimed at preventing accidents, not punishing those who identify problems. Ten percent of the employees in each department participate, in a safety committee.

The company that administers Trendway's self-insured workers' comp program sends inspectors to the plant every six weeks for a walk-through with an employee safety team. "They go through the whole plant, even the offices," Serne says. "If they do find something, it goes to the safety committee, and their recommendations get top priority."

All employees start their day with a five-minute upper-body-exercise program to increase flexibility and decrease injuries. "We thought it would go over like a lead balloon, but we've been doing it a year and a half, and the employees love it," Serne says.

Workers share the rewards of an accident-free workplace through larger distributions under the company's profit sharing program. "We communicate profit and loss to employees, and they know that if there is a lost-time injury, it comes directly from profits of the company," Serne says.

In each of the cases above, the companies benefited from expert advice provided by an insurance company or a consultant. The ITT Hartford Insurance

Group insures all but Trendway, which is self-insured. Most small companies, however, complain that they get little or no attention from their insurers, and they can't afford consultants.

In fact, 28 percent of all businesses nationwide can't even buy a workers' comp policy in the so-called voluntary insurance market. By default, businesses are forced to purchase their coverage from state-administered pools, where they typically pay more for less than the minimal service they used to get.

To combat this problem, an increasing number of small companies are joining self-insured groups. Traditionally, self insurance was an option available only to large companies that chose to set up their own internal funds to pay workers' comp claims rather than purchase commercial insurance.