

Loss Control and Employee Safety Program



A Guide for Developing a
Loss Control and
Employee Safety Program

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Introduction:

This outline is designed to help you reduce insurance and operating costs by helping you detect and correct conditions that may cause losses. Actions that help reduce loss costs also will help reduce the indirect “hidden” costs, such as cost of temporary labor or production down time, that may be several times greater than the direct costs.

NOTE: This program does not necessarily include all potential sources of loss, nor is it intended in any way to warrant that it includes all aspects of a program that assures the premises are safe or healthful or are in compliance with any law, rule, or regulation.

This is not a comprehensive program to replace your obligation to provide a safe workplace and premises.

Designing Your Overall Program:

There are a few simple, but critical ideas that should be included in a successful loss control program.

1. Management support and involvement are essential if a loss control program is to be effective. The manager or owner must define the responsibilities of supervisors, managers, and all other employees as they relate to safety and loss control. All employees must understand their role in the overall safety and loss control program. Management and employees should be expected to perform their assigned Loss Control Program duties, and should be held accountable when they don't.
2. The loss control program must support and be in harmony with the overall objectives of productivity, quality, and profit. It should not be limited to personal injuries, but also address any potential sources of loss, waste, damage, or inefficiency.
3. Every level of the workforce should be involved in the effort. Loss control must fit smoothly into your daily operations as a natural extension of usual employee responsibilities.
4. The program should be reviewed periodically to see if it is properly functioning and all objectives are met. If not, changes should be made to reflect current goals and objectives.

Outline of a Loss Control Program:

- Statement of Policy
- Program Coordinator
- Safety Committee
- First Aid and Emergency Planning
- Employee Selection

- Employee Training
- Self-Inspection Procedures
- Incident Investigation
- Incident Recordkeeping

Statement of Policy:

A clear, concise policy statement should be prepared and released over the signature of the top manager of the company. The objective of this policy is to create and maintain interest in loss control activities. It should convey the manager's commitment to loss control activities without being a detailed rule book.

GUIDELINES FOR A LOSS CONTROL POLICY STATEMENT:

1. Be brief, be positive, and provide wide exposure within the company. Everyone should understand that it is company policy and that it is important.
2. Clearly state the objectives. Emphasize the idea that safety and loss control support the overall objectives of the company.
3. The policy should involve all levels of employees and management.
4. Design the policy statement as a general, long-range plan. The statement should serve as the reference point for all loss control activities.
5. Include the statement as part of your overall operating procedures.

A sample Loss Control Policy Statement is included at the back of this manual.

Program Coordinator:

In most successful loss control programs there is usually one person who coordinates and monitors the program. In a smaller business this may be the owner or top manager. In a larger business the duties may be assigned to someone who is involved with most aspects of the operation. Regardless of the person selected, it is important that the person be able to meet the following criteria:

1. The person selected has the time and interest to devote to the duties.
2. This person is recognized as a spokesperson for top management on matters relating to loss control.
3. Performance of loss control duties is part of this person's performance objectives and performance evaluation.
4. The program coordinator should also coordinate accident review activities.

5. Maintain records to document safety training, safety meetings, self-inspections and incident investigation.

Safety Committee:

Many organizations find a safety committee invaluable in the overall preparation of the loss control program. We suggest that you consider the concept, as it would apply to your operations. The committee should consist of a combination of management and employees representing all departments of the organization.

The safety committee should be advisory in nature and not assume the responsibility for the functioning of the loss control program. It should not be concerned with daily problems in individual units that should be resolved within those units.

We suggest the following items as appropriate for the scope of the safety committee:

1. Evaluation of the effectiveness of the loss control program.
2. Detection of trends so that corrective action can be taken before serious problems develop.
3. Evaluation of incident investigation reports: the number of investigations; adequacy of investigations; and any action taken.
4. Study of accident problems affecting the entire company or affecting groups of people or specific jobs.
5. Reporting to company management the results of the loss control program, suggestions for improvements, methods to stimulate and maintain interest in the program and suggestions to control problems affecting the entire company.

To accomplish the above suggested responsibilities, the safety committee should:

1. Analyze incident investigation reports.
2. Reinvestigate selected incidents to review the quality of original investigations.
3. Check the degree of supervisory acceptance of responsibility by conducting on-site surveys, which may detect physical hazards, rule enforcement, and any evidence of unsafe work practices.
4. Development of a company safety manual containing rules, regulations, and procedures. This could then become part of the new employee orientation program.

First Aid/Medical Emergency Plan:

FIRST AID

First aid kits should be fully stocked, strategically located, and properly maintained. Never give more than immediate, temporary care. Recommended materials for first aid kits are listed in American Red Cross first aid textbooks. Suggestions are also available from the American Medical Association. By requiring that all employees report immediately for treatment when injured, regardless of the extent of the injury, much headway can be gained in reducing infection and injury, and avoiding false claims of injury.

Equipment and supplies should be chosen in accordance with the recommendations of a physician, and service should be rendered only as covered by written, physician-approved standard procedures. First aid attendants should be duly qualified and certified by the American Red Cross.

EMERGENCY MEDICAL PLAN

A prearranged medical plan should be established. Many local hospitals and doctors are available for this service.

Employees should be trained on how to respond to an emergency (fire, flood, earthquake, injury, etc.). Phone numbers for emergency services should be prominently displayed near all telephones. An emergency response plan should be established and specific duties assigned to key personnel in order to protect both lives and property.

Employee Selection:

Most safety experts agree that the majority of employee injuries can be traced back to employee selection, training, and supervision.

We suggest that your selection program be reviewed considering the following points:

1. Written application for employment.
2. Motor Vehicle Record (MVR) check.
3. Pre-placement/post-offer physical examination. NOTE: This examination must be required of all employees in the same job category.
4. Reference checks.
5. Testing (where specialized job skills are necessary).

Employee selection begins with employee applications and interviews, which are designed to develop sufficient background records. Ideally, it also includes a physical examination. Other important considerations include:

1. What is the job description?
2. What are the job qualifications?
3. What are the physical or mental requirements?
4. What special training is required?
5. What are the essential job functions?

Employee Training:

Unsafe employee acts, not unsafe physical conditions, account for the majority of all incidents. Employee training is critical in a successful loss control program. Proper training will, in turn, positively affect attitudes, which can lead to positive changes in employee behavior.

Employee training should begin with a formal orientation within the first week of employment. This would include an explanation of their assignment and a review of safety rules relating to lifting, use of personal protective equipment, etc. The experienced employee presents a different problem because he or she may have developed potentially dangerous habits such as shortcuts. The key here is informal on-the-job contacts by the supervisor.

THE ESSENTIAL POINTS TO REMEMBER IN EMPLOYEE TRAINING ARE:

1. The supervisors may not be as knowledgeable of the loss control aspects as they are of the technical aspects of their jobs. Before establishing training objectives, ensure that each supervisor is familiar with the loss control objectives.
2. Structure loss control training in terms that directly relate to quality control and cost control as well as employee safety.
3. Encourage active supervisory participation in employee on-the-job training. Also encourage their ideas on improving the program.
4. Training must include feedback. You should go back on a regular basis to see if the training is achieving desired results.

YOU SHOULD VIEW TRAINING AT TWO DISTINCT LEVELS:

1. Training of supervisors (via formal and informal meetings) and inspections by management.
2. On-the-job training of employees by supervisors.

For the initial “kick-off” meeting, we suggest attendance only by the supervisors with the following format:

1. Introduction of the safety program from management.
2. Review of safety rules.
3. Discussion of incident investigation techniques.

THE NEXT STEP WOULD BE TRAINING OF THE EMPLOYEES BY THE SUPERVISORS. THIS WOULD INCLUDE:

1. On-the-job training with direct supervision by the supervisor or lead worker of each job function.
2. Use of visual aids (videos, brochures, speakers).
3. Documentation of safety training should become a part of the employee's personnel record. Employees should be required to sign a training sheet for each phase of training.
4. Post-incident training should be provided and documented.

Self-Inspections:

In a business, material is moved, stockpiles are depleted, waste materials accumulate, and many other changes occur daily or even hourly. Safety inspections are a means of surveying and appraising the problems of unsafe conditions and work practices which result from these changes.

Premises inspections should be carried out daily by area supervisors and should be supplemented by a monthly premises inspection by the program coordinator or safety committee.

Results of inspections should be reviewed by upper management and any necessary action taken. Recommendations should not be waived unless authorized by the safety program coordinator.

Ideally, a customized inspection checklist should be developed based on your special knowledge of your business.

All employees should also be expected and encouraged to report any unsafe conditions in the workplace, without fear of retaliation.

SAFETY INSPECTIONS SHOULD PROVIDE FOR:

1. Detection – Seeking out the unsafe practices and conditions.
2. Analysis – Determining why the unsafe methods or conditions exist.
3. Correction – Eliminating the unsafe conditions or methods.

THIS ACTIVITY IS IMPORTANT AT TWO LEVELS:

1. Reviews by upper management at periodic intervals.
2. Daily inspections by the supervisor.

NOTE: A premises inspection checklist should be developed to meet your specific needs.

Incident Investigation:

There are few, if any, successful loss control programs, which do not have a procedure for investigating incidents. Regardless of the company, the product involved, or the service rendered, there will always be incidents and near misses. Through the conscientious investigation of all incidents, with appropriate corrective action taken, both the frequency and severity of these incidents can be reduced.

Incident investigations are usually best handled by the immediate supervisor involved. We recommend that all incidents be investigated, including near misses. Near misses actually forecast serious injuries. Employees should be taught to report all unsafe acts or conditions to their supervisors, even if no incident occurred. Employees should also be encouraged to provide solutions to these problem situations.

As a first order of business, investigations should be made as soon as possible after the incident, and it should be made clear that investigations are “fact-finding”, not “fault-finding”. This approach is essential to an open and cooperative response.

Secondly, if the investigation is to be a meaningful part of your total loss analysis, it must distinguish between symptoms and causes. This can best be demonstrated by example:

Description of Incident:	Employee fell
Unsafe condition(s):	Water spill on floor
Unsafe Act(s):	Employee failed to clean up spill, or was inattentive
Correction:	Cleaned up spill and instructed employee to be more attentive

The limitations of these types of conclusions are serious. It completely overlooks root causes, such as: How long was the spill overlooked? Why wasn't the supervisor alerted? Was the source of the spill corrected? Are spills a chronic problem? Personnel responsible for your incident investigation should be trained to avoid these limitations.

All investigations should be summarized in a written report. Here is what you need on the report form:

1. Name of injured employee, date, and time of incident, or near miss.
2. Worker's occupation, department/job name, and other personal data (or description of equipment, material, etc., in the case of property damage).
3. Nature of injury, damage, or near miss.
4. Location of incident.
5. Description of what happened.
6. Analysis of why it happened, including contributory or indirect causes.
7. Recommendations on what should be done to prevent reoccurrences.
8. Action taken to date and action planned for the future.
9. Follow-up notes.

NOTE: A written incident investigation procedure should be included as part of your loss control program. This procedure should supply the information necessary for the proper documentation and follow-up of internal incident investigations. The purpose of a written operating procedure is to ensure that every incident which has the potential or has actually produced a loss (either human and/or material) is investigated so that preventative action can be taken.

A sample incident investigation report is included at the back of this manual.

Incident Recordkeeping:

The objective for incident records should meet this simple test:

Does it help identify:

- a. Incident causes?
- b. Incident costs?
- c. Near misses?
- d. Corrective measures?

A few of the common recordkeeping categories to be considered:

1. Job or division
2. Location and time
3. Employee occupation
4. Nature of injury, damage, or near miss
5. Cause of injury or damage (unsafe act or condition)
6. Incident type (struck against, fall, etc.)
7. Equipment involved in the incident (machine, ladder, etc.)

The ultimate reason for developing the data in this form is to permit management to have an additional means for measuring the overall effectiveness of the loss control program.

Analyzing incidents and injuries by trends allows for identification of specific areas, jobs, or incident types to improve the operation and correct adverse patterns.

The organization needs to have one person in charge of recordkeeping who will regularly analyze these losses and report the findings to upper management.

Vehicle Safety:

The efficiency of any operation can be measured by its ability to control losses. A successful loss control program should address the issue of auto safety. A vehicle safety program should provide for the following:

1. A written safety policy, developed, supported, and enforced by management.
2. A person designated to create and administer the program and to advise management.

3. A driver safety program, including driver selection procedures, driver training, and safety-motivating activities. Proper supervision and implementation are critical for success.
4. An efficient system for incident investigation, reporting, and analysis; determination and application of appropriate corrective action; and follow-up procedures to help reduce future incidents.
5. A written vehicle preventative maintenance program.

Responsibility:

The first requirement of an effective driver safety program is that all employees from the owner or top manager on down to the individual vehicle operator accept responsibility for safe operation of company vehicles. Management must define standards of acceptable driver and vehicle performance and establish criteria and procedures to evaluate and correct job performance to meet these standards.

In larger companies, one individual may have full-time responsibility for managing the vehicle safety program. However, in a smaller business, this may be a part-time duty assigned to a supervisor or manager. Some of the duties of this person may include the following:

1. Regularly advise management on incident prevention and safety matters.
2. Develop and promote safety activities and work-injury prevention measures.
3. Study and recommend fleet safety programs regarding equipment and facilities, personnel selection and training, and other phases of fleet operation.
4. Evaluate driver performance and skills requirements.
5. Conduct or arrange for effective safety training and distribute safety education material. Employees should sign a training sheet to acknowledge receipt of training and this sheet should become part of their personnel record.
6. Review incidents to determine their causes and recommend corrective action to management.
7. Compile and distribute statistics on incident-cause analysis and experience; identify problem persons, operations, and locations, and regularly report to upper level management.
8. Maintain driver safety records.

Most motor vehicle incidents are caused by using improper driving procedures. Only a small percentage of incidents are caused by mechanical failure. Companies can control driver error by introducing a commercial vehicle safety program.

Loss Control Policy Statement Example:

The management of this company is dedicated to providing a safe place to work.

In order to meet this goal we have a comprehensive and continuous safety program which has the full support of management. In order for this program to be a success it requires the cooperation of all employees.

Each employee plays a part in workplace safety. Your part in this program is served by:

- Observing company safety rules
- Attending all safety meetings and training sessions
- Keeping work areas free of unsafe conditions
- Avoiding and eliminating unsafe acts
- Reporting all unsafe conditions and claims to your supervisor immediately upon occurrence

We value all of our employees and encourage you to cooperate with us in this important venture.

Signature of Employee

Date

Signature of Supervisor

Date

Incident Investigation Report:

Company Name: _____

Location: _____

Date of Report: _____

Name of Person Completing Report:

Describe where the incident occurred
(i.e. Inside the entryway to building #4):

Who was injured (name, address, and phone number)? Taken to the Emergency Room or Hospital?

Date and time incident occurred:

Weather conditions (if occurred outdoors):

Injured person's statement of what happened:

Manager/Supervisor's statement of what was reported to them:

Witness Description:

Witnesses to the incident. Include employees and any other tenant or customer's names and phone numbers:

We believe the information contained in this brochure to be reliable and accurate. However, we do not warrant the accuracy nor the reliability of this information. Further, State Farm makes no guarantees of results from use of this information. We assume no liability in connection with either the information contained in this publication nor the loss control suggestions made. Moreover, we would caution that it cannot be assumed that every acceptable loss control procedure is contained in this publication. Abnormal or unusual circumstances may require further or additional procedures.



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