Most business owners and managers will say safety is their number one priority. However, the reality is that safety can often take a back seat to production.

Management may know the right words regarding safe practices, yet they sometimes fail to implement them on the production floor, which can result in frequent injuries and claims. This trend seems to occur often in high-level manufacturing facilities or other high-production businesses where the main focus is on production and shipping deadlines. The Bureau of Labor Statistics reports that manufacturing sees one of the highest incidence rates of injuries. So the question remains: What is more important—safety or production?

The answer is straightforward; neither one is more important than the other. A strong safety culture will both reduce employee injuries and increase profits.
What Impact Do Injuries Have on Your Bottom Line?

Focusing on production without building a strong safety culture can have a significant impact to your bottom line. For example, a business that has a 3 percent profit margin and experiences 10 strain injuries may need to increase its sales by more than $20 million to cover the total cost of those injuries.

You can estimate the cost of injuries to your business here: https://www.osha.gov/dcsp/smallbusiness/safetypays/estimator.html

The Impact to Your Business Includes Direct and Indirect Costs

<table>
<thead>
<tr>
<th>Direct Costs Include:</th>
<th>Indirect Costs Include:</th>
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<tbody>
<tr>
<td>Medical costs.</td>
<td>Lost time of injured employee, other employees on the line, and supervisors.</td>
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<tr>
<td>Indemnity payments.</td>
<td>Increased insurance cost.</td>
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| Damaged or spoiled product. |
| Training new employees.    |
| Legal costs.               |
| Overhead costs.            |
Here Are Five Keys To Achieving a Great Safety Culture:

1. **Take it from the top.** Safety is a team effort, but it has to start at the top and flow downward. All levels of management should be educated on the safety culture and communicate the safety standards and rules while maintaining a high level of productivity. Making a statement for safety without walking the walk only goes so far with employees. If your employees don’t see what you say in your actions, safety may not be valued, and production may continue to decline due to injuries.

2. **Communicate your safety message.** Assuming your employees and supervisors have the knowledge to do their job effectively and safely without verification can hurt your business. Safety programs should include educating employees on how to do their job safely. This should include all of your safety measures for each job starting on day one of employment.

   We often know our safety culture and policies, yet we see violations daily and don’t always speak up. Your employees need to have a say in safe practices and hold each other accountable to promote your high safety culture.

3. **What gets (defined and) measured gets done.** Expectations of the safety program need to be clearly communicated and followed with documentation recording how well those expectations are being met. Take time to ask employees questions to help analyze possible safety problems. Some inspections should be done routinely, and others should have the element of surprise. Employees not taking proper safety measures should be coached. Consistent performers should be rewarded.

4. **Hold everyone accountable.** When a business has high expectations for safety, some employees may not care and ignore rules. This requires the supervisor to hold the employee accountable. While frustrating in the moment, employees who do not care about safety at work may end up having a serious injury occur to either themselves or even another employee(s). This can result in being short-staffed, a drop in morale, and additional exposures as remaining employees pick up the slack. In these conditions, safety practices sometimes get forgotten and additional injuries occur.

   So, does holding employees accountable cause your turnover to skyrocket? Not if you coach, train, and communicate safety on a daily basis.
5. **Understand that investing in a safety culture pays.** It will take effort, time, and money to develop a safety culture. In the long run, a safety culture can help create high employee morale, reduced injuries, and increased productivity.

The cost of workers’ compensation insurance and claims can play a role for any business. However, communicating the financial information to your employees does not promote a positive safety culture. This information should only be shared in your executive meetings. Your employees don’t care how much your insurance costs. They will benefit more from knowing you care about their safety and consider them top assets of the company. If your daily actions show that safety is a top priority, your investment (employees) will be protected, which in turn increases productivity.

The hardest part of implementing an effective safety culture is getting your people to buy in and believe that working safely produces a better quality of production and a better work environment. To help you build a positive safety culture that can make the difference in your business, reach out to your Lockton Loss Control Consultant for guidance.

References:
- The Speed Of Trust, The One Thing That Changes Everything—Stephen M.R. Covey
- Culture is Your Ultimate Competitive Advantage—Franklin Covey
- Green Beans and Ice Cream—Bill Sims

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