



OSHA – Safety and Health Systems

LOTO Example

- ▶ Scenario: A woodworker is using a machine that cuts holes for hinges and door handles. The hinge holes are cut using a router that is hand-held and attaches to the machine. The router can be unplugged from the machine, or the machine could be locked out. One morning, the employee accidentally turns the router on in their hand while attempting a bit change.
- ▶ What went wrong?
 - ▶ “He’s done this for years”
 - ▶ “He wasn’t following our procedures”

Employer Defenses

- ▶ “Common Sense”
 - ▶ A very common defense... But not a good one.
- ▶ “They know better”
 - ▶ ...It's not that easy.
- ▶ Employee Misconduct
- ▶ Supervisor Misconduct

Woodworker

- ▶ Ineffective LOTO program
- ▶ Outdated Procedures
- ▶ Newly installed equipment
- ▶ Lack of training of new employees

Employee Misconduct

- ▶ Were your employees thoroughly trained?
- ▶ What written rules are in place?
- ▶ What disciplinary procedures are followed, if any? (Accountability)
- ▶ It's not as easy as it sounds to prove this

CORE ELEMENTS OF THE SAFETY AND HEALTH PROGRAM RECOMMENDED PRACTICES

MANAGEMENT LEADERSHIP

- Top management demonstrates its commitment to continuous improvement in safety and health, communicates that commitment to workers, and sets program expectations and responsibilities.
- Managers at all levels make safety and health a core organizational value, establish safety and health goals and objectives, provide adequate resources and support for the program, and set a good example.

WORKER PARTICIPATION

- Workers and their representatives are involved in all aspects of the program—including setting goals, identifying and reporting hazards, investigating incidents, and tracking progress.
- All workers, including contractors and temporary workers, understand their roles and responsibilities under the program and what they need to do to effectively carry them out.
- Workers are encouraged and have means to communicate openly with management and to report safety and health concerns without fear of retaliation.
- Any potential barriers or obstacles to worker participation in the program (for example, language, lack of information, or disincentives) are removed or addressed.

HAZARD IDENTIFICATION & ASSESSMENT

- Procedures are put in place to continually identify workplace hazards and evaluate risks.
- Safety and health hazards from routine, nonroutine, and emergency situations are identified and assessed.
- An initial assessment of existing hazards, exposures, and control measures is followed by periodic inspections and reassessments, to identify new hazards.
- Any incidents are investigated with the goal of identifying the root causes.
- Identified hazards are prioritized for control.

HAZARD PREVENTION & CONTROL

- Employers and workers cooperate to identify and select methods for eliminating, preventing, or controlling workplace hazards.
- Controls are selected according to a hierarchy that uses engineering solutions first, followed by safe work practices, administrative controls, and finally personal protective equipment (PPE).
- A plan is developed to ensure that controls are implemented, interim protection is provided, progress is tracked, and the effectiveness of controls is verified.

EDUCATION & TRAINING

- All workers are trained to understand how the program works and how to carry out the responsibilities assigned to them under the program.
- Employers, managers, and supervisors receive training on safety concepts and their responsibility for protecting workers' rights and responding to workers' reports and concerns.
- All workers are trained to recognize workplace hazards and to understand the control measures that have been implemented.

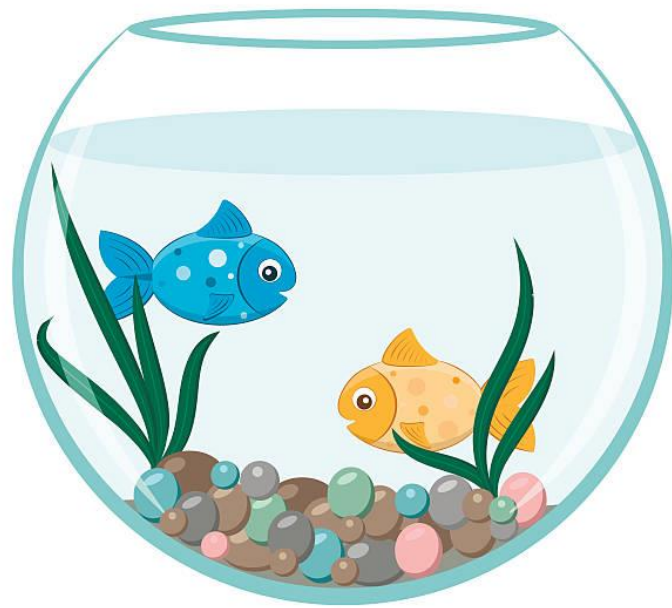
PROGRAM EVALUATION & IMPROVEMENT

- Control measures are periodically evaluated for effectiveness.
- Processes are established to monitor program performance, verify program implementation, and identify program shortcomings and opportunities for improvement.
- Necessary actions are taken to improve the program and overall safety and health performance.

COMMUNICATION AND COORDINATION FOR HOST EMPLOYERS, CONTRACTORS, AND STAFFING AGENCIES

- Host employers, contractors, and staffing agencies commit to providing the same level of safety and health protection to all employees.
- Host employers, contractors, and staffing agencies communicate the hazards present at the worksite and the hazards that work of contract workers may create on site.
- Host employers establish specifications and qualifications for contractors and staffing agencies.
- Before beginning work, host employers, contractors, and staffing agencies coordinate on work planning and scheduling to identify and resolve any conflicts that could affect safety or health.

“Bad Water, Bad Fish”



Why a Safety and Health Program?

- ▶ Workplace injuries and deaths are not “accidents”, nearly all are predictable and preventable. A safety and Health program is designed to find and fix hazards before they cause harm.
- ▶ Selling point.... \$\$\$

IMPLEMENTING a safety & health program



can help employers avoid the



**INDIRECT
COSTS**
that result
from

**WORKPLACE
INCIDENTS**

such as

**TIME
LOST**



due to work
stoppages and
investigations,

training and other
costs associated with
**REPLACING
INJURED
WORKERS**



**LOSS OR
DAMAGE** to material,
machinery
and property.



These **INDIRECT
COSTS** have been estimated
to be at least

2.7
times the
**DIRECT
COSTS**



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

Text Version

Employers can use the "Safety Pays" to assess the impact of occupational injuries and illnesses on their profitability. This program uses a company's profit margin, the average costs of an injury or illness, and an indirect cost multiplier to project the amount of sales a company would need to generate to cover those costs. The program is intended as a tool to raise awareness of how occupational injuries and illnesses can impact a company's profitability, not to provide a detailed analysis of a particular company's occupational injury and illness costs. Your local [OSHA On-site Consultation Office](#) can help small businesses identify workplace hazards and develop and implement an effective injury and illness prevention program.

Direct Costs

1. Select an injury type from the drop-down menu OR enter the total workers' compensation costs.
2. Enter the profit margin (leave blank to use default of 3%).
3. Enter the number of injuries (leave blank to use default of one).
4. Select "Add/Calculate" to compute the total direct and indirect costs.
5. Repeat the step to add additional injuries to the list.

Injury Type

Select an Injury Type ▼

or

OR

Workers' Compensation Costs (annual sum of costs)

Enter Profit Margin (%) (leave blank to use default of 3%)

Enter Number of Injuries (leave blank to use default of one)

Add/Calculate

Clear

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)	
Amputation	1	\$ 77,995	\$ 85,794	\$ 163,789	\$ 2,859,816	\$ 5,459,633	Remove
Foreign Body	1	\$ 19,888	\$ 21,874	\$ 41,760	\$ 729,153	\$ 1,392,000	Remove
Burn	1	\$ 40,188	\$ 44,208	\$ 84,394	\$ 1,473,560	\$ 2,813,133	Remove

Good Faith “Discount”

- ▶ In the event of a citation, OSHA does give Good Faith discounts to employers with an effective workplace safety and health management system
- ▶ Again, blaming the employee won't usually get you where you want to be

Links & Resources

- ▶ Safety and Health Programs Hub
 - ▶ [Osha.gov/shpguidelines](https://www.osha.gov/shpguidelines)
- ▶ OSHA Safety Pays Tool:
 - ▶ <https://www.osha.gov/dcsp/smallbusiness/safetypays/estimator.html>
- ▶ Billings OSHA
 - ▶ 406-247-7494
- ▶ [OSHA.gov](https://www.osha.gov)