



1430 West Darlington Street Florence, SC 29501 USA USA Phone: 1.800.845.2387 International: (+1) 843.669.6668

# Across industries, the demand is the same: produce more in less time.

As technology enables more and more rapid production, businesses and their workers have attempted to keep pace. While executives bring in management consultants to advise them on the best production practices, production supervisors strive to draw out as much performance efficiency as possible from their employees. Workers, in turn, make every effort to meet ever-increasing production and throughput goals.

At the same time, the business world has faced increased pressure from both government regulators and society at large to emphasize workplace safety.

From an increased focus on workplace safety in the early 20th century to the passage of the Occupational Safety and Health Act (OSHA) in 1970 and beyond, both the government and the public have demanded that corporations do everything in their power to keep workers safe. This demand has only increased with recent reports of deadly fires in Bangladeshi garment factories, the deadliest of which resulted in homicide charges for the facility's owner.



By and large, corporations understand both their legal and moral responsibility to keep workers safe. Unfortunately, with the need to produce more with less, this responsibility is sometimes forgotten amidst the constant pressure to keep day-to-day operations running as efficiently as possible. Unrealistic throughput goals are set, leading supervisors to increase pressure on employees, who then take safety-compromising shortcuts.

What businesses must keep in mind is that safety and production speed are not conflicting goals. When executed in a comprehensive and thoughtful way, workplace safety initiatives lead to increased efficiency and production. The key to achieving simultaneous gains in both workplace safety and production speed is strategy.

This guide outlines five crucial strategies to help businesses attain greater throughput while keeping workers safe.





# Strategy #1: Understand How Unsafe Practices Threaten Efficiency And Profitability

In the race to boost production efficiency, the end goal is always greater profitability. There is no value for corporations that somehow expand production output, but experience declines in profitability. In order for businesses to increase production in the most profitable way possible, there needs to be a company-wide understanding of the various ways improper safety measures threaten profits.

#### **Downtime**

A lack of emphasis on workplace safety often leads to accidents and injuries. Even minor injuries to workers cause production delays. Major accidents that lead to serious injury or even death result in much longer delays. Production lines stop. Internal reviews are launched. OSHA inspectors are called in.

Production facilities may come to a complete stop for hours or even days. Every hour that production areas or entire facilities remain shut down leads to more and more decreases in both production output and profitability.

#### **Decreases In Employee Morale**

Serious workplace accidents leading to injuries also have a negative impact on employee morale. Depending on the severity of the injury, some workers who witness the injury may even have trouble returning to work, causing them to call in sick. Any shift supervisor knows that it's nearly impossible to meet production output goals with higher-than-normal absentee rates.

These accidents may also lead to a lower level of employee satisfaction, which actually increases the chances of additional accidents occurring. In an article entitled "Job Satisfaction As Related To Safety Performance: A Case For A Manufacturing Firm" published by Coastal Carolina University, this connection is made clear. The more accidents occur, the lower employee morale falls, leading to a higher possibility of even more productivity-damaging accidents.

#### **The Direct And Indirect Costs Of Injured Workers**

Your business likely has workers' compensation insurance. However, the impact that filing a workers' compensation claim has on a business's insurance premiums often exceeds the actual cost of the claim. As this article from Cavignac and Associates Insurance Brokers points out, a "\$50,000 claim will ultimately end up costing you \$72,000 in additional insurance premiums." Unfortunately, that increase in premiums is not the only indirect cost of a workplace injury.



According to OSHA, the cost of a worker experiencing a single fracture while on the job adds up to \$101,833. Assuming a 3% profit margin, businesses would need to generate an extra \$3,394,433 in revenue to cover these costs.

#### **OSHA Compliance Fines**

Although most companies strive for higher workplace safety standards than are required by OSHA, OSHA compliance fines still threaten businesses' bottom lines. As recently as February 2015, OSHA fined Ashley Furniture \$1.7 million for "willful," "repeated" and "serious" violations. Generating the production gains necessary to make up for this loss would be a burden to any business.

#### **The Threat Of Civil Litigation And Criminal Prosecution**

Businesses also need to consider the serious legal ramifications, both financial and criminal, of workplace accidents.

In 2011, a Philadelphia worker died after being crushed by a 300-pound iron hook. In 2014, his employer and two co-defendants were ordered to pay his family a \$17,000,000 settlement. While an eight-figure settlement would have a severe impact on any company's bottom line, that figure does not even include the significant legal costs associated with contesting a wrongful death suit.



Additionally, as the American Society of Safety
Engineers points out, businesses that allow "knowing [workplace safety] violations that result in
the death or serious injury of a worker may be prosecuted at the state level under criminal laws,
or in a referral by a government agency to the U.S. Department of Justice." Conceivably, those
prosecutions may lead to even more severe financial penalties, not to mention the legal costs
of defending the charges.

## **Negative Public Relations And Brand Damage**

Finally, companies that do not provide adequate workplace safety risk damage to their reputations and their brands. Media reports about injured workers create the perception that companies are negligent and do not care about their employees. This brand damage may eventually lead to a decline in sales, negating the need for increased production efficiency.

## **Integrating Workplace Safety With Production Speed Requires Awareness**

Clearly, the lack of workplace safety threatens both production efficiency and profitability. However, when employees from the executive level to the production level are all aware of the serious financial risks associated with unsafe work environments, implementing necessary changes to increase workplace safety becomes easier.



## Strategy #2: Invest In Comprehensive Safety Equipment And Solutions To Reduce Risk

Once companies understand the threat a lack of workplace safety poses to corporate bottom lines, the need to invest in equipment and solutions that contribute to safer working conditions becomes clear. The right safety equipment and solutions vary depending on industry, but there are a few measures integrating safety with speed that all businesses should look into.

#### **Passive Safety Solutions**

Whenever possible, facilities should acquire and implement equipment and fall prevention structures offering passive safety solutions. These solutions perfectly integrate safety with speed and eliminate the option for employees to take dangerous shortcuts.

As the loading and unloading of transport vehicles presents a high risk of falls causing serious injuries, safety cages designed for various vehicles are a great example of passive safety solutions businesses should consider acquiring and implementing. These cages offer drivers and loading workers a faster solution to accessing the tops of trucks and rail cars. They not only save time, but they prevent workers from dangerously climbing on top of the truck or rail car. When businesses obtain safety cages and other passive safety solutions, they upgrade their fall prevention capabilities.



## **User-Friendly Safety Equipment**

In the pursuit of production efficiency and worker safety, utilizing easily operable safety equipment is fundamental. When workers find equipment difficult or confusing to use, they become more likely to look for a shortcut.

When safety equipment is easy to understand and use, workers don't need to spend as much time mastering its usage. Even better, the straightforward equipment saves time with each use. Over time, the cost savings from greater efficiency become considerable.

Whenever possible, safety equipment should also be ergonomically designed. Ergonomically oriented equipment produces less fatigue, increases efficiency and causes fewer strain-related injuries such as carpal tunnel and back pain.

#### **Consult With A Safety Solutions Expert**

To get the right safety equipment and solutions for their facilities, <u>businesses should consult</u> with an expert safety coach. With years of experience in the safety industry, these coaches work with management and workers to fully understand the needs of each facility and the challenges each facility faces. They then make targeted recommendations, solving safety problems in the most cost-effective, comprehensive ways possible.

Also, expert safety coaches should be able to make recommendations for custom

safety solutions. Often, businesses face seemingly insurmountable access challenges that appear to have no safe solutions. Safety coaches have the design knowledge to develop fully implementable solutions for even the most difficult access and loading challenges. They also have the experience to install these solutions in ways that keep downtime to an absolute minimum.

Once these custom safety solutions are implemented, businesses see more efficient throughput, as they now have greater access and egress. They also experience indirect cost savings from fewer workplace accidents and injuries.



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## Strategy #3: Initiate Smarter, Safety-Oriented Process Development

Clearly defined processes go a long way toward creating a safer, more efficient production facility. When these processes are developed, it's absolutely critical that safety and efficiency are equally considered. There are several elements to keep in mind when designing safe, efficient production processes.

#### **Make Sure Every Process Is Clearly Defined**

It's simple enough to define a few key processes and the ways they should be accomplished. However, companies and facilities run into problems with efficiency and safety when there are gaps between the defined processes.

It's crucial to take into account every single action workers must take to accomplish their tasks. When there is clear direction on the best ways to complete a project, the risk of workers creating their own unsafe and inefficient solutions is eliminated.

#### **Involve Production-Level Workers In Process Development**

It's important to involve production workers when defining production best practices. After all, no one gets a closer view of the different efficiency and safety challenges facing workers than the workers themselves.

For instance, management personnel involved in process definition may not be aware of the different challenges workers face in regards to truck loading. The workers would be able to point out gaps in the process that management alone may not consider.

Additionally, when workers are involved in the creation of these processes, they are more likely to follow proper procedure, even when unsupervised. When workers follow proper procedure, the risk of production-halting accidents is reduced.

#### **Document Every Process**

Thorough process documentation is crucial when it comes to boosting production efficiency and workplace safety.

When each process is properly documented, production workers are able to complete any necessary task in a safe and efficient manner. Also, newly onboarded employees would have a document providing them clear direction to execute any task they are required to complete – while remaining safe.



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## Strategy #4: Cultivate A Workplace Safety Culture

Fostering a workplace safety culture leads to a dramatic reduction in the accidents and injuries that devastate production efficiency. This process begins, as outlined in Strategy #1, by making all of a company's employees aware of the negative financial impact of workplace accidents. However, properly cultivating a workplace safety culture must not end with awareness. There are several other aspects of maintaining a healthy safety culture that must be continually implemented and monitored.

### **Thorough And Continuous Safety Training**

Production level employees and managers must undergo extensive and continuous safety training to preserve efficiency by reducing accidents. As new safety hazards or concerns are identified, these should be factored into clearly defined safety processes.

It's also crucial to make sure employees understand the reasons behind proper safety processes. If a process is not clearly explained to employees, they may take a shortcut when management isn't looking. Of course, employees taking safety shortcuts greatly increases the risk of an accident occurring, posing grave threats to a company's efficiency and bottom line.

#### **Don't Lose Sight Of Safety Under Pressure**

It's critical that worker safety and the financial risks of an accident remain on management's mind at all times. This is especially important in high pressure situations such as when production has, for whatever reason, fallen behind schedule.

Of course, production managers must do whatever is in their power to keep production on schedule. But, when the response to a truck arriving late or a machine temporarily breaking down is to panic and begin yelling for everyone to work faster, employees become more likely to take safety shortcuts, increasing the likelihood of efficiency-crushing accidents.





## Strategy #5: Implement Regular Safety Review Processes

The last step to a safe and efficient workplace is to implement regular safety review processes. These processes ensure that safety remains on the minds of all employees and new threats are quickly identified.

#### **Conduct Internal Safety Walkthroughs**

Facility managers should set aside time every month during which they and their production supervisors walk through every corner of the facility, inside and out, to identify safety hazards. These safety hazards could be as simple as boxes left on a gangway, posing a risk for employees tripping, or a leaky roof resulting in water collecting on the floor, leading to increased risk of an employee slipping.

### **Bring In An Outside Safety Expert To Conduct Periodic Reviews**

It's important to bring in a safety expert periodically. This expert helps identify additional safety hazards that may have been overlooked during internal review. He or she should also be able to suggest cost-effective upgrades to safety equipment and processes, as well as keep managers and workers up to date on the newest developments in the safety industry.

#### **Regularly Inspect Equipment**

Even the best machinery and fall prevention equipment wears down over time. To ensure your workers are not exposed to safety risks from aging equipment, facility managers should conduct regular reviews of all facility equipment to proactively address any risks.





#### **Conclusions**

A keen emphasis on worker safety greatly benefits corporations and their bottom lines. In fact, "ninety-five percent of business executives report that workplace safety has a positive impact on a company's financial performance."

While a focus on safety equipment and procedures may initially appear to be costly and time-consuming, the end result of avoiding work-halting and financially devastating accidents greatly benefits businesses. In the end, by acquiring comprehensive safety and fall prevention equipment, enforcing clearly defined safety processes, cultivating a workplace safety culture and conducting regular safety audits, businesses put themselves on the path to increased efficiency and greater profits.

Discover how the right safety equipment or fall prevention solution fits within your next workplace safety initiative.

Contact Carbis Solutions today or call us at 1.800.845.2387 to start your own safety success story.

#### **About Carbis Solutions**

Carbis Solutions has been designing and delivering fall prevention and safety equipment across the globe for nearly 85 years. With more experience, more knowledge and more resources than any other competitor, Carbis works with you to help improve safety for your employees, facility and company, so your business keeps moving forward. For more information, visit <u>carbissolutions.com</u>.



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