



LOSS CONTROL



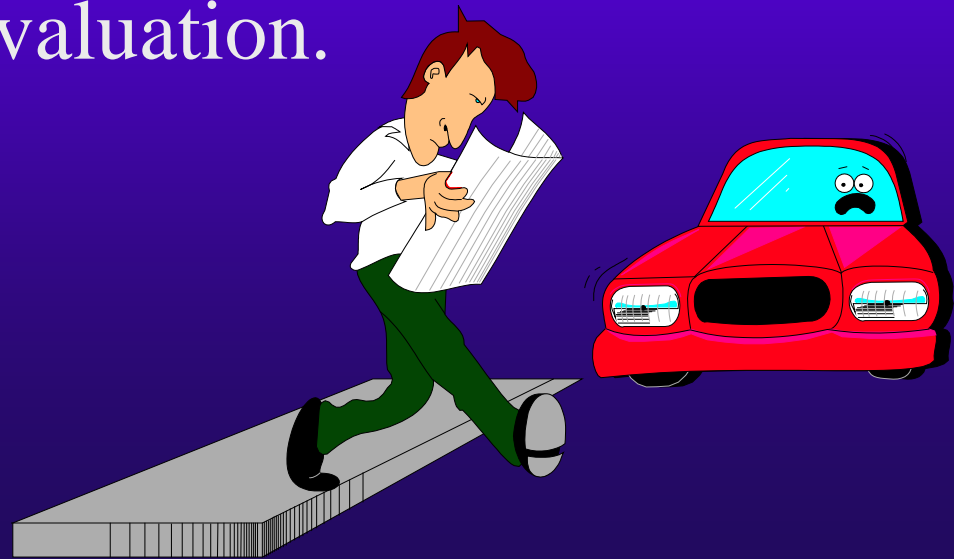
Objectives

- ◆ Understand what a Loss Incident is.
- ◆ Know the real cost of a Loss Incident.
- ◆ Understand the Causes of a Loss Incident.
- ◆ Understand what Proactive Safety involves.
- ◆ Understand Reactive Safety & Recovery.



What is Loss Control?

- ◆ Reducing & eliminating the occurrence of undesired events through engineering controls, enforcement of established procedures, frequent training and continuous evaluation.

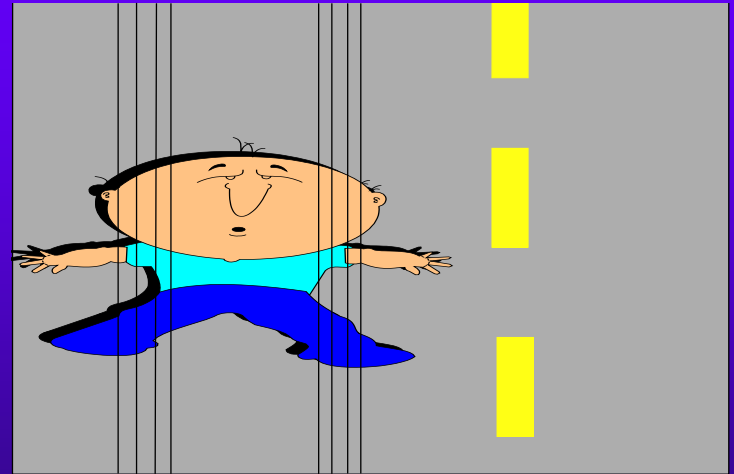


Undesired Events

◆ Not an Accident, but a *Loss Incident*

◆ 3 Causes

- 1. Lack of Control
- 2. Basic Causes
- 3. Immediate Causes



◆ Causing an Undesired Event

◆ Resulting in Loss

Lack of Control

◆ Inadequate Systems

- Program in place hire, train and evaluate desirable associates.

◆ Inadequate Standards

- Procedures in place to perform critical tasks

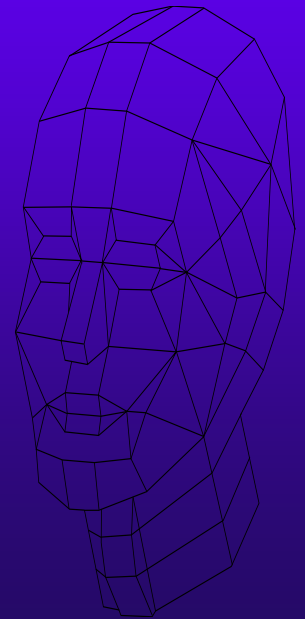
◆ Inadequate Compliance with Standards

- Established standards are not enforced



Basic Cause

- ◆ Underlining reason why the event occurred
- ◆ Basic Causes have 2 major categories
 - 1. Personal Factors
 - Inadequate Capability
 - lack of Knowledge
 - Lack of Skill
 - 2. Environmental
 - Inadequate Leadership
 - Inadequate Equipment
 - Inadequate Engineering



Immediate Causes

- ◆ The unsafe act or condition that caused the event to occur.
- ◆ 2 Categories
 - 1. Substandard Acts (Behavior)
 - Improper Lifting
 - Failure to Lock Out equipment
 - Using Equipment improperly
 - 2. Substandard Conditions
 - Inadequate Guards
 - Defective Tools
 - Inadequate Illumination

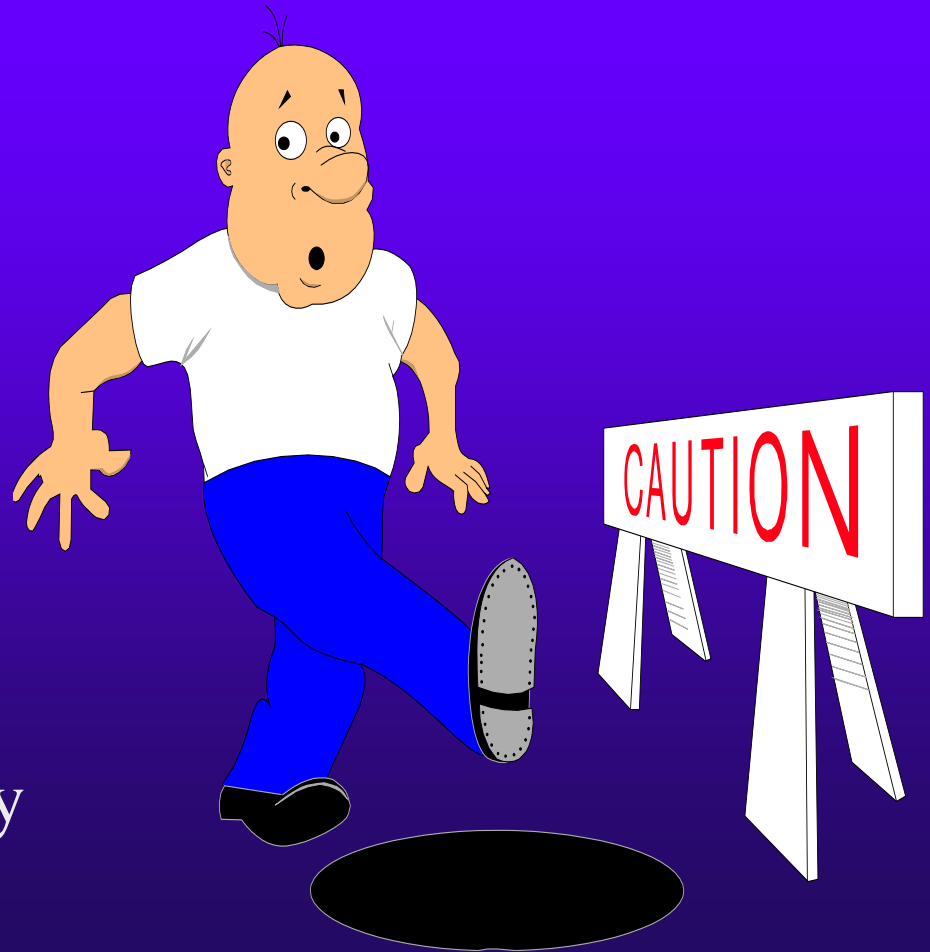




Incident-

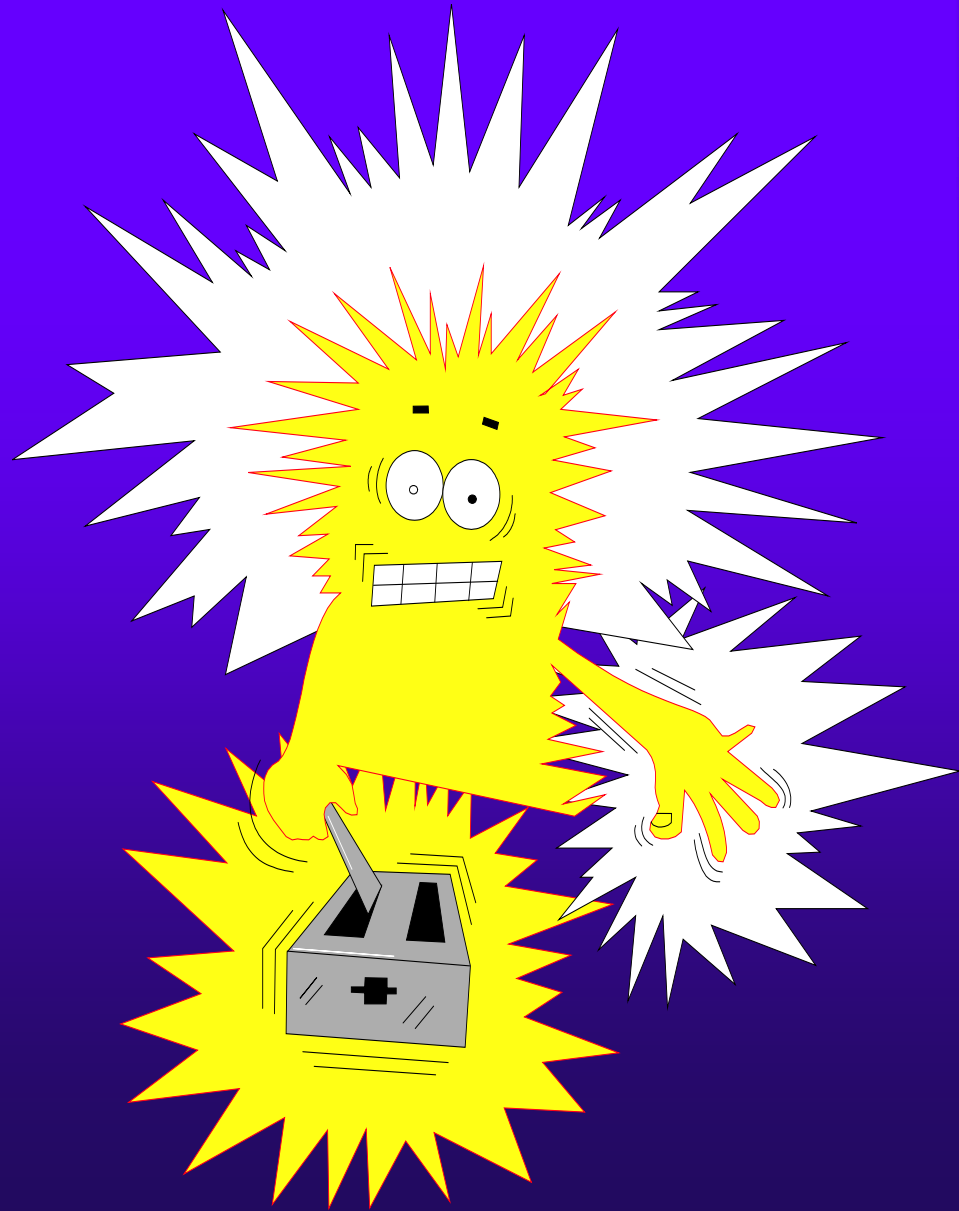
The contact event that causes harm or damage.

- ◆ Struck Against
- ◆ Struck By
- ◆ Fall
- ◆ Caught In
- ◆ Caught On
- ◆ Caught Between
- ◆ Contact With
- ◆ Release of Energy

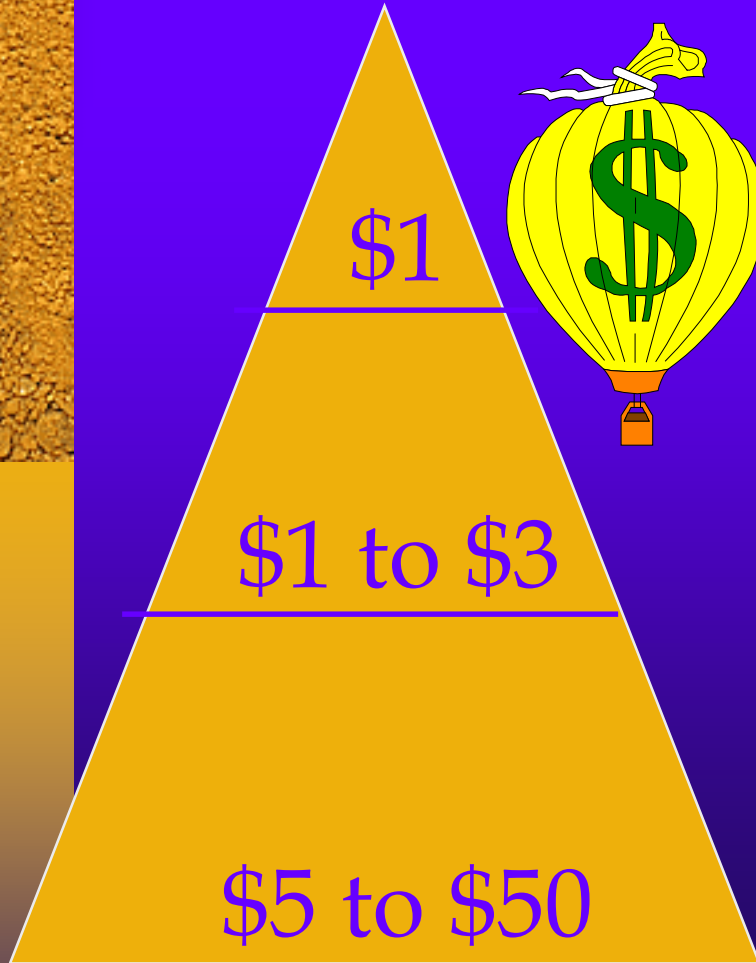


Loss

- ◆ Damaged Property
- ◆ Damaged Product
- ◆ Environmental Pollution
- ◆ Injury
- ◆ Death



Cost of Loss Incidents



◆ Injury Cost

- Medical
- Compensation Costs

◆ Property Damage

- Building Damage
- Equipment Damage
- Repair Costs
- Product Damage

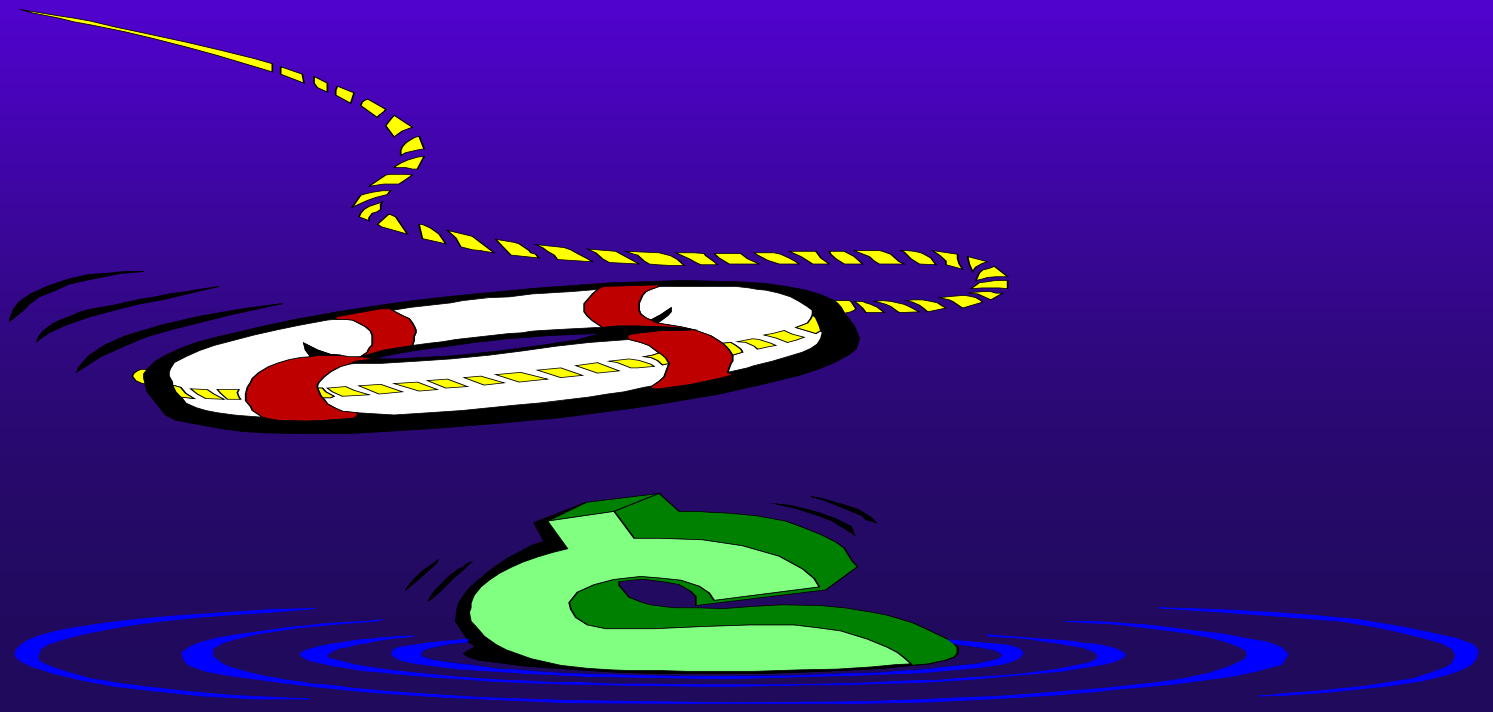
◆ Miscellaneous Costs

- Loss of Production
- Additional Paperwork
- Wages for lost time



Cost in Sales

- ◆ Spend on average \$800,000 Comp. Injuries
- ◆ Profit Margin of 5%
- ◆ \$16,000,000 in additional sales to cover loss



Non Monetary Costs

- ◆ Bad Press
- ◆ Loss of Efficacy
- ◆ Employee Moral
- ◆ Organization of a Union
- ◆ PTSD
- ◆ OSHA Visit
- ◆ Additional Frustration



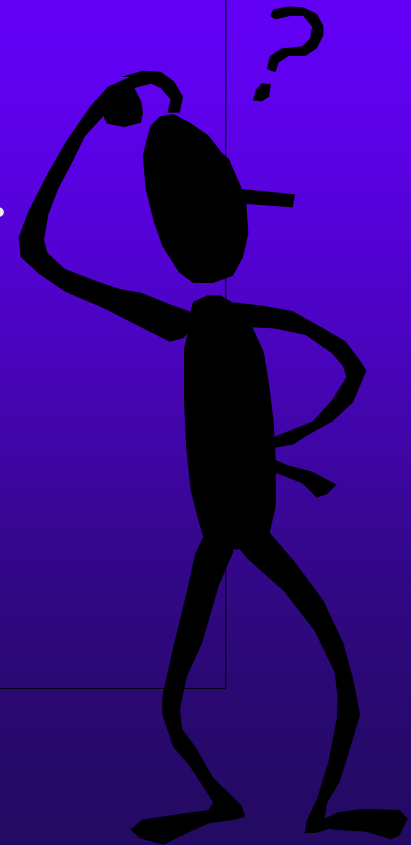


Proactive Safety

- ◆ Responsibility
- ◆ Authority
- ◆ Accountability
- ◆ Daily Safety Observations
- ◆ Procedures
- ◆ Discipline
- ◆ Frequent Safety Talks
- ◆ Employee Involvement

Responsibility for Safety

- ◆ Who has it at your Division?
- ◆ Do they have the Authority?
- ◆ Safety is a line Responsibility.





Terminology

- ◆ A manager is *Assigned Responsibility*
- ◆ A manager is *Delegated Authority* to carry out the responsibility
- ◆ A manager is *Held Accountable* for carrying out or not carrying out the responsibility





Safety Management

◆ Responsibility

- Design of Program
- Provide Technical Assistance
- Measure Activity & Results for Accountability

◆ Authority

- Advise, Warn & Question

◆ Accountability

- Quality of program
- Accuracy of Technical Advise



Proactive Safety- Start at Hire

- ◆ Integrate Safety in Classified ad when hire
- ◆ Discuss at Interview
- ◆ Safety Orientation
- ◆ Have the new hire work with a responsible associate that is not a risk taker
- ◆ Touch base with a few weeks on the job

Eliminate Unsafe Acts to Eliminate Loss



Procedures

- ◆ Have a procedure on every critical task
- ◆ Can be in the form of CWTA or JSA
- ◆ Procedure identifies:
 - 1. Basic Job Steps
 - 2. Hazards associated with task
 - 3. Safe Job Procedure
- ◆ Ensure Associates are trained on and follow procedure



Daily Safety Observations

- ◆ Observe most critical tasks most often
- ◆ Immediate Corrective Action for substandard behavior
 - Stop task at hand
 - Start positive
 - Coach on substandard behavior
 - End on positive stern note
- ◆ Show sincere praise for safe behavior



Discipline

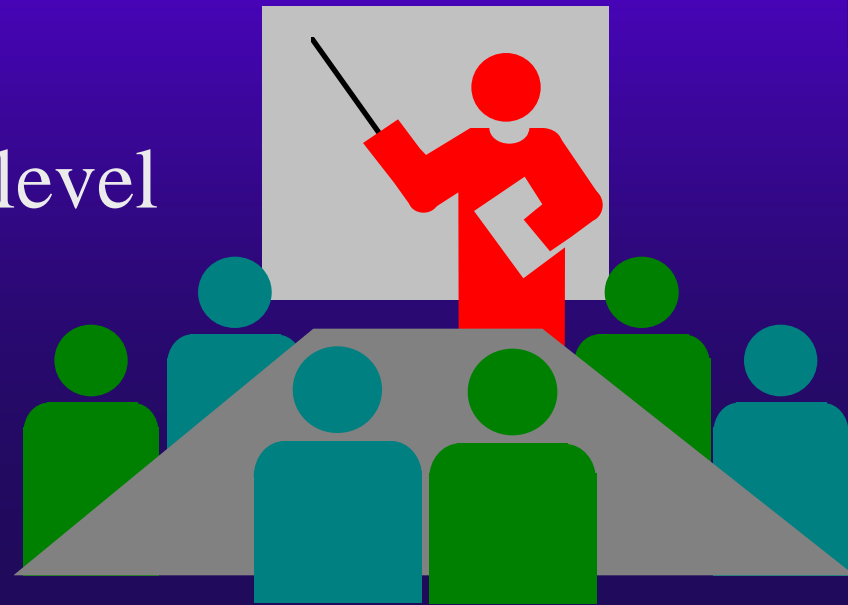
- ◆ Last resort for minor issues
- ◆ First resort for major issues
- ◆ Must Be
 - Direct
 - Consistent
 - Immediate
 - Always coach on substandard behavior





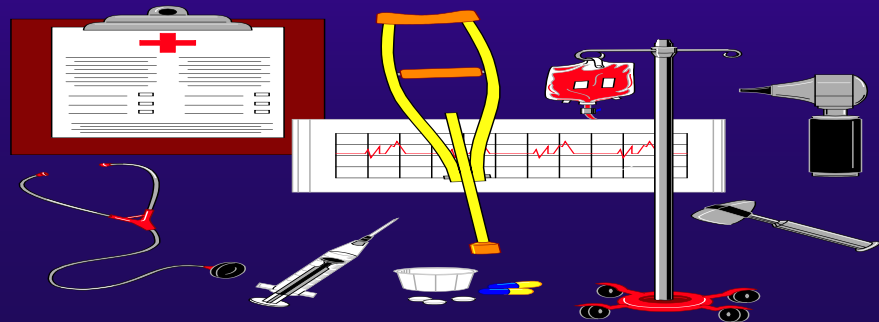
Safety Talks

- ◆ As frequent as possible
- ◆ Supervisor should lead the talk
- ◆ Less than 10 minutes
- ◆ Subjects & Topics should vary
- ◆ Comply with OSHA
- ◆ Raise the awareness level



Reactive Safety & Recovery

- ◆ Investigate
- ◆ Analyze all incidents
- ◆ Discover Root Causes
- ◆ Implement Corrective Action ASAP
- ◆ Communicate incident to all associates
- ◆ If it happened somewhere else, ask could it happen here?





Employee Involvement

- ◆ Make them feel part of the program
- ◆ Train them in CPR & 1st Aid
- ◆ Have them conduct training
- ◆ Conduct observation on each other
- ◆ Listen and act on their concerns
- ◆ Write JSAs



Conclusion

- ◆ **Better Understanding of:**
 - ◆ What a loss incident is
 - ◆ The real cost of a loss incident
 - ◆ Causes of a loss incident
 - ◆ Proactive Safety
 - ◆ Reactive Safety & Recovery

