THE COST OF BEING CARELESS

Each day, more than five percent of service industry workers have an accident. Here's a look at how the costs add up.

by E.T. Wandtke

To most workers, safety means driving with caution and using equipment carefully. Yet, more than five percent of service workers have some type of accident each day.

The lawn care and landscape industries are not immune to danger, and costs for accidents are on the rise.

Where are the costs of not being safe accounted for in most green industry companies? Can they be reduced, and preventive measures taken to guard against accidents in the future?

Where accidents happen
The three places where green industry accidents most happen are: in the shop, on the road, or on the job. Three other not-so-obvious locations are: parked along the highway or property being serviced, driving to and from work, and at home.

Where you pay
You pay for safety lapses with higher workman's compensation premiums. This cost is irrespective of where your accountant is charging the expense. The size of this premium is directly dependent on the size of your company and the job classifications which your employees are assigned to.

Disability insurance is another area where higher premiums will increase your safety costs. The premium rating for disability insurance is directly dependent on the experience the carrier is having with your industry and company. These safety costs may be charged by your accountant to a variety of different accounts depending on the sophistication of your bookkeeping system.

Many companies are experiencing insurance premiums averaging $600-$800 per year per insured vehicle. In major metropolitan areas, the cost could be 50 to 150 percent higher.

Equipment breakdowns due to unsafe operation is another problem area. Motor vehicle accidents in the parking lot and on the highway increase your safety costs even though they may be accounted for as repair and maintenance expenses. Many companies incorrectly see this cost and blame the equipment for the cost. Carelessness in the workplace is accounted for in payroll costs, when an employee is paid for time off when injured, or while visiting a doctor or hospital.

Reducing the cost
Posting the days since the last auto accident, number of hours since a lost production hour was recorded, or number of days since an employee missed work due to an accident are excellent visible methods of reducing your safety costs. Implement a safety awareness program to complement the posting idea. Provide a safety tip of the week or month. Institute a safe employee-of-the-month award.

Each of these efforts will increase your employees' safety awareness.

Financial incentive
A safety program requires the lead and involvement of management. Use reminders like buttons, pins, decals. All help to increase your employees' awareness of the need to be thinking and acting safely. Tying their safe job performance to a year end bonus has been used as a motivator in the past.

Don't wait. Make your company "safetywise" today.

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