

# SAFETY PAYS!



Taking risks is a part of running a business, particularly for small business owners. You take risks in product development, marketing, and advertising to stay competitive. But some risks are just not worth the gamble. One of these is risking the safety and health of those who work for you. By implementing a strong safety and health program, you can accomplish three important things at once:

## 1. Prevent Human Suffering

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One serious injury in your workplace can have a devastating impact on your employees, their families, and you. By preventing that serious accident, you can help:

- Save lives.
- Reduce workers' pain and disability.
- Reduce the impact of workers' injuries on their families and communities.
- Protect co-workers from the stress of filling in for people who are off the job.

*"I couldn't care less about the fines. It was losing one of our own. We were all devastated. I will never get over it." —Employer of a worker killed on the job*

*"It wasn't just the pain after the accident, or that I couldn't support my family on the limited benefits. It affected every part of my life—my ability to participate in sports, church activities, volunteering in my kids' school—I lost it all." —Injured worker*

## 2. Save Money

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For every dollar spent on the direct costs of a worker's injury or illness (medical expenses and lost wages), it's estimated that you, the employer, will spend at least as much again to cover the indirect and hidden costs. In most cases, you may spend 4-6 times more. Consider what one injury with lost workdays would cost you in terms of:

- Productive time lost by the injured employee.
- Productive time lost by employees and supervisors attending the accident victim.
- Clean up and start-up of operations interrupted by the accident.
- Time and cost for repair or replacement of any damaged equipment or materials.



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- Overtime costs when other workers must fill in.
- Fines for violating regulations.
- Cost of time spent on the investigation.
- Cost of completing paperwork generated by the incident.
- Time to hire or to retrain others to replace the injured worker until his/her return.
- Loss of skills of valuable employees.
- Low worker morale and perhaps less efficiency and increased absenteeism.
- Increased workers' compensation insurance rates.

*“Every \$1 invested in workplace safety results in \$3 or more in savings. Safety is an investment, not a cost.” —Insurance industry study*

### 3. Promote a Positive Image

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A great health and safety program can also make your business stand out. It can:

- Increase worker morale (show that workers' well-being comes first) and decrease turnover.
- Attract top employees.
- Help the company stand out in the community as a caring employer.
- Improve client and investor relations by demonstrating an excellent safety record.
- Avoid bad publicity from fines, accidents and incidents.

*“A big accident or fine may be a rare event, but it can cost a great deal in terms of public image. We had a disastrous experience with OSHA and paid dearly for it. We never want to be embarrassed like that again!” —Safety manager*

*“A company's reputation is of significant value in generating a favorable return on investment. A company or organization will benefit from a favorable reputation by becoming the first choice of customers, investors, suppliers, and employees.” — Business researcher*



## References

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Portions of this factsheet were adapted from the Guide to Developing Your Workplace Injury and Illness Prevention Program, Cal/OSHA Consultation, rev. 2005.