

Loss Control

# INSIGHTS **RO** PETROLEUM MARKETERS



Throughout his three years in the accounting department for a petroleum marketing company, Sean Davis had been a model employee. Sean insisted on handling any problems or discrepancies personally, and made it clear that the buck stopped with him.

In fact, many bucks did stop with him — followed him home and neatly deposited themselves into his bank account. In three short years, Sean managed to use his authority to bilk the company of nearly \$100,000. If janitorial workers had not discovered a suspicious amount of discarded receipts, the theft would have continued undetected.

Is your organization immune to these types of losses? *Read on ...*



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 Two industry consensus standards on ventilation have been revised — *Fundamentals Governing the Design and Operation of Local Exhaust Ventilation Systems* and *Recirculation of Air from Industrial Process Exhaust Systems*. The revised standards are

available through the American Industrial Hygiene Association at [aiha.org](http://aiha.org) and the American National Standards Institute at [ansi.org](http://ansi.org)

## COMMON-SENSE MEASURES PREVENT EMPLOYEE THEFT

Specialists say the cost of employee theft and embezzlement adds up to billions of dollars annually. According to the Association of Certified Fraud Examiners, organizations lose 6 percent of their revenues to dishonesty from within. Security experts estimate that as many as 30 percent of all employees do steal, and that another 60 percent will steal if given sufficient motive and opportunity. With dramatic figures like these, taking steps to eliminate theft and graft within a firm are sure to yield returns. The Small Business Administration offers the following tips to reduce employee theft.

### KEEP A CLOSER EYE

Watch for the tell-tale signs of internal theft. One subtle but noticeable indication of dishonest employees may be an unexplained rise in their living standards. Pay close attention to management-level personnel who insist on handling routine clerical tasks themselves. And be on guard for clients complaining about overcharging or inconsistencies in shipping and billing practices.

### FIND PEOPLE YOU CAN TRUST

Some employees have theft in mind from the start. You can weed out some of these people by performing thorough background checks on all new hire prospects, particularly for sensitive positions involving the flow of money.

### MAKE IT HARD TO STEAL

Even though delegation of tasks is unavoidable, try to have a management-level supervisor oversee inventory and bookkeeping. If this is not possible, consider dividing these tasks among several staff members so no single employee has too much authority. Occasional inspections or audits of inventory and bookkeeping help in preventing fraud and theft. It is possible to install physical obstacles to theft, such as alarm systems and secured, restricted areas. However, be aware that such obvious measures can have a negative effect on morale.

### DETERMINE CLEAR POLICIES

To reinforce these other measures, a company should distribute clear, written policies on ethical behavior to be signed by each employee — including the owner.

### WORK TOGETHER WITH EMPLOYEES

Workers will be less likely to steal if you create an environment in which they think there is a good chance of being caught. Training and “employee awareness” programs can inform workers about stealing problems and keep them on the lookout for theft of any kind. To make a security program such as this effective, it is crucial employees know they can turn over incriminating information on anyone in the firm without fearing job loss or other repercussions.

### PROVIDE ALTERNATIVES TO STEALING

The most troubling cases of employee theft occur when workers are in desperate financial straits. Let employees know in advance that they can come to management for assistance rather than resorting to theft. Employee substance abuse is intimately linked with financial problems and theft. If your firm does not already have a procedure for screening workers for drugs or alcohol, it may benefit from one.

### SET AN EXAMPLE

Employees need to know that one uniform ethical standard applies to everyone in the firm. Executives and managers should be positive role models for workers.

## The Fraud Triangle

According to loss control experts, employee theft usually occurs when three key elements exist.

**Opportunity** — Even the most honest employee can be tempted to steal when he/she sees there are vulnerabilities in your system.

**Pressure** — Drug or alcohol dependency, gambling problems, divorce, serious illness and other economic pressures can lead to employee theft.

**Attitude** — Some employees may think that the company owes them something and they have a right to take it.

# 10 SAFE HIRING TOOLS

Almost 10 percent of job applicants have criminal convictions and up to one-third of resumes contain serious falsehoods or omissions. To promote safe hiring, Lester Rosen, president of Employment Screening Resources\*, a national background screening firm, suggests the following 10 evaluation tools.

- 1 Have each job applicant sign a consent form for a background check, including a check for criminal records, past employment and education.
- 2 Employment applications should ask about criminal records in the broadest possible terms allowed by law, and should not be limited to felonies.
- 3 Advise applicants that the firm will perform a criminal background and reference check as a standard business practice. Ask whether the applicant has any concerns to share.
- 4 Applicants should be asked during an interview what they think a former employer will say about them.
- 5 Applications must clearly state that any false or misleading statements or material omissions are grounds to terminate the hiring process or employment, regardless of when it is discovered.
- 6 If employment begins before a background check is completed, state in writing that employment is contingent upon a satisfactory background report.
- 7 Verify past employment. This is probably the single most important tool for an employer.
- 8 Obtain a listing of all addresses for the past 10 years. This is also needed for a criminal search.
- 9 Include future screenings in the consent language in case a future investigation is needed for a criminal search.
- 10 Check for criminal records. You may consider convictions or cases currently pending, but not arrests. Also, certain cases may not legally be used for employment decisions.

\* For additional information about Employment Screening Resources, visit [ESRcheck.com](http://ESRcheck.com).



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# Reducing Noise Levels Reduces Problems For Transport Drivers



Truck drivers face numerous risks on the road; however, one risk that is often overlooked is the impact of noise levels on a driver's health. Drivers with prolonged exposure to noises from the engine, exhaust system

and traffic have reported higher levels of stress, anxiety, fatigue and hearing damage.

Gasoline and distillate transport drivers face unique noise exposure risks not experienced by over-the-road drivers, according to a recent study reported by the American Society of Safety Engineers. Unlike the majority of studies which

focused on noise exposures for over-the-road drivers, this study was conducted specifically on gasoline and distillate transport drivers. Its goal was to determine which tasks and work conditions resulted in noise exposures above or below the 10-hour OSHA action level of 83.4 dBA.

Based on the results, the authors of this study offer the following recommendations to reduce noise exposure for drivers.

- Drivers should stand 20 feet from the truck product pump when it is operating. Ear plugs should be worn if the driver has to stay close to the transport's shut-off valves during pumping operations.
- Drivers should not stand near the truck grill for any longer than it takes to complete their inspection duties.

- The maximum amount of noise-attenuating cab insulation should be specified by each transport manufacturer when ordering the transport.
- Additional noise monitoring should be conducted when different manufacturers and/or models of cabs are introduced to the workplace.
- Each workplace using transports should have a written policy establishing the driver's responsibility to maintain window and radio configurations at safe levels to protect hearing.
- AM/FM radio, company radio, CB or cell phone should not be operated at volumes greater than the appropriate action level.
- Windows should be closed or not opened more than one inch when driving on the highway at speeds of 55 mph or greater.

The National Institute for Occupational Safety and Health (NIOSH) estimates that 30 million workers in the U.S. are exposed to hazardous noise. Are your transport drivers at risk?

## TYPICAL NOISE SOURCES

Truck idling (front of cab grill)	86-87 dBA
Radio on at maximum volume	105 dBA
Connecting/disconnecting hoses	80-94 dBA
Standing near product flow in hoses	82-84 dBA
Opening/closing lid covers to underground storage tank fill caps	80-98 dBA
Loading/unloading fill helmets at cabinet	86-89 dBA
Driver window down; 55 mph; no traffic	86-91 dBA

## HEARING CONSERVATION PROGRAMS

An effective hearing conservation program can prevent hearing loss, improve employee morale and a general feeling of well-being, increase quality of production and reduce the incidence of stress-related disease.

Minimum requirements of a hearing conservation program include:

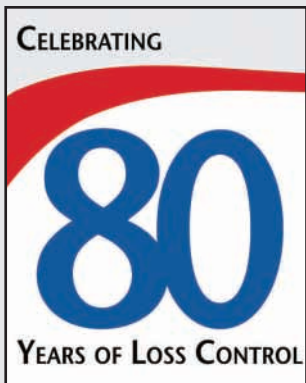
- **Monitoring** — Implement a monitoring program whenever any employee's exposure may equal or exceed the OSHA action level.
- **Audiometric Testing** — Maintain an audiometric testing program for all employees exposed at or above the action

level of 85 dBA-TWA (time-weighted average).

- **Hearing Protection Devices (HPDs)** — HPDs are generally used during the necessary time it takes to implement engineering or administrative controls, or when such controls are not feasible.

- **Employee Training and Education** — Institute a training program for all employees and ensure employee participation.
- **Recordkeeping** — OSHA recordkeeping regulations assist you in recognizing and correcting workplace hazards by tracking work-related injuries/illnesses and their causes.

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## Working Overtime Leads To Increased Injuries

Most of us knew it long ago, but a recent study by the University of Massachusetts Medical School confirms it — *fatigue and stress caused by long working hours indirectly contributes to workplace accidents and mishaps.*

After analyzing 5,100 work-related injuries and illnesses, researchers found that more than half occurred in jobs with extended working hours or overtime. The study noted that employees who work overtime were 61 percent more likely to suffer a work-related illness or injury than employees who didn't work overtime.

According to the study, the most common injuries were muscle and joint pain, followed by cuts and bruises.

While longer working hours were associated with an increased risk of illness and injury, there was no link between long commutes and work-related illness or injury.

### Which Workers Are More At Risk?

According to a recent Gallup poll, the following types of workers tend to work more than the U.S. average of 42 hours a week.

- On average, workers in households earning at least \$75,000 per year spend 45 hours a week on the job.
- Employed adults with higher education levels spend more time at work than those with less education.
- Men spend more time at work than women, with men averaging a 46-hour workweek and women a 40-hour workweek.
- Non labor union members, on average, work more (44 hours per week) than those who belong to a union (42 hours per week).

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