

NEED TO KNOW

Out With Incentive Safety Programs, In With Safety Audits

For years, companies have used various incentive programs to achieve better safety compliance from their employees. The Occupational Safety and Health Administration's (OSHA) new memorandum regarding employer safety incentive and disincentive policies and practices changes all of that. According to EMC Loss Prevention Information Manager Jerry Loghry, if you use an injury-report-based incentive program, you may generate an OSHA whistleblower investigation if an employee or a group of employees is denied an incentive because an injury is reported.

"We commend OSHA for making this important decision," says Loghry. "EMC has always believed that the best way to promote safety is to encourage it through safety audits, not incentives." To demonstrate his point, Loghry uses the example of an employer who promises to award all employees on a team a special gift if there are no OSHA-recordable injuries for the first half of the year. One employee suffers a recordable injury 30 days before the end of the time period, but waits until after the gifts are awarded to report the injury so everyone can receive a gift. By this point, the injury has gotten worse because of lack of treatment.

"Unlike incentive programs, safety audit programs examine how employees are incorporating safety policies into their day-to-day work practices," explains Loghry.

"Following an audit, employees can be rewarded for their commitment to safe workplace practices, which should be detailed in a company's safety program."

Loghry suggests the following tips for a safety audit:

- Ensure your safety rules are specific and provide definite requirements
- Communicate your safety rules to your employees
- Ascertain the knowledge of your employees about the safety rule(s) for which they have been trained
- Enforce your safety program consistently and without exceptions

EMC encourages policyholders to conduct safety audits on a quarterly basis to identify and correct problems before an accident happens.

If your company has an injury-report-based incentive program, you should modify it to a program based on safety performance. "This will be a major change for many companies, but in the end, it will be a change for the better," concludes Loghry.

To view OSHA's employer safety incentive and disincentive policies and practices memorandum, visit www.osha.gov/as/opa/whistleblowermemo.html.

SAFE GRILLING TIPS

Each year, about 30 people are injured as a result of gas grill fires and explosions, according to the Consumer Product Safety Commission. The Propane Education and Research Council has developed a new interactive program to reduce that number. The online program teaches proper grilling procedures using propane. Register for free at www.propanemarc.com to find all the latest information about safe grilling practices for employees and/or customers.

LARGER TRUCKS AT GREATER RISK OF FIRE IN HIGH-SPEED CRASHES

Large trucks, such as semitrucks in particular, are more likely to catch fire in high-speed vehicle crashes compared to light trucks and passenger vehicles, according to a recent study by the Kentucky Injury Prevention and Research Center (KIPRC). Dr. Terry Bunn, director of KIPRC, suggests two possible causes: greater impact force of semitrucks in collisions and fuel tank placement differences between semitrucks and passenger vehicles. Dr. Bunn suggests the incidence of large truck fires can be reduced or eliminated by taking preventative steps to improve safety on the road. For a copy of the full study, visit ncbi.nlm.nih.gov/pubmed/22405242.

SAFE WORK PRACTICES WITH NANOMATERIALS

A new guidance document from the National Institute for Occupational Safety and Health raises awareness of the occupational safety and health practices necessary during the synthesis, characterization and experimentation using engineered nanomaterials in a laboratory setting. The document provides the best information currently available on engineering controls and safe work practices to be followed when working with engineered nanomaterials in research laboratories. More information on nanotechnology can be found at www.cdc.gov/niosh/topics/nanotech, and the paper can be found at <http://www.cdc.gov/niosh/docs/2012-147/>.



A CURE FOR TURN SIGNAL NEGLECT

EMC Senior Safety Engineer Jim Stotser spends a lot of time on the road, so he is well aware of a safety problem that has recently been documented in a study by the Society of Automotive Engineers (SAE) — turn signal neglect. According to the study, the neglect rate for lane-changing vehicles is 48%, and the neglect rate for turning vehicles is 25%. That translates to an astonishing 750 billion times a year that drivers neglect to use turn signals on U.S. roadways, or over 2 billion times per day. Each incident of neglect elevates the risk of a multivehicle crash.

“You can’t blame every accident on an absent turn signal, but the SAE study concludes that the collective result of turn signal neglect is as many as 2 million crashes per year,” notes Stotser. In comparison, the U.S. Department of Transportation states that distracted driving causes about 950,000 crashes per year, so turn signal neglect is actually a more significant safety issue.

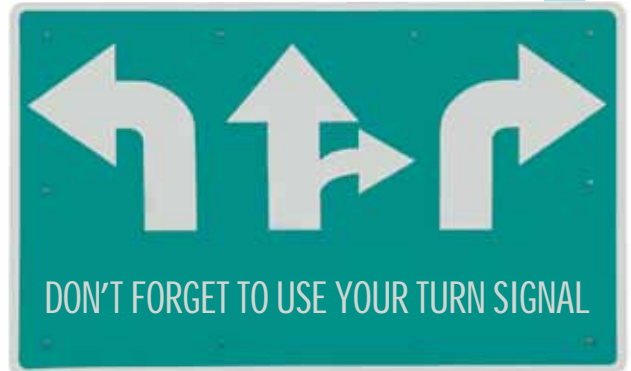
“This is a first-of-its-kind report on a subject that, amazingly, has never been studied. The turn signal is one of the very original automotive crash-prevention devices, and this simple driver-to-driver communication device remains extremely effective, but only when it is accurately displayed as required by law,” states Richard Ponziani, P.E., president of RLP Engineering and author of the report. “The turn signal can no longer be considered ‘optional,’ and all drivers have an ongoing duty to use it, just as they have a duty to stop at a stop sign or at a red light,” he added.



While the causes and remedies to combat distracted driving remain a matter of ongoing debate, the solution for turn signal neglect is simple, direct, effective and cost-saving: the smart turn signal. Smart turn signals use vehicle sensors and computer control to not only shut off the turn signal appropriately and accurately under every conceivable driving situation, but also assist the driver in using the turn signal regularly. Smart turn signals use the information from the same vehicle sensors used for the stability control system (now standard on all new cars).

It is anticipated that this life-saving technology will be integrated into vehicle production in the near future.

To read the full report, visit papers.sae.org/2012-01-0261



“The turn signal can no longer be considered ‘optional.’”

INSIGHTS ONLINE



SCHOOLS

Creating Asthma-Friendly Schools

Asthma is a leading chronic illness among children and adolescents in the United States. It is also one of the leading causes of school absenteeism. The Centers for Disease Control and Prevention offer some guidelines for creating asthma-friendly schools.

String Trimmer Safety

A rock thrown from a string trimmer can travel at high speeds and severely injure someone. That’s just one of several safety hazards your crews can encounter when using string trimmers. Share some trimmer safety tips with your crews for a safe season of lawn maintenance.



PETROLEUM
MARKETERS

Substance Abuse Is A Safety Hazard

More than 70% of substance abusers hold jobs, according to the American Council for Drug Education. However, people who work under the influence have a negative impact on safety, productivity and profitability. Learn the signs of abuse and what you can do to help prevent substance abuse from affecting your workplace.

Link Between Diesel Fumes And Cancer

Diesel fumes are as dangerous as secondhand smoke and asbestos, according to a recent report from the World Health Organization. Scientific evidence found that diesel exhaust is a cause of lung cancer.

Surprise! Your Phone Bill Is \$50,000!

Imagine the surprise when a policyholder opened his phone bill and saw the total amount due was in the tens of thousands of dollars! How can that happen? It was caused by fraud within the internal corporate telephone switchboard networks, also known as private branch exchange (PBX) systems, and according to EMC Risk Improvement Manager Mike Duffield, the incidence of PBX fraud is on the rise.



"Hackers gain access to corporate phones and/or voicemail systems and either use those numbers or sell them to others who can quickly rack up excessive phone charges," explains Duffield. "Unfortunately, most organizations don't realize they have a problem until their phone bill arrives, a bill for which they are financially responsible." Duffield offers the following best practices from TDS Telecommunications Corporation to protect your PBX system from fraudulent activity:

- Do not use any preconfigured default codes and passwords and change default settings as soon as possible after the system is installed
- Force password and authorization code changes for employees periodically
- Do not keep extensions active for former employees
- Check the recorded announcement on your voicemail regularly to ensure the greeting is indeed yours
- Disable the remote notification, auto-attendant, call-forwarding and out-dialing capabilities from your voicemail if they are not used
- Consider restricting calls from international or long-distance locations to which your company does not require access
- Familiarize yourself with your company's call patterns and monitor them regularly
- Keep your PBX system in a secure location to which only authorized users have access

"Don't wait for your phone bill to detect PBX fraud," advises Duffield. Take the necessary steps to protect your system from telephone hackers who pose a financial and security threat to your organization.

On The Job With Frank Mortimer



EMC Field Services Supervisor Frank Mortimer is on a mission to have every liquefied petroleum (LP) gas dealer operate in the safest way possible. For the past year, he's

visited with a number of dealers who have reported a minimal number of claims. As a result of these visits, EMC has developed a series of best practices that any LP dealer can follow to help reduce losses:

- Ongoing training of employees using the Certified Employee Training Program developed by the Propane Education and Research Council or an equivalent instructional program
- Inspecting trucks and piping for any potential leaks and keeping accurate records of those inspections as well as regularly reviewing the documentation
- Training for all employees who may take a call from a customer who is "out of gas" on the proper handling procedures; the reason a customer is out of gas should be determined, and a leak check should be completed before any refueling of the system
- Bulk storage containers should contain all safety features required by the LP Gas Code, NFPA 58[®]; this includes emergency shutoff valves and/or backflow check valves with bulkheads
- According to industry standards regarding requalification of cylinders, the Requalification Identification Number issued by the Department of Transportation should be stamped on all requalified cylinders

Some of the best practices are noted in an EMC Tech Sheet titled "LP Gas Dealers, Best Business Practices," which is available in the Loss Control section at www.emcins.com.

In addition to sharing these valuable tips with LP dealers, Frank has also been busy training EMC risk improvement representatives and underwriters on how to assist LP dealers in creating safer environments for their employees, customers and neighbors.



CONTRACTORS

Free Online Ladder Safety Courses

Safe and efficient use of ladders is not complicated or difficult, but it does require that users practice proper ladder safety habits. Werner's Climbing Pro III Online Resource Center provides a suite of online climbing safety courses in English, Spanish and French.

Watch For These Types Of Losses

Identifying potential losses is the first step in helping to prevent them from happening. Learn more about overall loss drivers for contractors and where to find information on ways to reduce them on your worksite.



LOCAL GOVERNMENTS

Emergency Workers Need Better Protection

A new report shows that emergency workers have a high risk of suffering fatal accidents, injuries and other occupational diseases. Better protection for emergency workers against occupational hazards should be given high priority, as current environmental, economic and political developments suggest an increase in the severity and frequency of future disasters.

Poststorm Cleanup Tips

In light of the recent storms and tornado strikes that have hit several U.S. states, the American Society of Safety Engineers offers safety tips for workplaces to help during cleanup and to prepare for future contingency situations.

For complete industry updates, visit www.emcins.com, click **Loss Control** on the homepage and then **INSIGHTS ONLINE**.



THE BEST IN LOSS CONTROL:

Protecting Your Organization From Data Compromise

Only 8% of data breaches were discovered internally by organizations, leaving the majority unaware of the state of their data, according to the 2012 Data Breach Investigation Report released by Verizon. EMC encourages you to reduce the risk of a data compromise by creating and implementing a plan to safeguard your organization's sensitive information. To assist you in that process, EMC risk improvement professionals created a new data compromise section in the online *Loss Prevention Information Manual*.

The new section provides helpful advice on the types of data compromise, how to conduct an information inventory, assess your vulnerability and evaluate information needs and gives suggestions for taking measures to protect your information. You'll also learn how to respond to and recover from a data compromise.

An incident of data compromise can have a negative impact on your organization's brand, credibility and profits. *Count on EMC*® to help protect you, your customers and your employees from embarrassing and costly data compromises. Review the new data compromise section in the online *Loss Prevention Information Manual* at www.emcins.com.

LOSS CONTROL INSIGHTS

www.emcins.com | FALL 2012

 **EMC** Insurance Companies.

IN THIS ISSUE:

- Out With Incentive Safety Programs, In With Safety Audits
- A Cure For Turn Signal Neglect
- Surprise! Your Phone Bill Is \$50,000!
- Protecting Your Organization From Data Compromise

Loss Control Insights is a free publication provided by the EMC Insurance Companies Risk Improvement Department.

Address your comments or requests for additional copies to:

Jerry Loghry
EMC Insurance Companies
717 Mulberry, Des Moines, Iowa 50309
email: losscontrol@emcins.com

Loss Control Insights is also available online at www.emcins.com.

©Copyright Employers Mutual Casualty Company 2012. All rights reserved.

PRSR1 STD
U.S. POSTAGE
PAID
DES MOINES, IA
PERMIT NO. 3324

Home Office Risk Improvement
P.O. Box 712
Des Moines, IA 50306-0712

 **EMC** Insurance Companies®