



Building a Safety Incentive Program Can Enhance a Strong Safety Culture

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Developing an effective safety incentive program can strengthen the safety culture in any organization, by improving a poor safety record and/or maintaining an already good one.

Before any incentive program can be undertaken a company must have a good safety foundation in place. This begins with strong management commitment to safety. While a safety incentive program is not a substitute for poor safety management, an effective incentive program can help transform good safety management into great safety management.

The most effective safety incentives are timely, certain, and positive

One of the most effective – and least costly – safety incentives is management’s awareness, acknowledgement, and recognition of an employee’s good performance – especially when that recognition is witnessed by the employee’s peers.

Recognition can be as simple as complimenting a worker for wearing his or her hard hat in a situation where overhead dangers are present, or recognizing an employee for using guards on

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dangerous equipment. In any case, a manager’s immediate, on-the-spot recognition of a job well done goes a long way. And a sincere pat on the back costs nothing!

Incentive programs must also emphasize pre-loss safety behaviors

The most successful safety programs rewards both on the “back end” of safety and also on the “front end.” We in loss control call these “leading

indicators” – specific safety objectives such as participating in a safety committee, achieving good results on safety inspections, and adhering to PPE policies. Other important examples include reporting unsafe working conditions and near-miss accidents.

Recognition of good, safe work practices is also especially important following an accident. Once the injured worker has been treated, revisit the scene of the accident and try to simulate the actions – or lack thereof – that led up to the accident. If the accident was witnessed by the employee’s co-workers, solicit their ideas on engineering controls that may reduce or eliminate a specific hazard. If operator error contributed to the accident, solicit ideas as to how prevention techniques can help prevent similar accidents in the future. Bear in mind, the most effective safety incentives are timely and positive. Also consider incorporating safety – especially novel ideas – into employees’ performance evaluations every year.



Construction, manufacturing, health care, retail, any type of workplace can benefit from adding a safety incentive program to its safety culture.

Incentive programs instill awareness of safety issues

Before beginning a safety incentive program, think clearly about its goals, and consider long-term, meaningful incentives. These factors are even more crucial than deciding on the type of incentives to use once safety goals are met. Successful programs may vary, but their underlying processes are essentially the same.

A successful safety incentive program will raise employees' awareness of safety issues without creating an environment in which employees feel the need to "hide" accidents for fear of losing out on an award or incentive prize.

An "incentive" can mean any item that employees perceive as valuable. However, if the stakes are too high and involve such big-ticket items as the biggest flat-screen TVs or the latest handheld touch-screen technology, the fear of losing out on such "valuable" items can cause some employees to hide accidents or to fail to report them in the first place – undermining all efforts to create a safer work environment!

Another potential problem with incentive programs is that they may over-reward individual performance while under-rewarding – or ignoring altogether – the combined efforts of an entire department or team. For any incentive program to work, incentives must be distributed fairly. Contests that reward only a few people or those that send the message that safety is a matter of chance or luck should be avoided.

Successful programs emphasize teamwork, motivation

Raising and promoting the level of safety awareness in your organization, generating safety suggestions, and recognizing your employees for safe behaviors are some key aspects of an effective safety incentive program. Place the emphasis on motivating people rather than giving awards. While the award is the carrot, most of the emphasis should be placed on building teamwork and motivation.

Any incentive program should be reviewed periodically to make sure it stays up-to-date and fresh. Even a minor change, such as a new gift item, may be enough to sustain employees' interest.

Any good incentive system, in recognizing and promoting safe workplace behaviors, often results in employees establishing or strengthening good work habits, which ultimately prevent accidents and helps save money on the bottom line. ■

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Rukert Terminals Corp.'s successful safety incentive program

Rukert Terminals Corporation, based at the Port of Baltimore, has had a successful safety incentive program in place for several years, according to Peter Holzberg, IWIF Sr. Loss Control Consultant. Consequently, Rukert employees are always focused on safety.

One recent example of that safety commitment came during the back-to-back blizzards we experienced in February, which paralyzed the state for several days. Rukert's 130 employees worked feverishly, 24/7, during this time to keep up with the demand for salt from the Maryland State Highway Administration.

"During this time, Rukert's employees did not suffer one lost-time incident," reports Holzberg proudly. "This was quite a feat, considering the very high volume of materials they moved through the port in such a short time."

"Rukert management set up their program as part of their overall, comprehensive safety program. Overall, it is working very well," added Bill Bennett, Asst. Vice President, Willis North America.

Rukert's safety incentive program rewards employees on the number of lost-time accident-free days logged, which differs based on the type of operation involved. For example, the initial reward period for Rukert's administrative personnel is 180 days, while the initial reward period for its warehouse and stevedoring operations, which are inherently more dangerous, is 90 days.

Warehousing involves the handling and transporting of materials from terminal to terminal or from terminal to truck, and stevedoring involves loading and unloading containers from ships with the use of large cranes and forklifts.

Rukert's system recognizes individual as well as team efforts in maintaining an accident-free work environment. Rewards often involve gift cards to local merchants, which can be used not only by Rukert employees but also by their family members.

"Sharing 'the prize' with family can really help in motivating an employee to be accident-free," explains Rukert Vice President and Safety Director Andy Nixon.

Rukert's program is also "progressive," meaning the rewards grow progressively larger as time goes on and the accident-free period continues. For example, the company will host an in-house pizza party for a department which has met a shorter accident-free time period, while a longer accident-free timeframe may involve treating the team to a dinner at a local crab house restaurant.

"But what we don't want is for employees of our policyholders to forego reporting an accident or injury for fear of missing out on an incentive or a free dinner," cautions Holzberg. ■

Left to right, Bill Bennett, Asst. Vice President/Risk Control Consultant, Willis North America; Peter Holzberg, IWIF Sr. Loss Control Consultant; John Coulter, President, Rukert Terminal Corp.; Eric Malone, Rukert Stevedore, and Joe Ey, Rukert Crane Dept. Manager.

10 Steps to an Effective Safety Incentive Program

IWIF's Loss Control Consultants have compiled their top 10 tips to developing a successful workplace safety incentive program:

1. Establish an annual budget for your safety incentive program.

If the budget runs out of money, safety recognition efforts may come to a halt. For that reason, some employers do not set a budget for safety, but have developed a policy which clearly allows management and supervisors to reasonably spend money as needed.

2. Determine who will coordinate the program.

A natural choice would be your safety committee, safety director or Human Resources director.

3. Establish safety goals that are relevant and attainable for all participants. Reasonable, yet challenging, goals should be set. Ask your employees to help identify the different hazards that exist in their particular department or unit so they have a personal stake in the program's success. Goals should be communicated and performance updates shared regularly.

Goals may include:

- Achieving zero lost-time injuries over a certain time period
- Obtaining certification in first aid or CPR
- Active participation in a safety committee
- Reaching monthly, quarterly, or yearly accident-free time periods
- Developing an action plan to eliminate a hazard
- Conducting a safety audit or safety presentation
- Achieving favorable results on a safety inspection
- Documenting and reporting unsafe conditions
- Reporting broken equipment (and pulling it out of service)

4. Decide how your program will be implemented.

Decide how long the program will last, and whether employees will be tracked as teams, individuals, or both. To maintain employee interest, goals should be set for short periods and, if met, rewarded immediately. Above all, keep the program simple.

5. Decide on what your rewards will be and how often they will be given. Form team safety incentives as well as individual incentives. Be creative! Remember that rewards should be set up so that they are obtainable for all employees.

Effective rewards can include:

- Publicly recognizing and honoring safe employees
- Cash, gift cards or gifts (not big-ticket items)
- Meals
- Plaques/framed certificates with employee's or team's picture
- A special assignment
- Extra paid leave – days off work

- "Safety Bonus" (For example, split the money among all employees if the company receives an insurance dividend.)

6. Communicate the program regularly to employees. Let them know they have a personal stake in their company's safety. Use e-mails, posters, flyers – anything to grab employees' attention and generate excitement.

7. Publicly recognize employee safety achievements – big and small. This energizes your workforce and encourages award program participation.

To assure that safety is always on the mind of your workers, limit the possibility of losing all opportunity for an award during the award period. For example, if an individual goal is unattainable due to an injury, your employee could still be eligible for a group award.

However, do not use awards that are so desirable that employees fail to report injuries for fear of losing the award.

8. Gather feedback; then review and tweak your program accordingly. By having this knowledge, safety administrators can provide return-on-investment statistics and update the program as the needs of the workplace change over time.

9. Tie performance appraisals to safety.

This is one item IWIF really advocates, especially for supervisors and managers.

Supervisors who are driven by production goals should also be driven by safety goals. Written policies should explain to managers that safety is as important in any production or quality quotas. Evaluate the manager's safety performance based on completion of safety activities, such as trainings, inspections, accident reports, etc., or safety outcomes, such as reductions in losses or accidents.

10. Reap the rewards! A good safety incentive program can increase safe workplace behaviors, build a better safety culture, and reduce workplace injuries. But perhaps most important, a successful safety incentive program can promote good safety behaviors which translate into fewer accidents and injuries and save you money.

For more information on building an effective safety incentive program for your company or organization, contact your IWIF Loss Prevention Consultant, or e-mail losscontrol@iwif.com.



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