Safety Incentive Programs Done Right

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Incentive Programs:

$35 Billion Spent Per year

Why Incentives?

• If incentives work for other things then why shouldn’t we consider using incentives to enhance workplace safety.
OSHA’s Opinion of Safety Incentive Programs

- There are no OSHA regulations specifically covering Safety Incentive Programs.

You can receive an OSHA citation for having a Safety Incentive Program

You can also receive an OSHA citation for having a Fall Protection System
OSHA Record Keeping Regulations

- **OSHA’s Interpretation:** Under current reporting requirements, employers are prohibited from implementing any policy that could be construed as discouraging reporting or rewarding employees for not reporting.

Practices that May Result in OSHA Violations

- Rewards given to individuals or groups for no accidents or injuries
- Free lunches, BAR-B-Q’s, pizza, etc. for hours worked without accidents or injuries
- Employees being penalized or fired for accidents or injuries
- Supervisors or safety personnel being rated based on number of accidents or injuries
Safety Incentive Programs

OSHA Documents Covering Safety Incentive Programs

- OSHA Memorandum - March 12, 2012
  Employee Safety Incentive and Disincentive Policies and Practices

- Revised VPP Memorandum #5 - June 29, 2011
  Further Improvements to the Voluntary Protection Program (VPP)

Safety Incentive Programs Done Right

Typical Safety Incentive Program

- Passive
  1. Require no specific actions by employees.
  2. Rewards are based on going a period of time without having an injury.
Typical Safety Incentive Program

- The Problem with Passive
  Rewards are frequently based on going a period of time without reporting an injury.

It is virtually impossible to incentivize not having accidents?

I think I will get injured today!
Safety Incentive Programs

Why do companies use Passive Incentive Programs?

1. They are easy to design and run.
2. They require no special expertise.
So what is the alternative?
Proactive Safety Incentive Programs

Proactive Safety Incentive Programs

- Are designed to motivate employees to be actively involved in all aspects of safety.

Safety Culture

Our attitudes, behaviors and practices about safety.

It is the "People" side of safety!
Safety Incentive Programs

Safety Culture

- You need to meet this deadline
- You take a risky shortcut
- You meet the deadline
How Incentive Programs Impact Safety Cultures

- Incentives work by giving us a reason to change the way we do certain things.
Safety Incentive Programs

Passive Incentive Program

You have an accident
You lose your reward
You report it
Reporting was a bad idea

Safety Incentive Programs Done Right

Proactive Incentive Program
Safety Incentive Programs

Proactive Incentive Program

The 10-80-10 Rule
The 10-80-10 Rule

- 10% of the people don’t need an external reason to change.
- They will be proactive about safety simply because it is the right thing to do!

Unfortunately we frequently spend 90% of our time and resources trying to impact this group.

80% of the people need a reason to make them want to change.

“What is in it for me”!
- They are really the people who you target with your incentive program.
Safety Incentive Programs

Proactive Incentive Programs Examples

- Rewards for safety suggestions or safety observations
- Rewards for identifying, reporting and/or correcting safety hazards
- Rewards for serving on safety committees and task forces, etc.
- Rewards for participating in wellness activities

Proactive Incentive Programs Advantages

- Can be used to accomplish specific goals
- Encourage active involvement
- Produce positive Safety Culture changes
- Do not encourage non-reporting

Proactive Incentive Programs Disadvantages

- Require more planning and preparation
- Somewhat more labor intensive to administer
- Require a certain degree of expertise that you might not have
Proactive Incentive Programs Recommendations

- The design process needs to include considerable employee involvement
- Design programs to achieve specific goals
- Leaders at all levels must actively promote the program
- Use ample, but sincere, praise and recognition

Proactive Incentive Programs Recommendations

- Reward with a selection of merchandise, not cash or gift certificates
  - Because they have “Trophy Value”, items have seven times more motivational value than cash
  - Items can be tax exempt (not viewed as compensation by IRS)

Proactive Incentive Programs Recommendations

- Use a “points based” system
  - Flexibility
  - Long-term sustainability
  - Enhanced motivation potential
Proactive Incentive Programs Recommendations

- Reward people for what needs to be accomplished, not what they are already doing.
- An appropriate budget minimum is about $120 to $200 per employee per year.

Secrets for Getting the Most out of Your Safety Incentive Program

Proactive not Passive

Helping you Design & Conduct Safety Incentive Programs that Really Make a Difference

Incentive, Training, Safety, and Technology Solutions

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