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Safety Matters in Small Business

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Small business is anything but small when it comes to the workforce. The U.S. Small Business Administration (SBA) reports that in 2024, nearly 46% of the private workforce nationwide works for small businesses. Small businesses are significant to our economy as they contribute to job creation and the overall gross domestic product.

Not too shabby, right?

And “small business” encompasses almost an infinite variety of types of companies and types of workers. A small business can be anything from the mom and pop drycleaner on Main Street to the decades-old, bustling restaurant that’s a mainstay in its community. The SBA sets forth industry-specific standards based on size, so for some industries, 1,500 workers could still be considered a small business.

Because the range of the small-business workforce is so vast, employers must present safety training and protocols in ways that are relatable and manageable for all employees. They have to get through to the high school stu-

dent bussing tables, the retiree who just left an office job and is working a cash register for the first time and the seasoned retail veteran who’s been in the field for decades. Each person’s safety is equally important, and accidents can happen when they are not properly trained.

There are two things that matter to a business: The people and the bottom line. Finding the right people is one aspect of running a business smoothly and effectively.

Reducing business costs is equally as important, and employee safety and return to work after an injury are all too often overlooked as having great impact on the bottom line.

A company’s experience modification rating (e-mod) is intended to incentivize a safer workplace and fewer claims, but it’s only one indication of the company’s safety culture — it should not be considered a complete measure. But certainly, it’s top of mind for a business owner or manager as they evaluate and refine their safety strategies.

What are some strategies for increasing safety and reducing a company’s e-mod?

1. Businesses should utilize safety resources and training. Each employer should offer proper training and resources to perform jobs safely. The young worker brings energy, but they’re inexperienced. Even veteran workers can have an accident if they weren’t properly trained.

Most employees could figure out how to get a task done — but that doesn’t mean they are doing it safely. The owner or general manager is responsible for ensuring that each person is properly trained.

2. Along with training comes accountability. Part of training is teaching employees to spot hazards and know the protocol for reporting them to the correct person to rectify the issue. For instance, if a prep cook is spotted using a knife incorrectly, the manager should be notified to take immediate action. A bad habit when it comes to knife skills could lead to an accident if left

uncorrected.

3. **Develop a written safety program.** Most small businesses don't have an in-house safety manager on staff unless it's a larger company. Maybe it's the human resources officer that carries that responsibility, maybe it's whichever manager is on duty at a particular time. Regardless, there has to be a person responsible for developing and enforcing a company's safety program and guidelines.
4. **Follow the guidance of a qualified safety consultant.** If the business is experiencing more injuries than they'd like to see, it's likely negatively impacting their workers compensation costs. In this instance, a business owner should take additional steps in their safety plan. A safety consultant (hired separately or provided through their workers comp carrier) can conduct a complete on-site risk assessment of the business, which includes a review of their injury trends, hazard analysis as well as providing safety resources and training.

Business owners and managers might not inherently be safety experts ... and that's okay. But a safety consultant can give them the safety knowledge needed to be a better leader.

That additional investment of time and effort is worth it to make the workplace safer, while helping to reduce the workers comp costs in the long run.

Beyond cost, what should an agent

consider when selecting a workers comp carrier for a small business?

- **Consider carriers with a small business safety focus.** Carriers that offer free safety resources or on-staff safety consultants can offer great value to the small-business owner.
- **A small business should be rewarded for their efforts.** If the business has no or few claims, place them with a carrier that will reward them for their efforts. Considering nontraditional options, like self-insured workers compensation groups that pay dividends, can also be advantageous.
- **Offer payment plans that improve cash flow.** Pay-As-You-Go is a great option that improves ease and reduces premium fluctuations from audits. Paying premiums based on payroll distributions offers valuable savings in time and money to business owners. Don't wait for a payroll company to introduce this feature to your insured!
- **Don't discount the importance of claims management.** Carriers with lower, more manageable caseloads ensure timelier and cost-effective claims settlements. When claims and safety departments work together ... the impact is even more powerful!

What can a business do right now to make the workplace safer?

In the immediate sense, a manager can try to anticipate where the hazards are. This varies from industry to industry and business to business because each workplace is unique.

Here's just one example of how someone in the restaurant industry might approach safety.

The leading cause of accidents in the restaurant industry is slips, trips and falls. These often occur due to wet or greasy floors, spilled liquids, cluttered walkways and improper footwear in kitchens and dining areas.

Review floor cleaning practices. Look at floor mats and consider whether there are enough and if they are used in the correct areas. Investigate how quickly a spill is cleaned. Are there tripping hazards? Are staff wearing slip-resistant shoes that are in good condition?

This is just one small part of the safety profile of a restaurant but each person in the business — from the busser who has to occasionally clean up broken glass, to the chef, who needs reminding to sharpen his knives — needs to be alert to safety hazards in order to prevent them before an accident occurs.

Safety is everyone's responsibility. It's important to provide the tools and support to keep your small business safe. ■



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