

# Driving out Cost Through Safety

The Cost of Employees' Well Being

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# Agenda

- Define “Cost”
  - Safety Costs
  - Why have a Safety Program?
  - Safety Pays
  - Safety Drivers
  - What Safety Means
  - How to Develop a Safety Plan
  - Questions
  - \*\*\*If Time Permits -- Activity
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# What is "Cost"?

- Hard costs/products & services
  - Medical costs
  - Legal costs
  - Insurance costs
  - Cost of employee morale
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# Safety- Hard Costs

- Annual national cost for workplace injuries, illnesses and deaths = \$170 billion.
- Incidents Cost to an Organization:

<b>Injury Type</b>	<b>Instances</b>	<b>Direct Cost</b>	<b>Ind. Cost</b>	<b>Total</b>
Laceration	1	\$ 18,137	\$ 19,950	\$ 38,087
Sprain	1	\$ 28,338	\$ 31,171	\$ 59,509
Burn	1	\$ 39,672	\$ 43,639	\$ 83,311
Vision Loss	1	\$ 56,202	\$ 61,822	\$ 118,024

# Why have a safety program?

- Keeping your personnel safe and healthy.
  - Puts standards in place designed to help keep personnel and the facilities they work in safe.
  - Track incidents in an effort to help people understand where the issues exist.
  - Learn from the past and address issues before an incident occurs.
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# Safety Pays

- Studies by the National Safety Council estimate that a good safety and health program can save \$4 to \$6 for every \$1 invested.
  - Cut Resistant Gloves
    - Cost of Glove = \$8
    - Number of employees = 800
    - Total Cost of Gloves = \$6,400
    - Estimated Savings = \$25,600 - \$38,400
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# Safety Drivers



# What Safety Means

Data from the National Safety Council and OSHA



# Where do you start?

What are the most common hazards in your organization or facility?

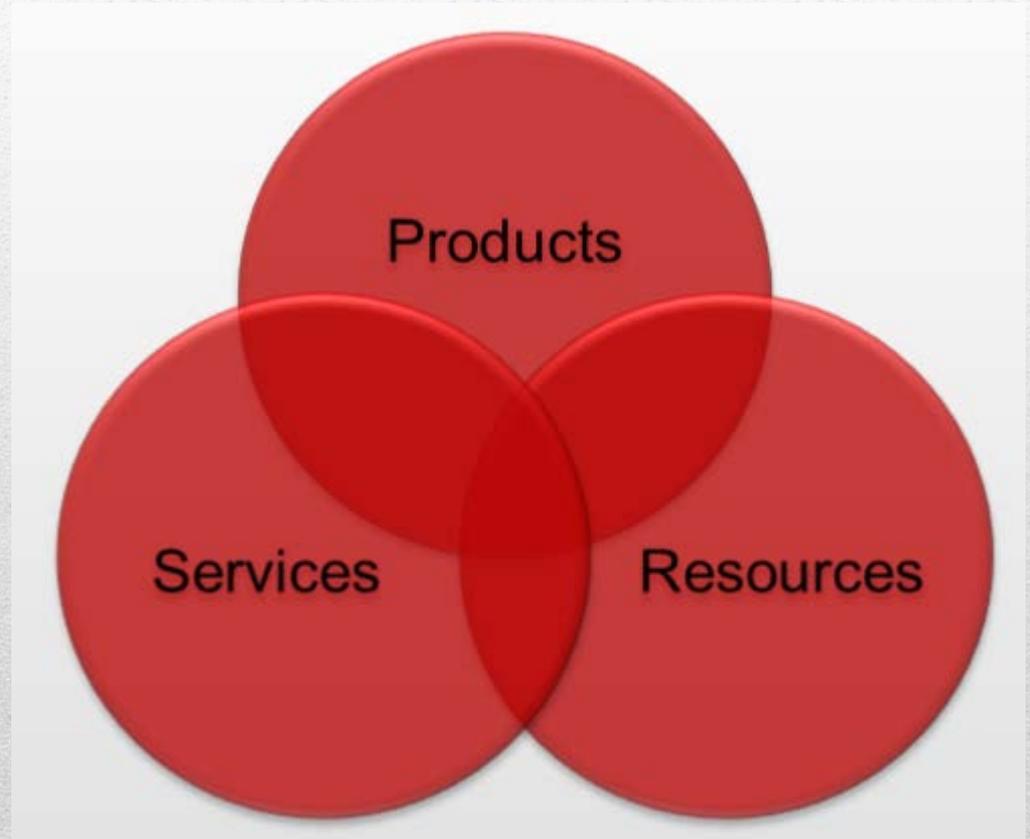
Top 10 Cited Violations 2013:

1. Fall Protection
  2. Hazard communication standard
  3. Scaffolding, general requirements
  4. Respiratory protection
  5. Electrical, wiring methods, components & equipment
  6. Powered industrial trucks
  7. Ladders
  8. Control of hazardous energy (lockout/tagout)
  9. Electrical systems design
  10. Machinery and machine guarding
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# Solving Safety Issues

- **Engineering out hazards**
- **Administrative Controls**
- **Safety Measures**

**Through:**



# EXAMPLE:

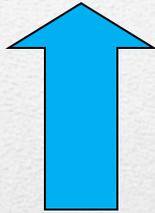


1. **Engineer the Hazard**: Reduce the noise output
  2. **Administrative Controls**: Reduce the run time of the machine, reduce the number of hours employees are exposed, standardization, processes.
  3. **Safety Measures**: Provide hearing personal protective equipment.
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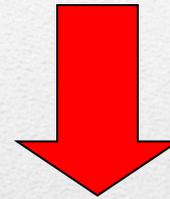


# What You End Up With...

Increase Safety



Decrease Incidents/Injuries



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## COST SAVINGS:

- Hard costs – Direct/Indirect
- Improved Employee Morale
- Greater Productivity
- Employees going home to their loved ones, the way they came into work.

# The Steps to Take

- 1. Understand the drivers impacting your safety programs –**  
Injuries, Risk, Compliance, Productivity
  - 2. Identify the Source(s) –** What is/are the most common incident(s) you see in your organization?
  - 3. Leverage your Resources -** Peers, Suppliers, Managers
    - Standardization, Audits, best practices
  - 4. Develop –** Develop a plan that will address your key issues, while decreasing incidents.
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# Questions?



# For More Information...

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....and stop by the Grainger booth today!

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# Safety Drivers Activity:



1. Which safety driver is most prominent in your facility?
  2. What is your biggest challenge inside of safety in your department or agency?
  3. What is a success you can share with this group?
  4. What are 3 things you will take back and implement?
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# SAFETY DRIVERS ACTIVITY



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