



## Why Incident Management Matters

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### Agenda

- The Cost of Incidents
- Importance of Early Reporting
- Using “What If” Thinking Instead
- Great Coaches
- “WHY?”
- Tasks & Corrective Actions
- Reporting



## THE COST OF INCIDENTS

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**Direct Costs**

**Indirect Costs**

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## Direct Costs

Third Party Liabilities

Property Loss or Damage

Workers Compensation

(Aging workforce: >\$\$\$)

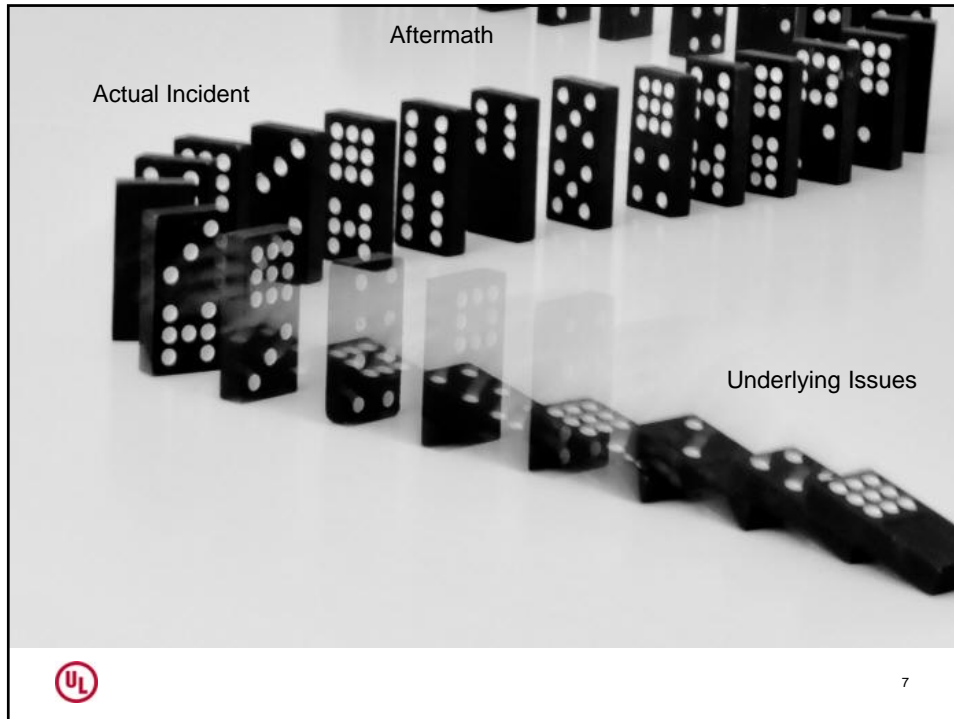
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## Indirect Costs

- ↑ Insurance premiums
- Insurability threatened
- ↓ Deliveries, ↑ delays
- Training increases
- ↓ Operational focus
- ↓ Employee morale
- Loss of use
- Outsourcing
- Public relations
- Regulatory fines
- Payroll for replacements
- EEs with too many tasks

Every \$1 in direct costs produces \$5.00 in indirect costs

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## Incident Example: Laceration

Estimated Total Cost						
The extent to which the employer pays the direct costs depends on the nature of the employer's workers' compensation insurance policy. The employer always pays the indirect costs.						
Injury Type	Instances	Direct Cost	Indirect Cost	Total Cost	Additional Sale (Indirect)	Additional Sale (Total)
Laceration	6	\$ 108,822	\$ 119,700	\$ 228,522	\$ 1,197,042	\$ 2,285,220
<input type="button" value="Remove"/>						
Totals						
Estimated Direct Costs:						\$ 108,822
Estimated Indirect Costs:						\$ 119,700
Combined Total (Direct and Indirect Costs):						\$ 228,522
Sales To Cover Indirect Costs:						\$ 1,197,042
Sales To Cover Total Costs:						\$ 2,285,220

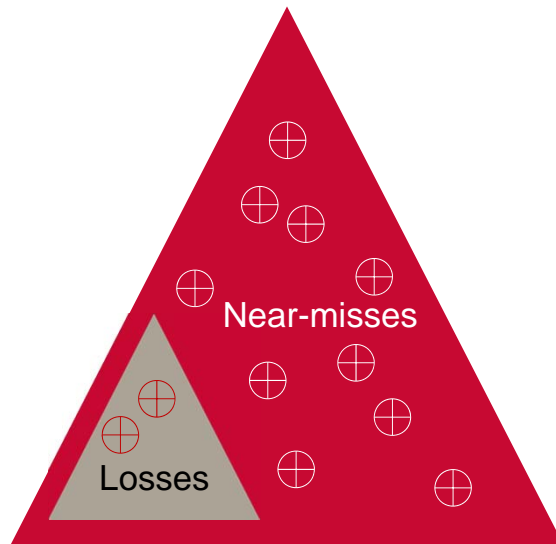
Source: OSHA : "SafetyPays" calculator

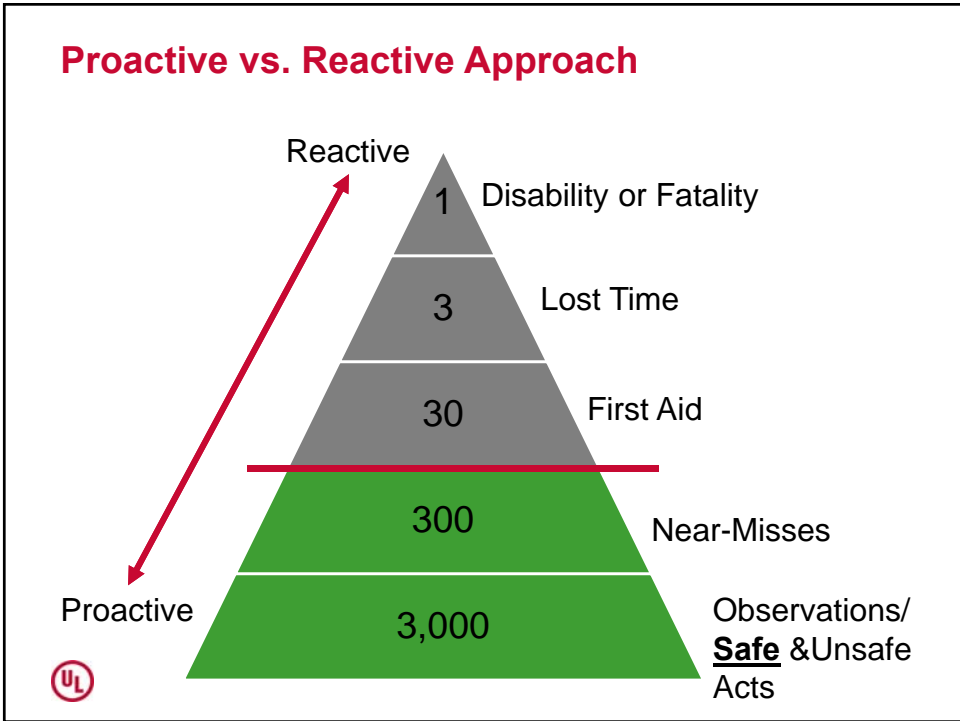


# THE IMPORTANCE OF EARLY REPORTING

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## What Are Incidents?






## Why Wouldn't Employees Report?

Why?



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## Obstacles to Reporting

- *Fear of disciplinary action, reprisal and termination or just a negative response (“why did you...”)*
  - *Viewpoints often historical; “comes with the employee”*
- *Don’t want to be perceived negatively by peers (as a “do good”, “whistleblower” or a “rat”)*
  - *MAJOR sign of “culture” problems*
- *Minor issues are an expected part of everyday work (don’t view issues as “near misses”)*
  - *One of the major problems for low number of reports*
- *People don’t know the process for reporting or*  
 *don’t feel like it’s their job (not my problem)*

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## Obstacles to Reporting

- *Some people may doubt reporting will produce any meaningful results; cynical*
  - *Feedback issues; never any follow-up*
- *Some people may wish to avoid paperwork and time associated with reporting and follow-up*
  - *Process to report is cumbersome; time dedication post-report*
- *Some people believe the current focus on safety will be short-lived (“flavor of the month”)*
  - *Inconsistent management actions/support*



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## Removing Obstacles to Reporting

- *Recognize safe work as much or more than pointing out items needing improvement*
  - *Positive observations should outnumber negative 3:1*
- *Ensure communication of issues/findings across all sites, departments and levels of the organization*
  - *Consistent and standardized*
- *Recognize people for reporting and being part of the solution*
  - *Include them; rely on them; trust them*
- *Make it “safe to report” so people will be less afraid to step forward (“Under 48-hour Rule”)*
- *Appropriate, consistent consequences for willful and deliberate acts*



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### Without Front Line Employee Involvement...

- Observation/Near Miss reporting **WILL FAIL!**
- Injury/Incident reduction efforts **WILL FAIL!**
- EHS (you) **WILL FAIL!**



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**GREAT COACHES**

## Count the Fs



F f f f f  
f f f  
f



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## Count the Fs



Finished files are the re-  
sult of years of scientific  
study combined with the  
experience of many years.



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# WHAT DOES IT TAKE TO BE A GOOD SAFETY COACH?



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## GOOD COACH TRAITS:

- Open-minded
- Thinks ahead
- Search for why and how things happen
- Recognize the positive
- Be open to input from others
- Have the mindset of a “helper,” not a “cop”
- Good conversations; ability to connect
- Be OK with finding nothing wrong
- Hyper-aware of hazards
- Empower other employees
- Expert
- Trusting their instincts



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## **GOOD COACH TRAITS:**

- Have good conversations
- Be OK with finding nothing wrong
- Correct items on-the-spot, but still document for trending purposes
- Know the process for notifying supervisors about items in their area
- Be hyper-aware of hazards
- Have good instincts – and respect them



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## **Using “WHAT IF” Thinking**

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## “What If” Thinking

- State of Mind
- “Where Will” “When Will” “How Will”  
“Who Will” “
- Will better answer the “WHY”



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## “The hook was faulty.”



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“WHY”

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## OUR PROCEDURES



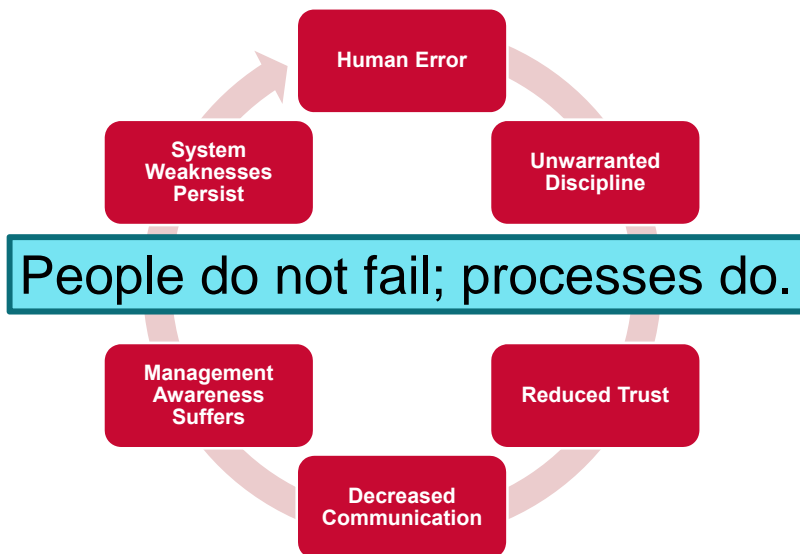
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## THE REALITY OF YOUR PROCEDURES



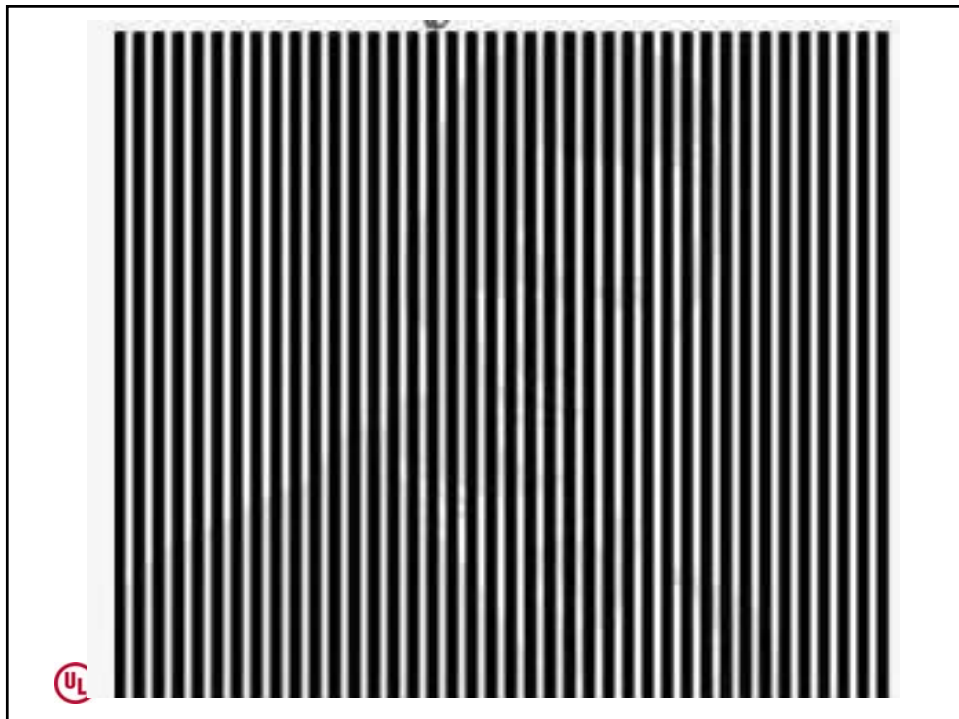
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## The Blame Cycle



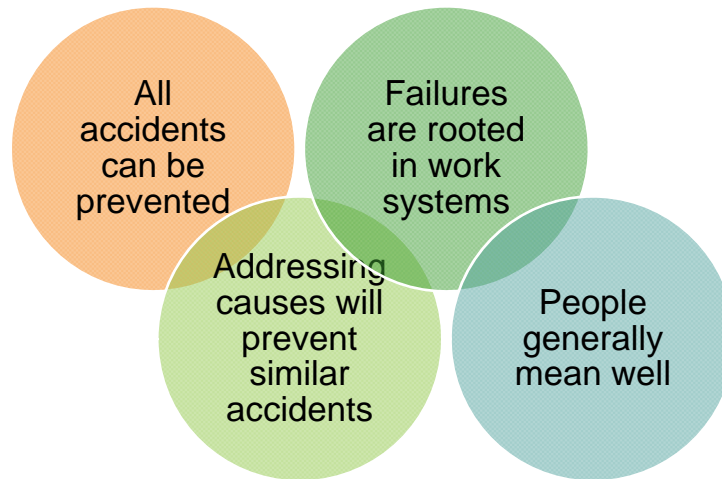
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**REFINING YOUR  
INVESTIGATIVE APPROACH**





## Principles of an Investigative Mindset

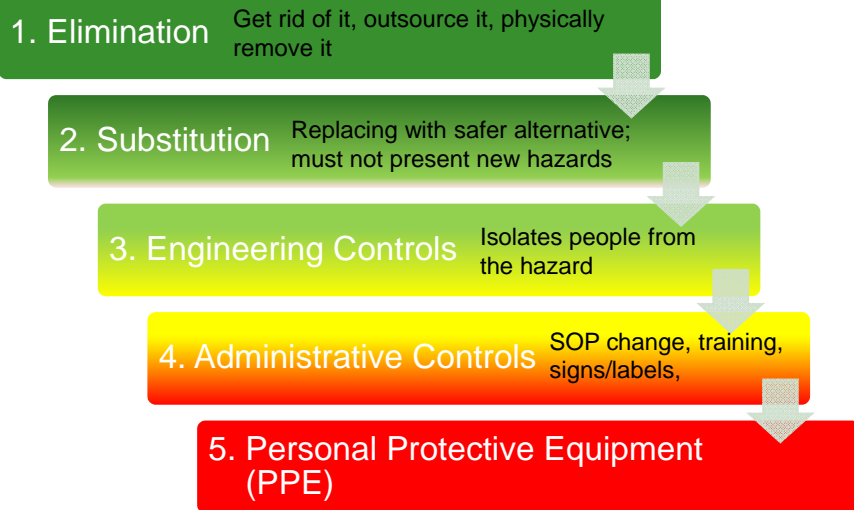


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## TASKS & CORRECTIVE ACTIONS

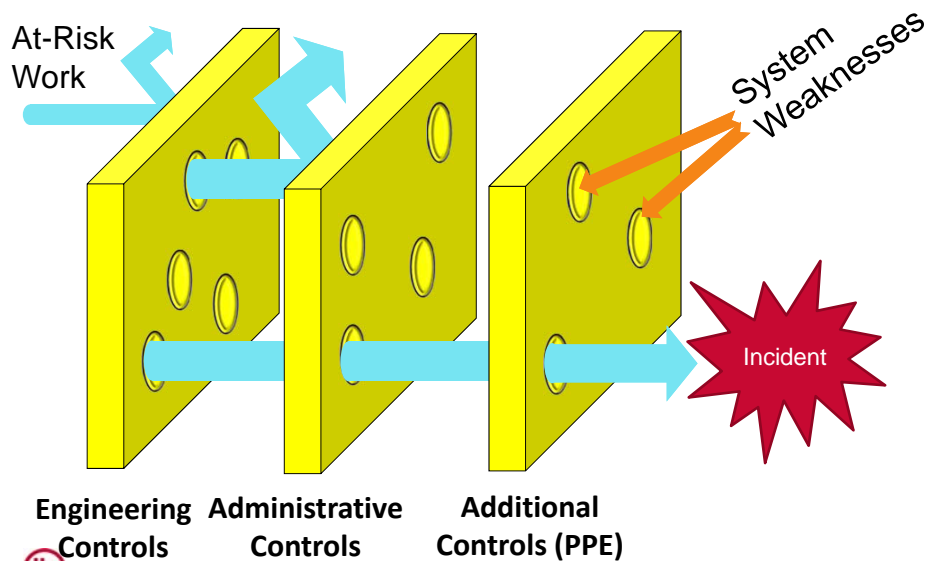
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## Corrective Action Controls



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## Swiss Cheese Model: Anatomy of an Accident



J. Reason - 1997<sup>36</sup>

## TASK MANAGEMENT

- Organizations that excel in safety and health follow a 48-hour rule:
  - Regardless of what happened
  - Regardless of what parts are needed
  - Regardless of delays by outside influences
- HOW?



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## Here's HOW

### OLD WAY

- Forklift #1: Pending mast failure. OOS . Needs to be repaired.

### NEW WAY

- Notify forklift service company of findings.
- Schedule pick up time. Arrange loaner to be delivered
- Conduct lift audit to determine what factors lead to fractured mast
- Report findings to Operations Manager
- Call to follow up on forklift status
- Report estimated service time/repair to Ops Manager
- ETC, ETC, ETC



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# REPORTING

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## Why Does Reporting Matter?

- Identify trends & CAPAs
- Exhibits commitment
- Learning & Awareness



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## What Makes a Good Report?



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## YOUR RESPONSIBILITIES...

- Be a coach, not a cop!
- DETAILS, DETAILS, DETAILS
- Always think of safer ways to accomplish tasks
- Open minds find things; improve them



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THANK YOU.

