



How to Create and Implement an Effective Safety Incentive Plan

Many companies are implementing safety incentive programs, hoping that by rewarding employees for good safety records, they will cultivate a safer work environment and reduce costly worker's compensation claims. Some employers are concerned, however, that safety incentive pro-

grams can actually lead to a more dangerous work environment where injuries are under-reported in pursuit of rewards. To make sure a safety incentive program is a positive addition to your company's safety program, several factors should be considered.



- 1. Incentive Programs Are Just the Icing, Not the Cake**—Most importantly, incentive programs should be just an added layer to your already strong and comprehensive safety program. Employees cannot improve their performance if they do not have the appropriate safety training needed to recognize and mitigate hazards. The bottom line is that safety incentive programs will not reduce injury rates and should not be implemented if you do not already have an effective safety program in place.
- 2. Support Safety from the Top Down**—To demonstrate the importance of the program to employees, upper management should be committed and involved throughout the process. From the initial design and launch stages, to implementing the program, they must be visible on an ongoing basis. Management should communicate frequently to their employees about the program and take an active role in distributing the rewards.
- 3. Carefully Design and Administer Incentives**—Poor design and administration are the most commonly cited reasons for incentive

continued on page 2



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continued from page 1...

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program failure. Because the concern of accident under-reporting is valid, some experts recommend substituting or adding a more process-based approach as opposed to a strictly results-based incentive program. A process-based system provides incentives for engaging in safety behaviors such as participating in safety training or earning a high mark on a safety quiz. Result-based approaches typically just provide rewards for accident-free time periods.

Once the overall approach is selected, the details of the program should be designed carefully with thoughtful consideration given to selecting the appropriate goals and rewards, establishing methods of evaluating and recording performance and determining how and when rewards will be given.

4. Give Meaningful Rewards for a Job

Well Done—Common rewards include cash bonuses, time off work and gift certificates. Whatever you choose, make sure it has value to your workers and can be earned frequently enough to remain a top-of-mind goal.

Recognition can also be an effective part of an incentive program. For instance, rewards can be handed out at an awards banquet or along with a plaque.

5. Communicate Frequently and Effectively

—Management should be proactive by emphasizing that hiding or not reporting injuries is strictly prohibited and that such acts will have consequences. Supervisors should clearly communicate how the program works and how employees' progress will be measured. An ambiguous program is an ineffective one. To maintain incentive and keep the momentum, your employees should be continually reminded about the program and updated about how they are doing.

Remember, if your company's safety incentive program is conducted thoughtfully and thoroughly, it will not only help reduce costly accidents and injuries, but also help boost the morale within your organization.



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