



ALABAMA MUNICIPAL INSURANCE CORPORATION MUNICIPAL WORKERS COMPENSATION FUND, INC.



Loss Control Division

SUCCESSFUL SAFETY INCENTIVE PROGRAMS

OVERVIEW

Implementing a safety incentive program can help you to enhance and maintain interest in your safety program and help to build cooperation among employees when you want to launch a safety campaign that focuses on a specific area of concern. Safety incentives, however, are not substitutes for a safety program itself.

Before implementing a safety incentive program, you should make sure that you have all the components of an effective safety program in place. These may include:

- A safety policy that clearly states the Company's commitment to providing a safe environment for employees as well as customers and visitors.
- Policies that communicate what the management team expects about employees' responsibilities and accountabilities for safety in the work place.
- Ongoing management support for activities that promote safety. These may range from safety meetings and training in which management participates to written "atta-boys" and other less formal means of recognizing employees who are working safely.
- Work rules that make clear management's expectations about job performance and other areas of conduct that may affect workplace safety.
- Effective procedures for applying appropriate corrective action -- from training to disciplinary actions -- when employees fail to comply with expectations.
- A performance appraisal system that includes the evaluation of each employee's safety performance.
- A safety committee that evaluates incidents and accidents and seeks ways to prevent them in the future.
- The designation of individuals who have responsibility for monitoring workplace safety through form inspections and/or audit activities at regular intervals.

The goal of the incentive program is to increase worker awareness of safety issues and procedures, not to win prizes. Therefore, it is important to have a firm foundation upon which to build the incentive program. Otherwise, the objective of the incentive program -- increasing worker safety while reducing the direct and indirect costs of accidents and injuries -- will be lost.

CREATING THE PROGRAM

There are numerous approaches you can take to building an effective safety incentive program. Your approach will depend on:

- The nature of your operations
- The size of your operations
- The number of employees you have
- The number of work locations, fixed and job sites

- Whether or not you will include all employees (line and clerical)
- Your budget

Regardless of these factors, there are some general guidelines that apply to all safety incentive programs:

Decide Your Objective

You should determine why you want to establish a safety incentive program. For example, you may want to decrease workers' compensation premiums by reducing the number of worker injuries. On the other hand, increasing productivity by decreasing the number of lost workdays may be your goal. If your company is just beginning to implement a formal safety program, your goal may simply be to reinforce general safety principles.

Select Your Participants

You should ask yourself: "Which employees need to participate in the program -- or a particular phase of a long-term program -- to achieve the objective?" If there has been an increase in the number of claims resulting from respiratory disorders, a program that includes clerical workers is unnecessary. You would probably want to target workers whose job responsibilities require them to use respirators.

Establish a Theme

Having a focus reminds participants of the goal you want your employees to achieve.

Select Appropriate Prizes with Increasing Value

Prizes need not be expensive, but they should have meaning. Many companies decide to use various items imprinted with the company's logo (and sometimes with the slogan of the specific contest). If your company wants to run an ongoing program, as distinct, for example, from a monthly contest, these types of promotional items come in a wide range of prices. This allows you to set up a point system. The point system allows winners in one phase to save points toward earning prizes of higher value. Prizes that reinforce the contest theme can be very effective; for example, safety glasses, work shoes, hard hats, etc.

Determine the Length of the Program

The incentive program should be intermittent and should last for a specified period. If carrying out a contest idea will require a prolonged period, experts recommend that you have several contests of shorter duration under the main contest heading. This will maintain employee interest and allow managers to stress various safety issues.

Communicate the Goal

The program should be fun, relevant to the work experience of all participating employees, and make recognition for working safely more significant than the value of the prize. The program should convey the enthusiasm of its designers (management, safety director, and safety committee) to the people (supervisors, employees) for whom they have designed it.

Common Elements

While each safety incentive contest or program is different, all successful programs have fourteen basic elements.

1. A specific goal.
2. A specific theme or focus.
3. The support of top management.
4. A means of recording performance toward reaching the objective.
5. A budget.
6. The determination of participants and judges.
7. Specific rules and time limits.
8. Promotion among all employees.
9. A special kickoff.
10. A design that promotes continued interest.
11. A method of telling employees about performance and/or standings.
12. An announcement of winners.
13. Communication of final standings.
14. Management recognition for employees' efforts.

Prizes or awards should not be so large that the goal becomes winning the prize rather than improving safety.

The following are samples of successful safety incentive programs that some companies have implemented.

SAFETY SLOGANS

Programs that focus on employees creating safety slogans are extremely popular. They usually do not require employees to have special knowledge about safety. Before launching the program, you should establish selection criteria to guide the judging process. Will the criteria be originality, applicability to operations at the work location, most dramatic, most appealing? You should also decide who would serve as judges. These types of programs can run for as short as a month or up to a year.

Most Original

This contest runs for a period of two months. You encourage all employees to submit original safety slogans. A panel of judges selects four winners each month. First prize is the choice of item from an incentive catalog (moderate prices). Prizes for runners-up are items from an incentive catalog (lower prices).

Management posts the slogan throughout the plant and prints them in the company newsletter.

Quarterly Slogan

A slogan contest takes place in August, September, and October of each year. Management asks all employees to submit slogans. The company's safety committee selects the winning slogan. The employee who submits the winning slogan in any of the three months receives a check for \$25. The employee with the best safety slogan for the entire three-month period earns an additional reward of \$50. Each month, the winner's name and his/her slogan appear on the company's paychecks or in the company newsletter.

"Do You Know?"

You establish a budget of \$6 for each month during which this program will run. At the beginning of each month, you post a safety slogan relevant to workplace conditions or practices on bulletin boards at all work locations. At the end of the month, you put the names of all employees in a box and draw six out.

The safety supervisor (or other individual) approaches each of the six in turn and asks him or her what the safety slogan is. If the employee is able to repeat the slogan, he or she receives a silver dollar. If an

individual does not know the slogan, management draws another name. The process repeats until the entire \$6 is used.

This Is a Variation of "Do You Know?"

You post the slogan of the week on bulletin boards throughout the plant. The safety supervisor (or other individual) then picks five names at random from the company employee list and numbers them in order. Armed with five silver dollars, he looks for the first person on the list. The safety supervisor simply asks the first employee what the slogan of the week is. If the employee can repeat it, he or she receives a dollar. If not, the safety supervisor goes on to the second person on the list. The safety supervisor continues until, he or she gives the \$5 away or all employees have had a chance to participate.

Usually, a period of a few weeks is sufficient to get the employees to read the safety bulletin boards, after which time the contest ends and another takes its place.

Best Slogan

You and your management team encourage all employees to submit safety slogans. A group of judges selects the best one each week.

Prizes for the best slogan change weekly. It might be a baseball cap with company logo, certificates for dinner and a movie, a coffee mug, etc.

After the period designated for the contest ends, the judges decide which should receive the grand prize. The winner receives an award of greater monetary value.

Each weekly winning slogan and the person submitting receive wide publicity throughout the company. In addition to the monetary award, the grand prizewinner wins pizza and pop or donuts and coffee for his or her department.

Children's Safety Slogans

For six weeks, you and your management team encourage your employees' children (up to age 12) to submit safety slogans. A panel of judges picks the winners each week -- with a prize of \$20 for first place, \$10 for second place, and \$5 for third place. At the end of the contest, there is a grand prizewinner for the best overall slogan with a \$25 award.

Photographs of the winning children and their slogans appear on company bulletin boards or in the company newsletter.

SAFETY RECORD

1,000 Safe Days

In this campaign, the winner is any department that is able to operate 1,000 days without lost-time injuries. Every employee in the department receives a quality gift suitably inscribed with the achievement of the department. The gift can be a ball point pen, a coffee mug, a baseball cap, or a tee shirt. You make the presentation with appropriate ceremony, pictures, and publicity.

Stock Issue

Each of your employees receives a "share of stock" with a maximum value of \$7. If you operate six months without a lost-time accident or doctor case, the share is redeemable for \$7.

Each doctor case causes the share to drop \$10, and each lost-time case causes the value of the share to drop \$2.50.

The injured employee himself loses \$2.50 of his share for a minor accident and the entire share for a lost-time case.

Hours Worked

For each period of 50,000 hours that the company goes without a lost-time accident, you buy and display a prize worth about \$10. After you have set aside six such prizes, you call a meeting of all employees. At this meeting, employees have a chance to participate in a general drawing for the prize.

If a lost-time accident interrupts the contest before you have set aside the six prizes, employees in the department that had the accident are ineligible, and all other departments are eligible to draw for the prize.

Safe Employees

This contest, run at the beginning of each month, is for employees who had no accidents during the preceding month. The names of these employees go into hat. You post a different safety slogan in all work locations each month. At the end of the month, a member of management draws a name from the hat. A member of management telephones the employee's residence. If the person answering the telephone is able to quote the slogan, he/she wins a prize.

No Accident - No Absenteeism

Once a month, you place stubs with the time card numbers or names of all employees in a box. The contest winner from the previous month draws one stub from the box before the monthly safety meeting.

Management checks the record of the employee for.

- No accidents during past month.
- No absenteeism during past month.

Management draws names until one employee meets the two above requirements. This person receives a special prize.

The name of the winner is announced at a Safety Committee Meeting or general employee meeting and appears on bulletin boards where employees congregate.

This contest can be company-wide or limited to a specific department.

SAFETY QUIZZES

Safety Know How

This program works in organizations that publish a bulletin dealing entirely with the subject of safety. The schedule can be monthly, bimonthly, quarterly. To make sure that employees read the bulletin, you set up a quiz contest.

The names of all employees go into a box and each month (every other month, quarter) the safety supervisor (or other person) draws a name. The supervisor approaches this person and asks the employee several questions concerning the most recent issue of the bulletin. If the employee can answer the questions, he or she receives a prize.

There are two important considerations: (1) the material should not be too technical since it must appeal to a wide range of employees. Suitable topics might be good housekeeping or fire prevention. (2) The contest should take place within one week of distribution of the newsletter.

Lottery Winner

Management posts a safety slogan all bulletin boards each day. Sometime during the day, the safety supervisor (or other person) approaches an employee whose name has been drawn. The safety supervisor asks the employee to quote the safety slogan of the day. If the employee can do this, he or she receives a lottery ticket. If not, the safety supervisor adds the ticket to the award the following day, increasing its value. When someone is able to quote the safety slogan accurately, that person receives the entire award. The next day the contest starts again with a new lottery ticket.

Telephone Tag

Interested employees submit their names and home telephone numbers for a special drawing. Each month, a member of management draws one name out of a box and calls the employee's home. If the person who answers the telephone is able to quote the safety slogan for the month, he or she receives a gift certificate. If not, the gift certificate increases for the next month.

MISCELLANEOUS AND COMBINATION CONTESTS

Cash and Grocery

Only employees in any department that had no lost-time accidents during the preceding month are eligible for this contest.

In this contest a combination of cash and groceries goes to one employee each month based on a safety slogan displayed where employees congregate.

The names of eligible employees go into a box. Management draws the winning name at the designated time each month. The winner gets \$10.

Management then makes a telephone call to the winner's home. If anyone there is able to repeat the current safety slogan, that person receives a \$25 certificate towards a grocery order from a local store.

Safety Suggestion

Management places suggestion boxes throughout the work location. Employees write out safety suggestions. The suggestions can be about unsafe acts, unsafe conditions, and health hazards. The Safety Committee (or management team) reviews the submissions at each monthly meeting. The Safety Committee selects the best suggestion each month by vote. Recognition takes the form of posting the winner's name and his or suggestion on bulletin boards along with the action management or the Safety Committee will take as a result of the suggestion.

What's Wrong with This Picture?

The company publishes a cartoon showing many types of hazards in its monthly newspaper or magazine. The company invites all employees to submit a list of all the hazards they can find. The employee who submits the longest correct list wins gift certificates that he or she can use for free lunches for one week.

Good Housekeeping

Once monthly, a manager and one individual from the Safety Committee inspect various work locations. A different committee person participates each month.

The manager and the member of the safety committee inspect and score the locations individually, not as a group. Each inspector turns his or her scoring into a designated individual (such as an Administrative Assistant) who averages the scoring for each work location. By comparing the current score with the previous month's score, this person decides which work location has made the most improvement. The most improved location becomes the winner of the good housekeeping award for the month.

The monthly total scores appear, in the order of rating, on bulletin boards where employees congregate.

The person doing the scoring uses a sheet listing the ten items to be checked with the department numbers across the top of the sheet. Each department can rate up to ten points on each of the ten items, making a possible total of 100 points. The winning location receives a free lunch or other suitable prize.

NOTE: This document is not intended to be legal advice. It does not identify all the issues surrounding the particular topic. Public agencies are encouraged to review their procedures with an expert or an attorney who is knowledgeable about the topic. Reliance on this information is at the sole risk of the user.¹