

Loss Prevention Program

How to develop a program for your organization

A Loss Prevention Program promotes safe, healthful work conditions for all employees and is based on clearly defined objectives that are performance oriented.

In Minnesota, many employers are required by Minnesota OSHA to have a written workplace accident and injury reduction (AWAIR) program, also known as a loss prevention program.

In other states not regulated by a state-level OSHA, employers are not required to have an AWAIR program, but having a written loss prevention program is a good idea.

Other written programs are required by federal OSHA for all states, such as a written Hazard Communications program, a Respiratory Protection program and Lockout/tagout program.

To clearly define your goals in safety and to make safety a priority for your organization, develop your own Loss Prevention Program by including the following elements:

A. Your safety statement and objectives

The purpose of your safety statement and objectives is to formalize management's commitment to the safety and health of its employees. Include:

- An outline of your company's safety goals, objectives and tactics.

Set annual goals for your Loss Prevention Program, just as you set goals for the other facets of your business. Your goals might include: a reduction in eye injuries, consistent and proper scaffolding erection, or proper equipment operation.

To help you achieve your loss prevention

objectives, establish specific action steps that will give direction to your Loss Prevention Program. For example, provide lifting training or training in proper scaffolding erection to all employees, or require the use of eye protection.

- Clearly identify the responsibilities and authority of management, supervisors, employees and your safety committee. Explain how they will implement your safety program and how participation will be measured and maintained.

B. Work standards and rules

Work rules and standard operating procedures are designed to regulate employee actions. These rules define the actions and performance standards expected by management.

These written rules should be specific to your company's operations. Be sure to include standard operating procedures for all equipment use. Your rules might include descriptions of accidents that have occurred in your organization or warnings of accidents common in your industry, with suggestions on how to prevent them. Review your work rules and procedures annually taking into consideration accidents that occurred in the last 12 months.

C. Enforcement procedures

All employees are expected to attend training to become familiar with safety rules and to abide by them. Explain that failure to comply with any safety rule will be cause for disciplinary action. Clearly define disciplinary procedures such as a verbal warning, written warning, etc.

D. Employee training

Training of both new and current employees is an essential component of a Loss Prevention Program. Design your employee training to:

- Teach safety skills. Employees need to know how to work safely.
- Increase awareness of work hazards and prevention methods.
- Create an understanding of work rules and standard operating procedures.
- Develop an employee-management partnership that promotes safety.

E. Worksite safety review and inspections

Develop a safety review and inspection process to identify operational hazards and observe employee work methods. Periodic review and inspections allows you to gauge the effectiveness of your Loss Prevention Program.

During a safety review you look for or observe the following:

- Workplace environmental hazards.
- Workstation set-up.
- Work activity.
- Modified work tasks.
- Employees' awareness of conditions.

In the review and inspection process, do your best to eliminate the physical hazards identified. Then, modify standard operating procedures or workstations as needed.

Document your inspections, including appropriate follow-up procedures. Determine whether past recommendations have been addressed and implemented.

F. Reporting process and accident investigation

Despite your precautions, an accident might still occur. When this happens, it is important

that you report the injury to SFM and conduct an immediate and thorough investigation. Follow these steps:

- **Report.** If an employee is injured, SFM recommends following its “*Five Step Response*” process. 1) Duty to inquire. 2) Get the proper care. 3) Gather information. 4) Fill out the First Report of Injury. 5) Send it to SFM within 24 hours. See your SFM *Employer Kit* for more details and the necessary forms.
- **Actual investigation.** Determine the circumstances that surround the accident. Using a standardized investigation form can help you identify trends or problem areas. A *Supervisor investigation worksheet* is a resource you may download from SFM’s online resource catalog at www.sfmic.com to be used as a tool to investigate an accident.
- **Follow-up.** Take corrective action to prevent a similar accident from occurring again. Follow-up to ensure these corrections are made quickly. This might require increased safety training, additional safety equipment or safer work methods.

Once you have written your formal Loss Prevention Program, have the president of your organization sign the statement to show that support for the program starts at the very top of your company. Then distribute it to all employees. That way they will know what is expected of them, and what they can expect from management.

Use the sample Loss Prevention Program attached to write your own. Be sure to personalize the program to fit the needs of your organization.

For specific questions or assistance with your Loss Prevention Program, call your SFM Loss Prevention representative at (952) 838-4200 or (800) 937-1181.

Sample

Loss Prevention Program

A. The safety statement and objectives

The Your Company Name Loss Prevention Program is based on the premise that every employee is entitled to a safe and healthful work environment. Our Loss Prevention Program is designed specifically for the protection of our employees and visitors. Management and all employees are directed to make safety and loss prevention a top priority.

We believe every employee is concerned for his or her own safety and the safety of coworkers and will recognize that these rules and policies are for their protection. The goals we have set for our Loss Prevention Program are achieved through a cooperative effort among all employees and management. Safe work habits and the awareness and knowledge of all safety rules and policies are a condition of your employment at Your Company Name. All employees are required to attend training to become familiar with rules and policies and to abide by them. These rules and policies will be enforced just as any other company policy. Failure to comply can result in reprimand, suspension or employment termination.

All employees are encouraged to make suggestions that will assist in maintaining safe work conditions and should bring these suggestions to their supervisor's attention. It is through our joint participation that accidents can be prevented, but only you can make safe work practices a habit.

Accidents cause pain and suffering, wasted time and money, and can cost someone his or her life. Your Company Name is committed to providing you with a safe place to work. We require your assistance and participation in keeping it that way. We will never ask you to commit an unsafe act or violate a safety rule. We expect the same from you.

Our policy toward safety is in no way limited to the rules that follow. All unsafe practices, whether listed here or not, will be addressed.

President _____

Date _____

Company safety goals and objectives

Your Company Name is committed to providing its employees with a safe and healthful working environment. To achieve this environment the company has established the following goals, objectives and tactics:

Goals

1. Annually reduce employee accidents and injuries until they stand at or near zero.
2. Help develop safe work habits and attitudes among employees.
3. Provide a channel of communication between employees and management.

Objectives

1. Establish a Loss Prevention Program that will reduce the number of injuries and accidents to a minimum, not merely keeping with, but surpassing the best experience of other operations similar to ours.
2. Reduce the injury rate by _____ percent.

Tactics

1. Review past injuries quarterly for trends and causes of accidents.
2. Review our Loss Prevention Program annually to meet the current safety needs of the company.
3. Provide supervisors and employees with safety training in the following areas: _____

Safety responsibilities

All responsibilities should be clearly communicated and understood. No person should be held responsible for performing a function unless that person also has the authority to accomplish it.

At Your Company Name, safety responsibilities are assigned to the _____, _____, and all employees. Everyone is responsible for safety in the workplace.

President responsibilities

Management accepts the responsibility for impressing upon all employees that safety and injury prevention have a high priority at Your Company Name and that all rules and policies will be followed.

1. Provides leadership and guidance to middle management for the acceptance, maintenance and enforcement of the Loss Prevention Program.
2. Provides resources for training and monitoring the Loss Prevention Program.
3. Periodically reviews the safety records and reporting functions.
4. Promotes and attends safety functions.
5. Maintains open lines of communication between employees, supervisors and management relative to the free exchange of safety suggestions and information.
6. Monitors the follow-up on recommendations made to improve performance and prevent accidents.

Safety coordinator responsibilities

At Your Company Name the primary responsibility for the Loss Prevention Program rests with the safety coordinator. He or she is responsible for the daily maintenance of the Loss Prevention Program and provides leadership to the _____ in their daily functions related to safety.

1. Works closely with all company operations and insurance carrier representative to ensure that safety compliance interfaces with operating procedures, and that safe work methods are established and maintained as policy.
2. Establishes and implements all necessary employee safety training and develops controls that ensure that safe procedures are followed.
3. Makes periodic inspections of all areas of the organization to identify safety hazards. Takes action to correct all unsafe conditions or practices.
4. Ensures compliance with all company, local, state and federal safety regulations.
5. Enforces safety procedures for interviewing, testing, investigating, hiring and orientation of new employees.
6. Complies with proper procedures for accident investigation and reporting.
7. Reviews job safety inspection forms with supervisors and schedules job tasks to be reviewed.

Manager responsibilities

The manager is responsible for translating top management's policies into action and for promoting safety activities among employees. He or she provides leadership for his employees in their daily functions related to safety and production.

1. Periodically inspects all areas to identify safety hazards and takes action to correct all unsafe conditions or practices.
2. Ensures compliance with all company, local, state and federal safety regulations.
3. Assists in establishing procedures for interviewing, testing, investigating, hiring and orienting new employees.
4. Orients new employees to safe job procedures, job assignments, job requirements and all rules related to their job.
5. Trains employees involved in accidents and those whose performance or actions make additional training necessary.
6. Enforces the use of required personal protective equipment.

Supervisor responsibilities

Supervisors are key in the success of our Loss Prevention Program. Their responsibilities must be met on a daily basis and with a high degree of proficiency. They must be able to communicate and enforce all safety policies and procedures. All employees must feel confident that the supervisor cares about their personal safety.

1. Orients new employees to safe job procedures, job assignments, job requirements and all rules related to their job.
2. Reports any unsafe conditions or equipment to _____, and follows up to ensure that any defective equipment or unsafe conditions are corrected.
3. Brings forth information on all accidents and incidents, and assists in determining steps to prevent recurrence.
4. Reviews the daily activities of each employee and assists the _____ in enforcing the Loss Prevention Program and all safety rules.
5. Maintains satisfactory standards of housekeeping throughout the organization.
6. Knows how to operate all emergency equipment in his or her areas of responsibility.
7. Enforces the use of required personal protective equipment.
8. Thoroughly investigates all accidents and injuries, and files all necessary reports in a timely manner.
9. Retrains or instructs employees involved in accidents and those whose performance make additional training necessary.
10. Makes periodic inspections of all areas of the organization to identify safety hazards. Acts to correct all unsafe conditions or behaviors.
11. Performs job safety inspections by establishing methods, and files necessary reports in a timely manner.

Employee responsibility

We want Your Company Name employees to be the safest, most knowledgeable and most conscientious employees in our industry. To develop and maintain this professional image, our management must provide all employees with proper training. Your Company Name employees must:

1. Understand all safety rules and policies and work in such a manner that abides by these rules.
2. Maintain the physical and mental standards necessary for the job.
3. Daily inspect his or her assigned work area and equipment and immediately report any unsafe conditions.
4. Immediately report all accidents or near accidents involving property damage or injuries, regardless of who was at fault.
5. Become familiar with and abide by all local, state and federal regulations that apply to his or her job activity.
6. Attend all required safety meetings.
7. Help extend the life of equipment through proper operation and avoidance of abuse.
8. Be familiar with the proper maintenance of required personal protective equipment and use it.

Safety committee responsibilities

A safety committee will be formed and will meet on a regular basis. This can be a most valuable tool in maintaining an effective safety program and communicating management's commitment and concerns for safety throughout the organization. To be effective, the safety committee should:

1. Include all levels of employees and promote active participation from top management.
2. Meet on a regular basis with a pre-planned agenda and careful documentation of who attended, what was discussed and what action was taken.
3. Conduct regular safety inspections of all areas in the plant and suggest corrective action on all hazards noted.
4. Be responsible to promote safety awareness that will lead to accident and injury prevention.
5. Ensure that this is a position of prestige and importance. People should be honored to participate on the committee.
6. Bring ideas and suggestions before management that will encourage safety awareness in all employees.

7. Keep management informed of situations that will jeopardize safety or the compliance with the *Your Company Name* Loss Prevention Program. Under the direction of the President and the safety committee, he or she should reach every department in the company and keep the employees aware of the importance of accident prevention and safety.

B. Work standards and rules

All *Your Company Name* employees are expected to be familiar with and abide by all the following rules. Our policy toward safety is in no way limited to the rules that follow and all unsafe practices, whether listed here or not, will be addressed. Failure to comply with any safety rule will be cause for disciplinary action and can lead to reprimand or termination.

1. Always report any injuries or accidents to _____. Know where first aid facilities are located. All injuries should be treated at once.
2. All employees must wear personal protective equipment such as hard hats, hearing protection and others when in designated areas that require such protection. Appropriate footwear is required.
3. Do not remove safety guards from any saw, machine or hand tool. Do not operate any saw, machine or hand tool without a safety guard.
4. Practical jokes and horseplay can lead to accidents and will not be tolerated. Never distract another employee.
5. Obey all warning tags and signs posted throughout the workplace or affixed to machinery or hand tools.
6. Be careful when lifting or pushing heavy objects. Avoid unnecessary back injuries by following rules of common sense:
 - Keep neutral curve in low back.
 - Keep head up.
 - Lift with legs.
 - Bring load in close.
7. Know where a fire extinguisher is located and how to properly operate it. Do not play with fire extinguishers.
8. Keep all areas neat, orderly and free from trash and debris.
9. Check the condition of all personal protection equipment, machinery and extension cords daily. Never remove ground wires from electrical tools. Unless it is a part of your regular job, never attempt to make electrical repairs.
10. Smoking is allowed only in designated areas. Completely extinguish all matches and butts.
11. Possessing, using, selling or being under the influence of alcohol, marijuana, hallucinogens or any other drugs or controlled substances on company property at any time or when on company time away from the workplace is strictly prohibited and could result in immediate termination of employment.

C. Enforcement procedures

Responsibilities do not stop with the management. Employees are responsible to obey all company rules and to work in such a manner that will prevent injury to themselves or fellow employees.

The Company's intent is not to discipline employees who are involved in non-preventable accidents. *Your Company Name's* position is to work with those employees to make them safer workers. Disciplinary procedures are established to deal with any employees who disregard company policies and rules, or who are repeatedly negligent in their duties. Our procedures are set up to first warn, then if properly communicated warnings are not heeded, to discipline problem employees. *Your Company Name* cannot and will not permit negligent people to repeatedly injure themselves or to put their fellow employees in danger.

Should there be a violation of safety rules or policies, the following disciplinary procedures will apply:

1. **Verbal warning:** Employee will be given a verbal warning for a minor offense. A record of this warning will be placed in employee's personnel file.
2. **Written warning:** Employee will be given a written warning for relatively serious or repeat offenses. Copies of the written warning are filed in the employee's personnel files.

3. **Suspension:** Employees may be suspended from work duties without pay and with a written warning for continual repeated offenses or severe violations that result in injury to him or herself and others.
4. **Termination of employment:** Employee may be terminated for flagrant violations of company policies and procedures. Termination may also occur if employee persists in continued or repeated violations of company rules after repeated warnings and continues at an unacceptable level of performance.

D. Employee training

The training of supervisors and other employees is vital in a successful Loss Prevention Program. Your Company Name management provides training to all supervisors and supports their training of all other employees. Employee training is the responsibility of the _____.

Safety training is not a one-time occurrence. Continual monitoring and interaction between employees and supervisors demonstrates accident prevention efforts.

Safety rules and safe work procedures should be discussed specifically with each employee on an ongoing basis. Work routines should be reviewed periodically. Employees should be given explanations of potential hazards to avoid and safeguards to follow. Discussions should include a review of safety procedures, along with an explanation of why _____ feels they are necessary.

Safety training should include the following topics:

_____	_____
_____	_____
_____	_____
_____	_____

It may become necessary to retrain employees in safety rules or procedures.

It is vital to our Loss Prevention Program that all safety training programs and meetings be carefully documented. Written records of all training activities are the responsibility of the _____.

E. Worksite review and inspections

Job safety review and inspection is a process for identifying hazards and developing safe job procedures. Your Company Name is committed to providing a safe and healthful environment for its employees. Part of providing this environment involves uncovering potential hazards in the workplace. These hazards may have been overlooked in the layout of the building or the design of equipment; been developed after production started, or resulted from changes in work procedures or personnel.

The four basic steps in doing a job safety review and inspection are:

1. Select the job to be reviewed. Selecting jobs to be reviewed should be based on frequency of accidents, injury severity, potential injury severity and whether the job is newly established.
2. Break the job down into successive steps or actions and observe how they are performed.
3. Identify the hazards or potential accidents. Look for accident types—what can the employee be struck by, caught on, contacted by, etc.?
4. Develop solutions for potential accidents. This may include writing a standard operating procedure, finding a new way to do the task, changing physical conditions or reducing the number of times the task has to be performed.

The major benefits of job safety reviews come after completion. Safety attitude and awareness among employees is improved. The analysis can also be used for initial job safety training and as pre-job safety instructional tools. Properly used, job safety review and inspections can reduce accident frequency and severity.

All reviews and inspections will be documented by _____ for follow-up in the future to determine if recommendations have been implemented.

F. Reporting process and accident Investigation

The management at *Your Company Name* accepts the responsibility for minimizing losses due to unsafe practices by promptly and accurately investigating all accidents whether an injury occurs or not.

Accident investigation is a vital part of our Loss Prevention program and is designed to prevent or control unsafe practices. The information obtained in a thorough investigation will assist in determining when an accident occurred and then give a basis for taking corrective action. The investigation must include a written report.

Accident investigation procedure

Usually the _____ is responsible for accident investigation. However, the _____ may find it necessary to also be involved in the investigation.

An investigation should always be done as soon after the accident as possible. Facts should be gathered and statements taken while the accident is still fresh in the minds of those involved. If possible, every employee who is involved or who witnessed the incident should be interviewed. All possible causes should be studied and accurate details should be obtained. The accident investigator should interview witnesses separately and caution should be used in jumping to hasty conclusions.

Preparing a written report

All possible questions related to the accident must be answered and corrective actions must be recommended.

1. **Personnel and background information.** Name of the person involved in the accident. What are the employee's regular job tasks? What are the nature of the injuries and the injured body parts?
2. **Accident description and related information.** Give the exact location of the accident. What was the job task the injured was doing at the time? What was the exact step or part of the job being done? What type of accident occurred?
3. **Analysis of accident causes.** What did the injured employee do or fail to do that contributed directly to the accident? What defective or otherwise unsafe condition of tools, equipment, machinery, structures or work contributed directly to the accident? What was the primary type of unsafe action or condition involved?
4. **Actions to prevent accident recurrence.** Indicate actions needed to prevent recurrence. Identify persons responsible for planned corrective actions.
5. **Miscellaneous information.** When was the last job hazard analysis of the job conducted? Who investigated the accident?

Reporting procedures

All accidents must be reported to a supervisor as soon as possible. If an employee is injured, be sure to get the injured employee the necessary medical attention first. Then, the _____ is responsible to report the injury to our workers' compensation provider, _____ as soon as possible to be sure the claim is processed as efficiently as possible.

SFM

The Work Comp Experts

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