A Workplace Perspective

Must be:
• Based on performance.
• **Meaningful** to the recipient.
• Timely.
Workplace and System Performance Measurement

- Establish a clear set of expectations/metrics.
- Must separate insurance and H&S performance measures.
- Not influenced by politics
H&S Measure Alignment

Is there a common set of H&S measures that are understood and used by the workplace and the “system” to measure performance?

NO

How can you decide on incentives without measures?
Workplace H&S Metrics

• Measured by Trailing and Leading indicators.
  –Lost Time Injuries are a poor measure of H&S performance
• Management system audits
• Non-Occupational injury and illnesses
• WSIB Costs
• Indirect Costs
Workplace Performance

THE TIP OF THE ICEBERG
Direct Costs of Injuries
- WSIB premiums
- Claims administration fees

THE BULK OF THE ICEBERG
Additional Costs of Injuries
- Long Term Disability
- Sick Leave
- Vehicle damage
- Equipment damage
- General Liability Costs
- Litigation
- Lost productivity and quality
- Replacement Labor / Overtime
- Damage to Customer Relations & Public Image

* Actual identifiable costs from Hydro One data
Good H&S Performance is Good Business

- H&S performance is clearly a business performance issue in the workplace.
- Engaged employees are safer and produce better business results.
- WSIB insurance costs and incentives reinforce the focus on prevention and management of claims.
Workplace Incentives

• Performance management system should tie H&S performance to compensation at all levels of the organization.

• It does not effect what people do day to day.

• It does creates a need for people to work together to develop improvement plans and track progress.
Do System Financial Incentives Influence Behaviour

• *Claim Cost influence behaviours*

• Current system based financial incentives don’t directly impact H&S prevention activities in a workplace – *too uncertain*.

• Incentives do help the workplace focus on ensuring that required insurance benefits are provided in an efficient and effective manner.

• Incentives should focus on activity based programs that recognize implementation of OHSAS 18001 like H&S Management systems.
System Incentive Opportunities

**Accreditation - H&S Management System**

- Provide a Health and Safety management system framework – OHSAS 18001.
- Provide *meaningful* recognition to high performers – tilt the playing field.
- Provide recognition that will encourage others to come.
- Eliminate “system” administrative burden.
Staircase to Accreditation

Progress Steps to Achieve Health & Safety Management System

- Safety Groups
- HSA Assessments
- Individual Company H&S Management Systems – e.g. Responsible Care
- Z1000, OHSAS 18001, ILO, ISRS, etc

Safe Communities

Self Assessment Steps

Third Party Assessment

Accreditation

NQI Healthy Workplace
Accreditation
Performance Recognition

• Need to develop a meaningful recognition process that includes a financial incentive as part of the continuum.
• Recognition must be aligned with, but not overlap (duplicate), existing incentives.
• Not all meaningful incentives are financial.
• Not be influenced by politics.
• Great companies are not perfect.
Two Week Waiting Period

• Qualifying/Accredited employers would self insure for the first two weeks.

• Keep their own healthcare reporting log – just like the OSHA Recordable Log.

• Significant financial incentives for the WSIB and qualifying employers.
Thank you