



Property & Casualty

Effective Safety Incentive Program



The Dos and Don'ts of an Effective Safety Incentive Program.

When implementing a workplace safety program, following some do's and don'ts can help ensure that reward incentives drive the goals of employee safety and well-being and a safe work environment.

DO: Recognize the importance of recognition over rewards in cultivating an excellent safety culture.

When leaders are trained and encouraged to acknowledge safe behavior and positive outcomes, it creates a strong foundation for safety awareness. Employee recognition serves as a vital tool for promoting the program continuously. Whether through newsletters, awards ceremonies, surprise pizza parties or a simple pat on the back, recognizing employees' contributions is immensely impactful. Such recognition from superiors holds personal significance and is often perceived as more meaningful than tangible rewards alone. Utilizing additional rewards as a complement to recognition adds an extra touch of appreciation and reinforcement to the overall safety program.

DO: Use constant repetition and consistently promote the program.

Take your cues from marketing, where the most essential part of delivering a message is frequency and consistency.

DO: Obtain management support and buy-in for success.

It is imperative that every manager, from supervisors to the CEO, demonstrates unwavering commitment and active participation in the program. When employees witness the dedication of their management team, they are more likely to embrace and engage with the program. Management's genuine involvement serves as a powerful catalyst in gaining employee trust and fostering a positive program culture.

DO: Commit appropriate time and money to the program.

Safety incentive programs on average cost \$50 per employee per year and take significant time to properly plan and execute. The appropriate budget and time commitment will go a long way toward implementing and maintaining a successful program.

DO: Make safety a core value for your organization.

Safety is as important to long-term success as production and profits. Discussion of safety issues should regularly be part of meetings.



DO: Involve employees in the process. Have employees participate in committees, inspections, investigations and making suggestions.

DO: Set high expectations, state them clearly and often, and provide employees with the proper resources and equipment to meet them.

DO: Reward everyone and reward often. In addition to investing in and rewarding employees who already prioritize safety, it is equally crucial to focus on changing the behavior of those who may not demonstrate the same level of commitment. Ensuring fairness and equal opportunity for all employees to earn rewards is essential. If you employ long-term processes or points-based programs that accumulate toward rewards, it is important to provide regular updates to keep employees informed about their progress. Offering routine feedback and consistently linking successful behavior changes to the rewards reinforces the connection between desired behaviors and recognition.

DO: Provide rewards that are genuine, meaningful, important and worth achieving. Sometimes a pat on the back is worth more than cash.

DON'T: Focus solely on the reward. Instead, consistently educate and encourage the safety-conscious behavior that will lead to the desired outcome.

DON'T: Focus on injury reports, which are lagging indicators. Programs that are based solely on reducing the number of reported injuries can discourage timely and accurate reporting. Instead, implement strong injury reporting policies and accident investigation procedures alongside a program that encourages safety-conscious behaviors and makes safety top of mind for all employees.

DON'T: Let the safety incentive program stand alone or be a substitute for a full safety program. Safety incentive programs must be used alongside safety meetings, training sessions and employee suggestion programs in order to help build safety awareness and long-term enthusiasm for the program. Any company considering a safety incentive program should already have in place a comprehensive safety program that includes return-to-work light duty programs, thorough accident investigation procedures and employee-driven safety committees.

DON'T: Make it complicated. Safety incentive plans should be simple and unambiguous. Start with a big kickoff during which expectations are clearly communicated, then continue to regularly communicate these expectations. Awards and incentives should be clearly and quickly linked to specific performance measures.

DON'T: Attempt to take a program "off the shelf" and plug it into your organization. Certain types of incentive programs simply may not work in your organization, and they might even become a disincentive to report injuries. Instead, keeping in mind your long-term goal of reducing accidents and injuries and keeping workers' compensation costs in check, use a process-based approach that fits your organization's characteristics and will help employees to reach the end goals. In order to be effective, your program must strike a balance between reducing injuries and encouraging safety-conscious activities.

DON'T: Expect the program to run itself, or it will run out of steam. Get employees involved by setting up safety committees comprised of employees. Be sure they have an appropriate budget and resources to run the program for the long term.

DON'T: Use contests or group rewards that will result in negative peer pressure. Group rewards will only work in organizations where teamwork and cooperation are already part of the culture.

Rewards that Work

Most experts agree that cash bonuses are acceptable for truly outstanding safety performance, but many warn that cash — while seemingly the most valuable prize an employee could receive — is simply not special enough. Rewards should be symbolic, meaningful and a remembrance of the job well done. Many companies use clothing, housewares or outdoor equipment imprinted with company safety slogans or logos. Offering extra vacation days and food or parties are also popular with employees and are easy to implement.

Alliant is Your Safety Partner

Above all, remember that safety incentive programs should be about recognition and motivation for making safety a top priority every day. Contact your Alliant producer for more information.

About Alliant Insurance Services

Alliant Insurance Services is the nation's leading specialty broker. In the face of increasing complexity, our approach is simple: hire the best people and invest extensively in the industries and clients we serve. We operate through national platforms to all specialties. We draw upon our resources from across the country, regardless of where the resource is located.