

SafetySmart Online: The Business Case

“Workplace safety is important for legal and moral reasons. But as a business proposition, a safety program represents a cost center that has little to no positive impact on an organization’s profitability.”

There was a time not too long ago when most CEOs subscribed to this myth. Now we know that safety does in fact directly and significantly improve financial performance.

Here, in a nutshell, is the business case for safety and for what should be at the center of any effective health and safety program: SafetySmart Online.

SafetySmart Online & Your Bottom Line

Most CEOs have come to recognize that workplace illnesses and injuries are more expensive than previously thought. Historically, companies considered only the DIRECT costs of injury and illness. And, in fact, direct costs are considerable. According to the National Safety Council, the direct cost of workplace injuries and illnesses in the United States was \$142.2 billion in 2004.

[To get a feel for how the costs of accidents affect your company, consider the following example: A company with a 2% profit margin would have to sell an additional \\$2,888,000 in products or services just to pay the direct cost of a single \\$38,000 accident.](#)

But direct costs are just the tip of the iceberg.

What has changed corporate thinking about health and safety is recognition of the importance of the INDIRECT costs of injuries and illnesses, such as:

- > Delays in production
- > Finding and retraining replacement workers
- > Accident investigation and corrective action
- > Higher workers’ compensation premiums
- > Damage to property and morale
- > Increased absenteeism
- > Loss of reputation
- > And much much more.

In 2001, Liberty Mutual Insurance Company published a landmark study demonstrating the impact of indirect costs on the bottom line. In a survey of more than 200 corporate executives, a whopping 95% said that safety directly affects financial performance. Why? Because, according to the executives, indirect costs are at least 3 and, according to some estimates, **20 times greater than direct costs.**

The second part of the Liberty Mutual study demonstrated executive awareness that money spent to make a workplace safer and healthier **has a significant return on investment (ROI)**. Every dollar spent on safety returns at least \$3 in return, according to 61% of the surveyed executives.

In the years since the Liberty Mutual study, the evidence supporting the positive ROI of safety has continued to accumulate. Now it's become clear that, if anything, the Liberty Mutual executives understated the true ROI of safety. For example, OSHA's Office of Regulatory Analysis states that companies that implement effective safety and health programs can expect reductions of 20% or greater in their injury and illness rates and a return of \$4 to \$6 for every \$1 invested.

Why does safety have such a significant ROI? **The answer is simple: Safety not only prevents losses but helps make money by increasing productivity.** According to the 2005 Liberty Mutual Workplace Safety Index Findings, most CFOs view productivity as the top benefit of workplace safety.

If safety equals profitability, one vital question remains: What's the most important thing for an organization to do to achieve safety?

Again, the answer is simple. When it comes to ensuring health and safety, the best use of corporate dollars is for training. Liberty Mutual and many others have demonstrated that the most effective intervention and the one preferred by most executives is to ensure that the company provides better safety training to its workers. And this is precisely what SafetySmart Online does.

The bottom line: Investing in SafetySmart Online carries the potential for significant ROI and contributes directly to your organization's profitability.

SafetySmart Online delivers a prompt payback through its regular and intended use as a safety training and communications tool. Here's why:

SafetySmart Online Reduces the Costs of . . .

Safety Training

Safety training is expensive, time-consuming and administratively burdensome. But **SafetySmart Online** immediately reduces the time and effort required to create and communicate safety training programs. By furnishing you access to a library of 15,000 safety training solutions created and updated by safety and publishing professionals, **SafetySmart Online** rids your safety supervisors of the burden of having to expend energy gathering, organizing and confirming information from libraries, journals, white papers, government reports and other external sources. This library covers 47 major safety training categories and is updated monthly. **On average, SafetySmart Online reduces the cost of creating Safety Training Programs by 80%.**

In addition to helping safety supervisors create and communicate safety messages in an easy, inexpensive and pedagogically effective manner, **SafetySmart Online** gives you a virtually unlimited amount of material that you can download and customize without additional fees and permissions for reprints. Some publishers charge as much as \$1.00 per page per person to distribution copies. But SafetySmart Online contains everything in a single package with no extra charges or strings attached.

Safety Communications

SafetySmart Online reduces the costs of researching and editing safety publications. The materials found in SafetySmart Online come in a variety of packages and media that can be used to communicate effectively at all workplaces and to workers in all fields and education levels. Such information includes articles and writings that can be reprinted or adapted for the company newsletter, intranets, orientation manuals, pay-envelope stuffers, bulletin board postings, training flyers and much more.

External Consulting

The costs of hiring external consultants and training services are often high and hard to quantify. That makes it extremely difficult to win the support of upper management for these expenditures. Subscribing to **SafetySmart Online** represents a more cost-effective and “easy to sell” alternative to consulting services. SafetySmart Online also provides something most consultants don’t: a comprehensive safety solution that’s immediately ready to implement.

Direct and Indirect Costs of Injuries

The best reason to buy SafetySmart Online is that it makes it possible to reach the ultimate goal of any safety program: the elimination of preventable injuries and illnesses.

Compliance Penalty Costs

SafetySmart Online enhances compliance with regulatory requirements and makes OSHA/OHS inspections, stop work orders, fines and other penalties less likely.

Logistical Costs

Many companies have to assemble training teams and send them out to company locations all across the country. **SafetySmart Online** makes this unnecessary. All the materials can be centrally accessed via computer terminal, thus eliminating significant logistical and travel costs.

The Bongarde Advantage

SafetySmart Online is produced by Bongarde Media, a leading publisher of workplace health and safety training and compliance materials. For more than 20 years, corporate environmental, health, safety and human resources professionals across North America have purchased Bongarde products not only for themselves but for the workers they’re charged with protecting.

Bongarde was among the first publishers to create health and safety materials written specifically for the workers on the front lines. In 1987, Bongarde created *Safety Smart! Magazine*, a revolutionary publication sold to safety directors in bulk for mass distribution to workers. From that base, the company has continued to cultivate its leadership role in the field of direct safety training communications for workers by creating new products such as *Safety Talks!*, a series of actual training presentations that supervisors deliver to their workers. As customers have adopted new technologies, Bongarde has stayed on the leading edge.

The company has also expanded its product line to include materials for supervisors, such as the Chicago-based *Safe Supervisor*, a reputable industry publication first launched in 1929 and EHS directors, such as *Safety Compliance Insider*, a plain English how-to newsletter showing managers of corporate safety programs how to comply with OSHA/OHS rules.

Bongarde is also a leader in the electronic health and safety information field. Its SafetyXChange.org has attracted a community of more than 21,000 safety professionals from the U.S., Canada and around the world.

SafetySmart Online combines the strongest features from Bongarde's entire product line, archives and editorial staff to forge a uniquely valuable, comprehensive and ready-to-implement training service that no other publisher can match!

A Blue-Chip Customer Base

Bongarde Media has earned a large, diverse and loyal customer base - clients ranging in scope from boutique manufacturers to global multinationals. The company's customers include Fortune 500 and many of the Canadian Industrial 1000, including Boeing, Dell, Disney, Duke Energy, Husky Energy, Imperial Oil, Securitas, and Weyerhaeuser. In addition, Bongarde has won business from government and public service entities, such as NASA, the US National Guard, the US Postal Service and many universities.