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**CMTA SOURCE**

The Trusted Insurance Source For Manufacturers

**MONTHLY NEWSLETTER**

**How to form a safety committee**

Safety committees are the bedrock of any successful risk control program. Risk control is not just safety. It includes both safety practices and also operational considerations. Companies that are successful in reducing work-related injuries have learned that they must blend safety protocols with productivity to keep their operations at peak efficiency.

Why do well run safety committees work? For one, they draw on safety perspectives from many levels within the organization. Safety committees come in many shapes and sizes and often include employees, line supervisors, managers and sometimes top management. In

addition, they will usually include the company safety director or employ the safety director to serve as the committee's technical resource.

Safety committees can also serve as an observational resource beyond just the safety director or location supervisor. Supervisors have to balance productivity with safety. They typically have a tendency to focus on productivity while members of the safety committee will keep a watchful eye on the safety elements that are equally important to the work process. In short, they expand the scope of quality control in the organization.

**Steps to forming your organization's safety committee**

There are several fundamental steps that need

to be completed to form and launch a safety committee. The steps include:

**1. Determine the structure of the safety committee**

Identify who are candidates to serve on the safety committee. As mentioned earlier, ideally there should be a blend of employees and supervisors, with participants representing all elements of the operation. Oftentimes supervisors and managers with responsibility for multiple disciplines can provide direction for safety and loss prevention practices that will affect several departments.



**2. Determine the optimal size of your committee**

What is the ideal committee size? If it's a joint labor – management committee, keep in mind the importance of maintaining balance in the number of representatives from each group. Try to include representatives from the various departments and workgroups. For most operations, a safety committee of no less than five and no more than ten participants ensures each member contributes and there is adequate representation from all areas of the organization.

*continued from "How to form a safety committee"*

### 3. Ensure everyone understands the culture

Safety committee participants need to be individuals who understand your safety culture and have demonstrated a commitment to the organization's safety culture. If not, the committee will work against itself and continually stumble over one another. Ideally, all participants should share a common understanding of the organization's safety priorities and be moving in the same direction with respect to balancing productivity and safety.

### 4. In the beginning set a clear expectation for the safety committee's roles and responsibilities

Ensure that the initial meeting includes:

- ◆ A clear welcome to the participants, thanking them up front for their participation.
- ◆ An outline of the meeting schedule, ideally at least once monthly.
- ◆ A summarization of the responsibilities of the committee – self inspections, safety recommendations conducting/reviewing accident investigations.
- ◆ Selecting a committee chairman. Ensure that all parties understand that the role of the chairman is to ensure the committee stays on task during meetings, that their recommendations are reported to top management, and that information is provided to committee members in advance of each meeting.

### 5. Review the progress of the safety committee at least semi-annually

At least twice a year the safety committee's progress should be evaluated by the organization to determine if risk control/loss prevention goals and safety objectives are being met. This will allow for adjustments to the annual loss prevention program so that it addresses actual loss exposures and the injury trends of the organization. In the end this will make the safety committee more effective and direct the safety committee so it can help the organization achieve its overall goals.

#### A few words about goals

Sometimes an organization struggles to determine what the safety committee's goals should be. Although these will vary depending on the organization and its needs, there are three fundamentals that should be part of the goals/objectives of every safety committee:

- ◆ reduce the incident of work-related injuries
- ◆ establish a positive and active safety culture
- ◆ raise the safety standards of the organization

Beware of setting goals that are too lofty and can't possibly be met or goals that are not specific. Things like "zero tolerance" sound great, but are seldom achievable. They won't be taken seriously and will reduce the credibility of the safety committee.

Make your safety committee a foundational part of the organization and hold it accountable. If the safety committee is more than an afterthought, you'll find that it can make a considerable contribution to the organization's objectives.



## Workers' compensation, a controllable cost

"Workers' compensation is an uncontrollable cost of doing business". At least that's what many employers say. But, it simply is not true. Only 2 percent of work related injuries result from uncontrollable events, 10 percent result from unsafe conditions and a whopping 88 percent result from unsafe acts. In reality, 90 percent of work related injuries can be linked to bad decisions, improper choices and insufficient training.

But, claims do occur. And, while many employers sit back and let the insurance company manage the claim there are a growing number of manufacturers that are learning they can positively affect their loss results even after an injury occurs. Here is how you can get involved.

### Establish accountability down to the level where the work is being performed

Everyone in your organization needs to be a risk manager and understand the controls they have over the injury exposures they face on a daily basis. Employees need to understand that when they make good decisions, there is a much higher likelihood they will avoid getting hurt on the job. Let them know that management wants them working safely. There are no guarantees on individual decisions, but the greater the number of good decisions, the higher probability that good loss results will follow. Think of the safety pyramid, safe practices are driven from the top and measured at the base.

It is not difficult to accomplish accountability. Here are a few tips.

- ◆ Obtain support from the top (remember the pyramid?).
- ◆ Share the goal of your program all the way down to the lowest level (the base of that safety pyramid).
- ◆ Share performance indicators that provide feedback on your progress.
- ◆ Stress safety as a value of the organization and back that up with actions.
- ◆ Require safety as a rating topic on everyone's performance evaluation.

### Recognize and deal with potentially bad claims at claim inception

Catastrophic claims are easy claims to identify and usually get the organization's attention. But you need to analyze the potential for development on small claims that can become larger claims. Most \$100,000 claims started as \$2,000 claims. These are the shoulder injuries that slowly grow to include the back and neck. When you see prolonged treatment, ask the claims examiner for a treatment plan and what level of recovery is now anticipated. You are entering the "bad news" stage of the claim and as an employer you will feel the direct and indirect costs associated with that stage. As soon as a bad claim is identified, consider:

- a. Working with the claims examiner, to develop a resolution plan, perhaps with a goal of returning the injured worker to limited duty.
- b. Use the three C's (Continually Communicate Concern), all too often the injured worker assumes his/her employer doesn't care. But, they'll have no trouble finding an attorney who cares.
- c. Adjust for new information. Strategies need to be fluid, but focused. With all claims, maintain two objectives:
  - ◆ Take care of my employees
  - ◆ Close claims

Is workers' compensation a controllable cost? Yes, but only if you are an active participant in the claims management process.



## **CMTA Mission we fight for manufacturers**

CMTA is the only statewide organization dedicated to protecting your ability as a manufacturer, processor or technology based company to operate profitably in California.

We support policies to stimulate economic growth, create new jobs, protect existing jobs and improve the quality of life for all Californians.

Established in 1918, CMTA is headquartered in Sacramento, close to the State Capitol where we also defend against high taxes, red tape and excessive regulations.



Dorothy Rothrock was named President of CMTA in January 2015, replacing Jack Stewart who retired after 24 years of service to the Association.

Rothrock joined the Association in 1999 as its energy lobbyist and she quickly filled the vacancy of chief lobbyist in 2000 with the departure of Gavin McHugh, who left to start his own advocacy firm.

Before she joined CMTA Rothrock consulted on energy and telecommunications regulatory issues for industrial energy users, policy advocates, and economic research firms. She began her career at Portland General Corporation as an attorney, moving to management positions in commercial operations, public affairs and power marketing prior to relocating to California in 1990.

Since joining CMTA in 1999, Rothrock worked with her team of lobbyists on issues of importance to manufacturers, including energy, climate change, civil justice, workers' compensation, labor, tax, environmental quality and education.

"The choice was crystal clear on who should take over the leadership of CMTA after Jack announced his retirement," said CMTA Board member and O-I (Owens Illinois) executive Dan Steen. "Dorothy's strategic mind, leadership qualities, grasp of California manufacturing challenges, and relationships with the Capitol community will help keep California manufacturing highly competitive at a time when the rest of the country is fighting so hard to attract investments."

"Jack will be missed, for sure," said CMTA Board member and California Steel Industries executive Brett Guge. "However, we are really fortunate to have Dorothy Rothrock already on board as the obvious successor to the presidency of CMTA. She is well respected in Sacramento and across the state, and she is a great leader and fighter for California manufacturers and the wonderful jobs we provide."

Rothrock graduated from the University of Oregon and Lewis and Clark Law School, joining the Oregon Bar in 1980 and the California Bar in 1997.

CMTA previously announced that Michael Shaw would be replacing Rothrock as the Association's VP of Government Affairs. Shaw started at CMTA in early October.

## **CMTA Policy Directors**

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## CMTA Advocacy

CMTA employs staff lobbyists who work on issues important to manufacturers - environmental regulations, taxes, employment rules, skilled workforce, infrastructure, energy costs, civil justice, and economic analysis concepts. They monitor the bills, write letters and testify before legislative committees, and ask the Governor to veto or sign bills that reach his desk. We also participate in development of regulations by state agencies.

### Environmental Regulations

Environmental compliance can be a costly nightmare if rules are poorly drafted and not based on sound science. We stop bad bills or fix them so you can keep operating in California.

### Taxes

Your bottom line survival depends on fair and predictable taxes that support new investment and hiring. We are always looking for ways to lower your tax burden.

### Employment Rules

California has special overtime and other workplace rules that raise your costs and expose you to employee lawsuits. Bills to provide more workplace flexibility and lower costs are a high priority.

### Lower workers' compensation costs

California's workers' compensation premiums are the highest in the nation. Injured workers deserve fair compensation but too much money is spent on providers and wasteful bureaucracy. We support legislation and regulations to lower your workers' compensation costs.

### Civil Justice

You face potential lawsuits from every direction - product liability, wrongful termination, and environmental hazards. We want you to get fair treatment by preserving arbitration rights and limiting class actions.

### Skilled Workforce

We want to preserve state funding for career and technical education (CTE) and keep a pipeline of skilled workers available for your facilities.

## Our Programs Save You Money

CMTA membership provides you access to programs and services that will improve your operations. These member benefits deliver both cost savings and quality service to both large and small CMTA members. Learn how they can help your company.



For more information contact: Andy Viglietti - 916-498-3340 - [aviglietti@cmta.net](mailto:aviglietti@cmta.net)



Employment training funds are available.

For more information contact: Rob Sanger - 916-498-3334 - [rsanger@cmta.net](mailto:rsanger@cmta.net)



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CMTA and CNA Insurance are partnering to provide resources and services for manufacturers to control loss exposures and deliver comprehensive insurance coverage

**Starting soon!**

For more information call Andy Viglietti at 916.498.3340 or email at [aviglietti@cmta.net](mailto:aviglietti@cmta.net)



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