

# The Human Side of Safety



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Our mission is to improve the safety and success of people and the places where they work.

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## Human Performance ROI

According to the 2014 Liberty Mutual Workplace Safety Index, American employers pay over \$1 billion per week for direct compensation costs. Any company that has experienced a serious accident knows there are additional hidden costs that can affect the bottom line for years after an accident.

Costs associated with safety mishaps are a powerful reminder that industrial and high-risk industries must maintain a relentless focus on the factors that support a culture of safety. A desire to avoid such costs is a driver behind some of the more than \$70 billion that American companies spent on employee training in 2014.

Two factors that can drastically improve training results are: (1) increased attention to the human side of safety and (2) realistic opportunities for employees to apply their new knowledge. Fortunately, a growing number of companies are now directing attention to these training factors.

Human performance programs maximize the potential of company systems, processes, and people. They use proven behavioral science principles to generate three types of ROI: internal (safety, quality, and efficiency), external (profits and sales), and social (corporate image).

Research across 17 industries has shown that every employee who fails to conduct an important conversation effectively costs the company \$1,500 and eight hours of lost work time. If each employee in a company of 300 has one unsuccessful conversation a year, this would equate to a loss of \$450,000 and 2,400 hours of productivity. Realistically, many employees have more than one such conversation a year.

Besides saving money, good things happen when companies attend to the human side of safety. Employee morale improves while rework, stress and absenteeism decrease. No doubt, it decreases the likelihood of spending money on direct compensation and related costs.

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