

Editor's Note: Association Newsletter Article – November 2010

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Cutting Back on Safety Doesn't Save

Let's face it, today's economic climate is hard. And naturally, businesses are looking for ways to lower expenses. But there's one area where no business can afford to cut costs, especially now: safety.

"We're seeing policyholders cutting their safety budgets, including eliminating safety manager positions and other safety staff," said Jim McMillen, director of risk management. "What they don't realize is that spending money on safety isn't an 'overhead' expense; it's an investment that delivers real financial returns."

There's plenty of business research and evidence showing a direct correlation between a company's safety performance and its financial performance. Here are just two examples:

- OSHA's Office of Regulatory Analysis stated that companies that implement effective safety and health measures can "...expect reductions of 20 percent or greater in their injury and illness rates and **a return of \$4 to \$6 for every \$1 invested ...**"
- A 2007 report released by Goldman Sachs JBWere concluded that companies that didn't adequately manage workplace safety and health performed worse financially than those that did.

In these economic times, you just can't afford to cut safety. The good news is that Pinnacol Assurance has a wealth of free safety resources to support your safety programs that can actually add to your company's bottom line. These include:

- **Safety consultants** — Our team of 27 safety professionals — including three industrial hygienists, three construction specialists and an ergonomic specialist — is available to policyholders at no extra cost. No matter what business you're in or whether you have two employees or 2,000, we can help you.
- **Injury Trend Analysis** — Our consultants can help you determine why your employees are getting injured on the job and help you develop reasonable, cost-effective ways to reduce these injuries and the costs associated with them — making a positive impact on your financial performance.
- **Training** — We make safety training easy with online resources and policyholder seminars.
- **Safety Materials** — As a Pinnacol policyholder, you have access to an unmatched selection of **free** safety materials, including CDs, brochures, and posters covering a wide range of safety issues and industries.

For more information, please contact your Marketing Manager.