

S E L F - I N S U R A N C E  
BULLETIN

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## A SURVIVAL COURSE FOR SUPERVISORS

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Supervisors are paramount to the success of any self-insured workers' compensation program. Supervisory actions can result in significant savings or substantial losses for their employers.

### **Why Supervisors are Important to the Process**

Supervisors are key in both preventing injuries and managing the outcomes of accidents that do occur.

By the very nature of their



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positions, supervisors take on a leadership role at the workplace. They lead by example and by what they communicate.

Supervisors set the acceptable standards of behavior among the employees. For example, when supervisors wear safety glasses employees are more likely to put on their protective eyewear, or when supervisors ask for assistance in lifting a heavy, cumbersome load, employees see that it is acceptable to ask for help.

Supervisors who fail to incorporate safety in their own actions are not successful in generating safe behavior in their direct reports. These supervisors, due to their own unsafe actions, end up reporting a high number of accidents because their employees simply do not follow stated workplace procedures. Why would they . . . when their supervisor does not? Just as well trained, safety-focused supervisors tend to prevent injuries by fostering safe behavior in their employees, supervisors that fail to understand their role in

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managing a safe environment cause losses to soar.

Supervisors use experience to make safety real. Supervisors are more familiar with the job site and work tasks than anyone else in the department. Supervisors have attained these positions because of their years of experience with the company and/or their ability to generate results. Supervisors see firsthand the injuries that resulted from shortcuts, sloppy work practices, or poorly maintained machinery, and should utilize that experience to educate employees on workplace dangers and how to avoid them.

Supervisors' knowledge of each employee is also important in safety. Employees may also confide in their supervisors. A trusting relationship could help uncover an escalating substance abuse problem. In turn, the workers could be guided to an employee assistance plan before endangering themselves or jeopardizing the safety of their associate workers. In addition to being aware of an employee's family situation, personal habits and potential distractions, supervisors know who is likely

to by-pass safety procedures to increase production. Supervisors must use this in-depth employee knowledge and use it to promote safe behavior in their employees.

## **Why Supervisor Education Is Important**

Because of the pivotal role supervisors play in a self-insured program, supervisors must be educated in workers' compensation matters. The investment in comprehensive and ongoing training for supervisors can be one of the most "cost effective" initiatives the company undertakes.

To enable supervisors to manage the workers' compensation in their units, supervisors should be trained in the following:

- 1) fundamentals of the workers' compensation system,
- 2) the cost impact of job-related injury claims, and
- 3) specific actions supervisors must take to control workers' compensation costs.

## **Understand Fundamentals**

Training supervisors in key workers' compensation fundamentals is important in helping supervisors guide their employees through the system. They should understand that workers' compensation is a no-fault, exclusive remedy system. This means that a business will pay for an injured worker's medical expenses

and supplemental wages regardless of who was at fault in causing the accident. In

return, the injured worker agrees not to sue the employer. A system rooted in these principles is intended to protect both the employer and the employee.

Supervisors should also be aware of workers' compensation benefits so their availability can be communicated to employees on both a pre-loss and post-loss basis. While benefits will vary by state, employees injured on the job can be assured that resulting medical costs and supplemental wages will be provided according to statute. Many injured employees become less inclined to seek legal counsel if they properly understand their entitlements.

## **Understand the Cost**

Supervisors should have a sense of the cost impact of workers' compensation claims on the organization. Supervisors are sometimes surprised at the staggering dollar cost due to job-related injuries. It is an even greater shock to learn that resulting losses may be self-insured by their own organization and not simply paid by a gigantic, faceless



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insurance company. Each and every claims dollar paid directly impacts their own company's bottom line and profit potential. When more money is spent on claims, there is less money to pump back into the business for salaries and benefits.

Supervisors must also understand the concept of indirect losses. The actual dollar amounts spent on claims is really just the tip of the iceberg in comparison to the total cost impact businesses face as a result of any given loss. Moreover, these indirect or soft costs are often difficult to quantify.

When an accident occurs, the incident must be reported to the claims administrator. Time must also be spent investigating the accident. Productivity drops as a result of the curiosity of other workers surrounding the accident and the well being of their associate. Equipment may be left idle due to the injured worker's absence. There are numerous consequences businesses suffer as a result of a job injury. These indirect or soft costs are typically three to five times the cost of the claim itself.

## Know What Actions to Take

Third, supervisors must understand what specific actions

empty boxes that pose a low level tripping hazard or frayed electrical cords that increase the risk of shock or fire.



are required of them with respect to workers' compensation.

One of the more common responsibilities of supervisors is to maintain a safe workplace environment. This starts with setting and communicating safety objectives to their employees,

Because of their familiarity with both the workplace and the employees, supervisors are in an excellent position to conduct self-inspections of the job site on a regular basis. Supervisors should be constantly vigilant in safety matters. Correcting hazardous

## Post Accident

Should an accident occur, supervisors must be taught to respond quickly and appropriately. Their first priority should be to secure medical attention for the injured worker. Sometimes, first aid can be rendered on site whereas other accidents dictate the injured employee be transported to a hospital. The supervisor must know the proper procedures ahead of time.

It is usually the supervisor's responsibility to complete the first report of injury and file the proper paperwork with the claims administrator. Early reporting of claims is critical to managing claims costs.

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making sure employees keep their workspaces neat and clean, and utilizing personal protection equipment. Equipment and machinery must be properly maintained and fully functional. Supervisors are responsible for removing hazards from the workplace such as

situations and enforcing safety protocols should happen instantaneously and become second nature to the supervisor. Educating employees on doing the job safely and correcting employees engaged in unsafe behavior must be consistent, timely and documented.

The supervisor is most likely to be in the best position to conduct an accident investigation. They have a thorough understanding of the job site and tasks to be performed. Working with employees, they can often determine how to prevent

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future occurrences by finding and correcting the "root cause" of the accident.

Supervisors must have strong communication skills. They should treat all claims as legitimate and act with compassion and concern toward the injured party.

Supervisors are in an ideal position to follow up with the injured employee and family

members on an ongoing basis. They can also help a worker transition back into the workplace following an injury.

## **Introducing the Take Control Course for Supervisors**

Supervisors are clearly the cornerstone of a successful self-insurance program. The importance of their training and education cannot be overstated.

Midwest Employers Casualty Company is committed to

assisting our clients in training this very important group of individuals. We have developed comprehensive training tools that supervisors need to be effective team players in the cost management process.

One of our most notable tools is our online course for supervisors entitled, "Take Control." This online course is available to supervisors 24 hours a day, 7 days a week.

This course addresses many of the issues outlined and

provides a broad base for understanding some of the most pressing issues facing workers' compensation program managers today. Feedback is instantaneous and is an essential part of their online experience.

For more information about how you can capitalize upon this course and all of Midwest Employers' online training tools, contact Bob Barton by telephone at 1-877-975-2667 or by email at [bbarton@mwecc.com](mailto:bbarton@mwecc.com). 



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