

## **Amity Insurance provides strategies to create and implement an effective safety incentive plan**

QUINCY, MA ISSUED APRIL 5, 2011....While the goal of company safety incentive programs is to cultivate a safer work place and reduce worker's compensation claims, some employers fear that such programs may result in an environment where injuries are under reported in pursuit of rewards. But by taking several factors into consideration when cultivating a safety incentive program, those concerns may be avoided, according to Amity Insurance Agency, Inc., the region's leading full service agency.

Keep in mind that incentive programs are merely the frosting and not the cake and should be an added layer to a strong and comprehensive safety program. The bottom line is that safety incentives will not reduce injury rates and should not be implemented in the absence of an in-place and effective safety program.

In order to demonstrate the importance of a safety incentive program, upper management should be committed and involved throughout the process. Once a program is implemented, management should communicate frequently to employees about the program and take an active role in distributing rewards.

Take note that poor design and administration are the most commonly cited reasons for incentive program failure. Since the concern of accident under-reporting is quite valid, some experts recommend substituting or adding a more process-based approach as opposed to a strictly results-based program. A process-based system provides incentives for engaging in specific safety behaviors, such as participation in safety training or high marks on safety quizzes; in contrast a results-based system typically provides rewards for accident-free time periods.

Rewards should be meaningful, such as cash bonuses, time off from work and gift certificates. Regardless of the rewards that are doled out, be sure they offer value to employees and can be earned frequently enough to remain a top-of-mind goal.

Frequent and effective communications factors heavily into a successful safety incentive program. Management should be proactive and emphasize that hiding or not reporting injuries is prohibited and that such acts will result in consequences. Supervisors should clearly communicate how the program works and in which ways employees' progress will be measured. To maintain incentive and momentum, employees should be regularly reminded about the program and updated on their safety performance.

A company safety incentive program – when conducted thoroughly and thoughtfully – will not only reduce costly accidents and injuries, but will also boost morale within the entire organization.

### ***About Amity Insurance***

Amity Insurance Agency, Inc. is a full-service agency dedicated to meeting your business, professional and personal insurance needs.

Amity Insurance is licensed in most states. The agency maintains headquarters at 500 Victory Road, North Quincy 02171. For information on products or services, please visit [www.amityinsurance.com](http://www.amityinsurance.com) or call (800) 940-4010 to schedule a free analysis of insurance needs.

