



IRMI[®]

Workshop J

***BEST PRACTICE UTILIZATION:
A CASE STUDY IN A ZERO-INJURY CULTURE***

Presented by

**Robert H. Hunt Jr.
Senior Vice President
American Contractors Insurance Group**

Wednesday, November 10, 9 a.m.–noon

Workshop J



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Senior Vice President
American Contractors Insurance Group

Mr. Hunt is copresenting Workshop J, "Safety—An Essential Element of Effective Risk Management," on Wednesday morning. He has been in charge of the safety management division at ACIG, located in Dallas, since March 1995 and heads up a group of four highly qualified safety professionals. His group is responsible for providing high-level management consulting to 35 privately held construction companies, the majority of which are listed in ENR's Top 400 construction firms.

Prior to joining ACIG he spent 18 years with Brown & Root, a large engineering and construction firm located in Houston. He has more than 26 years' experience in construction safety and more than 30 years' experience in construction-related activities.

During the early 1990s, Mr. Hunt was involved with the Construction Industry Institute and taught safety courses in its project management programs at the University of Texas and Arizona State University.

He is a Certified Safety Professional and holds that designation in the areas of Comprehensive Practice and Construction Specialty. He worked closely with the Board of Certified Safety Professionals in validating the examination criteria for the Construction specialty designation.

He is a Professional member of the American Society of Safety Engineers and serves on the Board of Directors of the Texas Safety Association where he is the vice chairman of the Occupational Safety and Health section.

Notes

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BEST PRACTICE UTILIZATION: A CASE STUDY IN A ZERO-INJURY CULTURE

Robert H. Hunt Jr.
American Contractors Insurance Group

I. "Best Practice" Research

- A. National Safety Council Study—1967
- B. National Safety Council Study—1992
- C. CII Study on Zero Accidents—1993
- D. NCCER Study on Zero Accidents—1998

II. Development of Key Components

- A. Nine Major Categories
 - 1. Management Commitment
 - 2. Planning—Pre-Project and Pre-Task
 - 3. Employee Hiring/Screening Practices
 - 4. Safety Education—Orientation and Training
 - 5. Worker Involvement
 - 6. Recognition and Rewards
 - 7. Subcontractor Management
 - 8. Accident/Incident Investigations
 - 9. Substance Abuse Testing
- B. Key Elements within Categories

III. Best Practices in the Hierarchy of a Safety Culture

- A. People
- B. Processes
- C. Values

IV. Evaluation of Utilization of Best Practices

- A. Interviews
- B. Document Reviews
- C. Direct Observations

V. Comparison of Utilization and Performance Rates

VI. Performance Rates by Percentage of Utilization

VII. Strategic Planning Sessions

- A. Insurance Company Developed Data
- B. Contractor Developed Plan
- C. Responsible Parties Assigned

VIII. Best Practices Sessions

- A. Contractor Steering Committee
- B. General Sessions
- C. Industry Group Breakouts
- D. Emphasis on Different Lines of Coverage

Notes

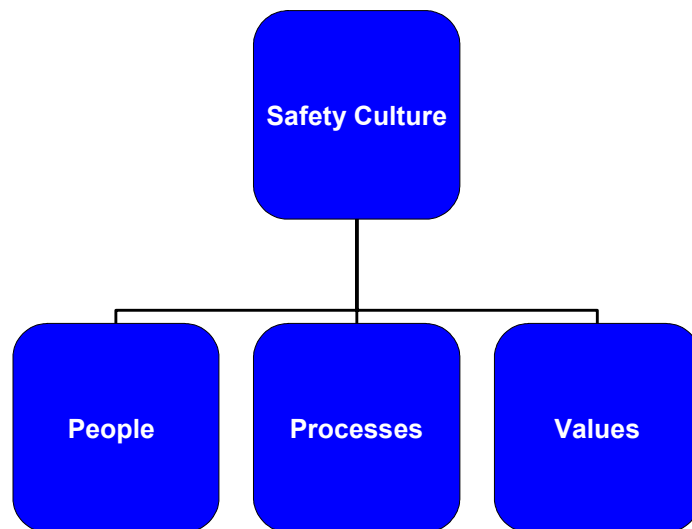
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BEST PRACTICE UTILIZATION: A CASE STUDY IN A ZERO-INJURY CULTURE

Best Practice Research

- National Safety Council Study—1967
- National Safety Council Study—1992
- CII Study on Zero Accidents—1993
- NCCER Study on Zero Accidents—1998
- Joel Haight – Pennsylvania State University—1999

Best Practices in the Hierarchy of a Safety Culture



Development of Key Components

- **Nine Major Categories**
 - **Management Commitment**
 - **Planning—Pre-Project and Pre-Task**
 - **Employee Hiring/Screening Practices**
 - **Safety Education—Orientation and Training**
 - **Worker Involvement**
 - **Recognition and Rewards**
 - **Subcontractor Management**
 - **Accident/Incident Investigations**
 - **Substance Abuse Testing**

Categories Within Key Components

- **Management Commitment**
 - **Mission Statement Signed by CEO**
 - **Stated Zero-Injury Goal**
 - **Management Conducts Safety Audits**
 - **Management Involved in Incident Investigations**
 - **Management Participates in Incident Review Meetings**
 - **Annual Risk Management Strategic Planning**

Categories Within Key Components

- **Pre-Project/Pre-Task Planning**
 - **Site-specific Safety Plan**
 - **Monthly Safety Planning Meetings**
 - **Weekly Safety Planning Meetings**
 - **Daily Safety Planning Meetings**
 - **Every Task Safety Planning**

Categories Within Key Components

- **Employee Hiring/Screening Practices**
 - **Background Checks**
 - **Pre-Hire Physicals**
 - **Pre-Hire Substance Abuse Testing**
 - **Motor Vehicles Record Checks**
 - **On All Employees**
 - **On All Drivers**
 - **On Equipment Operators**

Categories Within Key Components

- **Safety Education/Orientation and Training**
 - **New Employee Orientation Before Work**
 - **Formal Outline/Abstract**
 - **Employee Safety Handbook**
 - **Duration of Session**
 - **Testing for Comprehension**

Categories Within Key Components

- **Safety Education/Ongoing Training**
 - **Supplemental Training**
 - **Safety Meetings**
 - **Specialized Training**
 - **OSHA 10 & 30 Hour**
 - **Tool Box Talks**
 - **Frequency**
 - **Day of Week**
 - **Monthly Training Hours**

Categories Within Key Components

- **Worker Involvement**
 - **Feedback Process**
 - **Involvement in Safety Meetings/Audits**
 - **Safety Committees**
 - **Perception Surveys Conducted**
 - **Behavior-Based Safety Process**
 - **Identification of New Employees**

Categories Within Key Components

- **Safety Incentives**
 - **Recognition and Rewards**
 - **Companywide**
 - **Project-Specific**
 - **Individual**
 - **Individual & Crew**
 - **Individual History for Multiple Years**
 - **Frequency/Timing**
 - **Management and Supervisor Bonuses**

Categories Within Key Components

- **Subcontractor Management**
 - **Selection Criteria Established**
 - **Required to Hold Safety Meetings**
 - **Site-Specific Safety Plans Required**
 - **New Employee Orientation Required**
 - **Sanctions for Non-Compliance**

Categories Within Key Components

- **Accident/Incident Investigations**
 - **Who Investigates Accidents/Incidents**
 - **Category of Incidents Investigated**
 - **Near Miss**
 - **First Aid**
 - **Recordable**
 - **Lost Time**
 - **Fatality**
 - **Distribution of Incident Reports**

Categories Within Key Components

- **Substance Abuse Testing**
 - **Written Program in Place**
 - **Statutory Testing Only (DOT, CDL, RSPA)**
 - **Required by Owner/Client**
 - **Voluntary Program**
 - **Pre-Employment**
 - **Post-Accident**
 - **Random**
 - **For Cause**

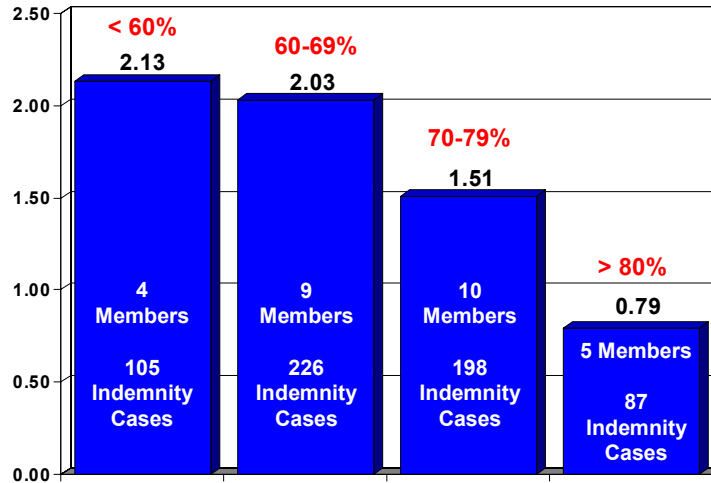
Evaluation of Best Practices Utilization

- **Interviews**
- **Document Reviews**
- **Observations**

Comparison of Utilization and Performance Rates

Company					Yes Responses		No Responses		
					ACIG Loss Rate	Industry Group Loss Rate	ACIG Loss Rate	Industry Group Loss Rate	
I. MANAGEMENT COMMITMENT									
A.	Mission statement signed by CEO	X		88%	1.81	1.47	1.54	1.90	1.97
B.	Stated Zero Injury Goal		X	65%	1.81	1.32	1.28	2.03	2.00
C.	New employee orientation includes message from CEO	X		71%	1.81	1.45	1.53	1.78	1.68
D.	Management personnel conduct safety audits		X	62%	1.81	1.48	1.68	1.58	1.46
E.	Annual risk management strategic planning		X	76%	1.81	1.72	1.84	0.99	1.04
F. Top management is involved in accident investigations									
1.	Lost time only		X	24%	1.81	2.18	1.93	1.33	1.35
2.	All recordable cases		X	65%	1.81	1.28	1.36	2.16	1.98
3.	First aid		X	41%	1.81	1.26	1.30	1.81	1.95
4.	Near misses		X	32%	1.81	1.12	0.96	1.89	1.84
G.	Top management participates in incident review meetings	X		79%	1.81	1.48	1.55	1.75	1.98
II. PRE PROJECT/PRE TASK PLANNING									
A.	Site specific safety plan		X	74%	1.81	1.40	1.28	1.97	1.95
B.	Monthly safety planning meetings		X	62%	1.81	1.24	1.27	2.13	1.97
C.	Weekly safety planning meetings		X	79%	1.81	1.36	1.43	2.36	1.97
D.	Daily safety planning		X	74%	1.81	1.52	1.95	1.50	1.21
E.	Every task safety planning		X	35%	1.81	1.25	1.66	1.73	1.57
III. EMPLOYEE HIRING/SCREENING PRACTICES									
A.	Background checks conducted	X		47%	1.81	1.40	1.36	1.69	1.90
B.	Pre-hire physicals conducted	X		44%	1.81	1.24	1.50	1.81	1.97
C.	Pre-hire substance abuse testing	X		88%	1.81	1.46	1.54	1.94	1.97
D. MVRs conducted									
1.	On all employees	X		41%	1.81	1.75	1.68	1.41	1.47
2.	On all drivers	X		91%	1.81	1.52	1.58	1.44	1.62
3.	On equipment operators	X		50%	1.81	1.08	1.39	2.18	2.13

Performance Rates by Percentage of Best Practice Utilization



* Data collected in Best Practices Benchmarking Survey.

Strategic Planning Sessions

- **Project Lifesaver Meetings**
 - Insurance Company developed meeting materials
 - Historical Loss Analysis
 - Contractor Ranking
 - Best Practices Utilization
 - Participants
 - Contractor CEO, COO, Safety/Risk Manager
 - Insurance Company Service Team
 - Action Plan Developed by Contractor

Best Practices Sessions

- **Contractor Steering Committee**
 - Two CEOs
 - Two Presidents
 - Two HR/Safety Managers
- **General Session Introduction**
- **Industry Group Breakout Sessions**
- **Emphasis on Different Lines of Coverage**
 - Workers Compensation
 - General Liability
 - Auto Liability