THE OXMAN REPORT

SAFETY-IN-THE-NEWS

Semiannual Briefing to the Society of Risk Management Consultants (SRMC)





Be Safe. | Be Green. | Be Bulletproof.

DISCLAIMER

This confidential report is provided at no cost and is for informational purposes only. Content may be edited or reduced for brevity purposes. Any of its attachments contains no risk management, insurance, medical, scientific, architectural or legal advice, and nothing stated herein should be relied on as such. If you need professional advice, retain the appropriate professional advisor. This document is not intended to list or address all safety hazards or sustainability risks whether mandated by law or by prudent safety or sustainability practices. This document does not form any contractual obligation on behalf of Oxman Associates International Inc., Oxman Hotel Safety or Oxman Safety their associates, consultants, affiliates or subsidiaries. Compliance with international, Federal, state and local codes or regulations, completion of recommendations, and observation correction is the responsibility of the client or reader and not of Oxman Associates International Inc. (et al).



Welcome to Safety-in-the-News!

Another six months has gone by between SRMC conferences and there is plenty of *Safety-in-the-News* provided at no cost to the world.

While *analysis paralysis* is a common ailment among visionaries, we have painstakingly chosen to provide our readership with 10 practical safety tools and insights that can make a difference to companies and organizations that truly want to improve their safety vision.

Enjoy,

Scott V. Oxman President Oxman Safety (310) 420-8538 scott@oxmansafety.com







Table of Contents

<u>#</u>	Subject	Page
1	OSHA's 10 Most Frequently Cited OSHA Standards (from Fall 2014)	
2	OSHA It! – OSHA's Expanded Reporting and Recordkeeping Requirements - 2015	
3	Ashley Furniture Faces \$1,766,000 in OSHA Fines	
4	Dollar Tree Hit With Over \$800,000 in OSHA Fines for Continued Safety Issues	
5	Motel 6 Fined \$112,450 Over Workers' Needle-Stick Injuries	
6	Chemical Safety Regulations Affecting All U.S. Businesses	
7	Whistleblower Protection – Safety Incentive Programs	
8	Citing Carbon Monoxide Deaths Could Have Been Prevented, Family Files Lawsuit Against Best Western	
9	A 2015 Model Safety Culture	
10	5 Guiding Principles for a Sustainable Safety and Wellness Culture	



1

OSHA's 10 Most Frequently Cited Standards

October 28, 2014

The following is a list of the top 10 most frequently cited OSHA standards following inspections of worksites by federal OSHA. OSHA publishes this list to alert employers about these commonly cited standards so they can take steps to *find and fix* recognized hazards addressed in these and other standards before OSHA shows up. Far too many preventable injuries and illnesses occur in the workplace.

0	1926.501	Fall Protection (Construction)
2	1910.1200	Hazard Communication – Chemical Safety
8	1926.451	Scaffolding (Construction)
4	1910.134	Respiratory Protection
6	1910.178	Powered Industrial Trucks
6	1910.147	Lock-Out/Tag-Out (Control of Hazardous Energy)
0	1926.1053	Ladders (Construction)
8	1910.305	Electrical, Wiring Methods
0	1910.212	Machine Guarding
0	1910.305	Electrical: System Design

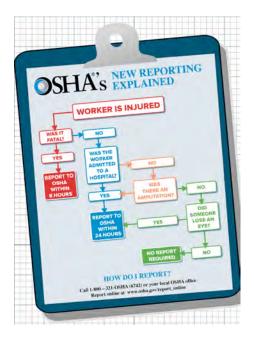
SOURCE: https://www.osha.gov/Top_Ten_Standards.html



OSHA It!

2

OSHA's Expanded Reporting and Recordkeeping Requirements - 2015



Happy New Year from OSHA!

OSHA's New Reporting Rules Affecting All U.S. Businesses

According to the first change, employers must contact their state OSHA agency:

- Within eight (8) hours if a work-related accident results in a fatality; and
- <u>Within 24 hours</u> if a work-related accident results in the <u>hospitalization of one or more</u> <u>employees</u>, an <u>amputation</u>, or the <u>loss of an eye</u>.



The Oxman Report - Safety-in-the-News Briefing to the Society of Risk Management Consultants – March 21, 2015

This requirement went into effect January 1, 2015. Previously, employers had to report only accidents that resulted in a fatality or in the inpatient hospitalization of three or more employees and amputations did not have to be reported. Under the new rule, a fatality must be reported within eight hours of occurrence if the worker dies immediately. If a worker dies within 30 days of a work related accident that fatality must be reported to OSHA within 8 hours of the death.

About Inpatient Hospitalization

An inpatient hospitalization, amputation, or loss of an eye must be reported within 24 hours if it takes place within 24 hours of the incident. The reporting clock does not begin until the employer learns about the reportable event. <u>OSHA defines an inpatient hospitalization as "a</u> formal admission to the inpatient service of a hospital or clinic for care or treatment." Hospitalizations for observation or diagnostic testing are not reportable events.

About Amputations

An amputation is defined as the traumatic loss of a limb or other external body part. Amputations include fingertip amputations, with or without bone loss.

New Rules Affect All U.S. Employers Including Performing Arts Companies

Also, effective on January 1 for employers in most states, OSHA has narrowed the list of industries that are partially exempt from its requirement to keep records of occupational injuries and illnesses. The records include the OSHA 300 Log, 301 Form, and 300A Annual Summary. Some of the industries that will be covered by the recordkeeping rule starting with the new year include:

- Automobile dealers
- Automotive parts, accessories and tire stores
- Commercial and industrial machinery and equipment rental and leasing
- Direct selling establishments
- Performing arts companies
- Museums, historical sites, and similar institutions
- Amusement and recreation industries
- Other personal services



The rule exempting any employer with 10 or fewer employees from the recordkeeping requirement will remain in place. No company is exempt from the reporting requirements

What's Next With OSHA

<u>The expansion of these reporting and recordkeeping requirements is expected to lead to more</u> <u>OSHA inspections and citations</u>. So as a new year brings new rules, employers should resolve to become familiar with them and prepare to comply with them.

Source: David Dubberly, Certified Specialist, Employment and Labor Law with Nexsen Pruet.



(3) Ashley Furniture Faces \$1,766,000 in OSHA Fines (A Culture Gone Bad?) February 2, 2015

Ashley Furniture (the largest furniture retailer in the U.S) exposes employees to amputations,

and other hazards.

ARCADIA, Wis. — In a three-and-a-half year period, 4,500 employees at Ashley Furniture Industries Inc. in Arcadia experienced more than 1,000 work-related injuries. One worker became another terrible statistic when he lost three fingers in July 2014 while operating a dangerous woodworking machine without required safety mechanisms in place. Of the injuries recorded, more than 100 were caused by similar machinery.

After the incident, the U.S. Department of Labor's Occupational Safety and Health Administration conducted an inspection of the facility. Investigators identified 12 willful, 12 repeated and 14 serious safety violations at Ashley Furniture's Arcadia location, carrying a total of \$1,766,000 in penalties. The company has also been placed in the <u>Severe Violator</u> <u>Enforcement Program</u> for failure to address these safety hazards. OSHA previously cited the Arcadia facility in 2014 after an employee suffered a partial finger amputation.

"Ashley Furniture has created a culture that values production and profit over worker safety, and employees are paying the price," said U.S. Secretary of Labor Thomas E. Perez. "Safety and profits are not an 'either, or' proposition. Successful companies across this nation have both." Dr. David Michaels, the assistant Secretary of Labor of Occupational Safety and Health, said, "Ashley Furniture intentionally and willfully disregarded OSHA standards and its own corporate safety manuals to encourage workers to increase productivity and meet deadlines. The company apparently blamed the victims for their own injuries, but there is clear evidence that injuries were caused by the unsafe conditions created by the company. OSHA is committed to making sure that the total disregard Ashley Furniture has shown to safety stops here and now."

Forbes lists Ashley Furniture Industries, a furniture manufacturer with worldwide distribution, as the 117th largest private company in America. With annual revenue of \$3.85 billion as of October 2014, the company employs about 20,000 workers at 30 locations nationally.



The Arcadia plant is also the largest employer in Wisconsin's rural Trempealeau County, with a population of about 30,000.

The 12 willful and 12 repeated violations were cited after OSHA found that the company did not take the necessary steps to protect its workers from being injured by moving machine parts. It did not prevent machines from unintentionally starting when workers were performing tooling and blade changes on woodworking machinery, and also failed to provide adequate safety mechanisms to prevent contact with those moving parts. These types of violations are among the <u>most frequently cited by OSHA</u> and often result in death or permanent disability.

OSHA also cited Ashley Furniture Industries for 14 serious violations, including not training workers on safety procedures and hazards present when servicing machinery. The company also lacked adequate drenching facilities for workers exposed to corrosive materials, it committed three electrical safety violations, and it did not equip some of its machines with readily accessible emergency stop buttons.

SOURCE: https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=NEWS_RELEASES&p_id=27309



(4)

Dollar Tree Hit With Over \$800,000 in OSHA Fines For Continued Safety Issues

October 16, 2014



Law360, New York (October 16, 2014, 2:51 PM ET) -- The U.S. Department of Labor's Occupational Safety and Health Administration announced on Thursday a fine for repeated safety violations at a Dollar Tree Stores Inc. location in Texas, adding to the discount retailer's list of more than 200 citations during the past five years.

OSHA said Dollar Tree faces \$262,500 in proposed penalties for "willfully and repeatedly" exposing workers to serious safety hazards at a store in Watauga, Texas. The fines follow a series of OSHA citations issued to Dollar Tree for similar safety violations, which have led to more than \$800,000 in penalties against the discount retailer in the past five months, according to the DOL.

Thursday's announcement also criticizes Dollar Tree for a broad pattern of safety issues that traces back several years. Since 2009, the DOL said, OSHA has received safety complaints from Dollar Tree employees in 26 states, leading to 234 citations, including willful violations found in a series of OSHA investigations conducted in 2014 in Delaware, Massachusetts and Montana.

"This latest incident yet again demonstrates the company's deliberate and ongoing refusal to effectively address hazards that have been cited multiple times at their stores across the country," OSHA Director David Michaels said in a statement Thursday. "OSHA will not tolerate such blatant disregard for worker safety."



Representatives for Dollar Tree could not immediately be reached for comment.

The DOL's most recent fines stem from safety issues found during an OSHA inspection of a Dollar Tree store in Watauga. <u>The agency said exit doors were not kept clear and products were not stored in a secure and stable way, both of which represented willful violations</u> — meaning they were done with voluntary disregard for the requirements of federal workplace safety law.

Additionally, Dollar Tree was also cited for four repeated violations for <u>failing to keep</u> passageways clean and clear, for not securing compressed gas cylinders and for allowing fire <u>extinguishers and electrical panels to be blocked</u>, the DOL said. Dollar Tree faces fines for the repeat violations because it has previously been cited for similar safety issues, the agency added.

"Allowing boxes weighing up to 45 pounds to be haphazardly stacked in the storage room exposes workers to crushing injuries," Jack Rector, OSHA's area director in Fort Worth, Texas, said in a statement. "Failing to correct this violation and other hazards, including blocked exits, puts worker safety in jeopardy — and that is unacceptable."

Dollar Tree is based in Chesapeake, Virginia, and has more than 87,000 full-time and part-time employees in the U.S., according to the DOL.

SOURCE: Scott Flaherty--Editing by Kelly Duncan http://www.law360.com/articles/587622/dollar-tree-hit-with-osha-fines-for-continued-safety-issues



5 Motel 6 Fined \$112,450 Over Workers' Needle-Stick Injuries February 2, 2015



The Washington state Department of Labor and Industries on Monday said it has fined a Motel 6 in Vancouver, Washington, <u>\$112,450 for exposing workers to used hypodermic needles</u>.

The department began an investigation of the property in August 2014 after receiving a complaint that workers routinely encountered needles while cleaning rooms. The department's investigation found that there were five needle-stick injuries to workers at the motel in the last two years.

The motel was cited for four willful violations of the health standards that protect workers from biological hazards. Each of the willful violations carries a penalty of \$27,500. The motel had previously been inspected and cited for serious violations in 2011 and 2012.

Motel 6 is a unit of New York-based the Blackstone Group L.P.

SOURCE: http://www.businessinsurance.com/article/20150202/NEWS08/150209972/motel-6-fined-over-workers-needle-stick-injuries?tags=%7C84%7C304



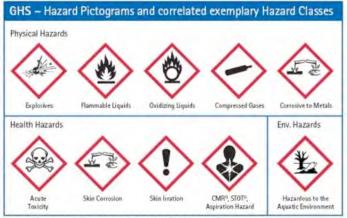
SCOTT@OXMANSAFETY.COM (310) 420-8538 PAGE 12

6

Chemical Safety Regulations Affecting All U.S. Businesses

Globally Harmonized System (GHS) of Classification and Labeling of Chemicals Compliance Timeline

- **Dec. 1, 2013** Initial employee training is required to facilitate recognition and understanding, employers are required to train employees on the new label elements (e.g. signal words, pictograms and hazard statements) and Safety Data Sheets;
- Jun. 1, 2015 The Hazard Communication Standard (HCS) will require pictograms on labels to alert users of the chemical hazards to which they may be exposed. Each pictogram consists of a symbol on a white background framed within a red border and represents a distinct hazard(s). The pictogram on the label is determined by the chemical hazard classification;



1) carcinogenic, germ cell mutagenic, toxic to reproduction / 2) specific target organ toxicity

- **Dec. 1, 2015** Distributors may ship products labeled under the old standard until this date;
- Jun. 1, 2016 Employers must update workplace labeling and written hazard communication programs as necessary, and provide additional worker training for newly identified physical and health hazards. During the transition period, all chemical manufacturers, importers, distributors and employers may comply with the old Haz-Com standard, the amended Haz-Com standard or both.

SOURCE: https://www.osha.gov/Publications/HazComm_QuickCard_Pictogram.html



Whistleblower Protection

Employer Safety Incentive and Disincentive Policies and Practices



In 2014, the Occupational Safety and Health Administration's (OSHA) sent a memorandum to its regional offices entitled, "Employer Safety Incentive and Disincentive Policies and Practices". In the memo, the Agency articulated OSHA's position that employer safety incentive programs, policies and practices can constitute <u>unlawful discrimination in violation of OSHA and/or the</u> requirement of OSHA's recordkeeping regulation that employers insure that their employees have an avenue by which to report work-related injuries and illnesses.

The kinds of incentive programs OSHA hates are those that the Agency (and unions) referred to as "blame the worker" safety programs. "Blame the worker" safety programs are those that punish employees for being injured or for reporting their injuries. OSHA's definition of "punishment", however, is a bit broader than that of the man on the street. It includes, for instance, an employer's failure to give its employees things that otherwise would have been given them had no employee been injured on the job or reported any such injury.

For example, the memorandum cites:

... An employer might enter all employees who have not been injured in the previous year in a drawing to win a prize, or a team of employees might be awarded a bonus if no one from the team is injured over some period of time period.



The Oxman Report - Safety-in-the-News Briefing to the Society of Risk Management Consultants – March 21, 2015

Such programs might be well-intentioned efforts by employers to encourage their workers to use safe practices. However, there are better ways to encourage safe work practices, such as incentives that promote worker participation in safety-related activities, such as identifying hazards or participating in investigations of injuries, incidents or "near misses".

... If an employee of a firm with a safety incentive program reports an injury, the employee, or the employee's entire work group, will be disqualified from receiving the incentive, which could be considered unlawful discrimination.

... If the incentive is great enough that its loss dissuades reasonable workers from reporting injuries, the program also would result in the employer's failure to record injuries that it is required to record...

Although many employers believe OSHA's policy to be unreasonable, however <u>OSHA's</u> <u>compliance officers are reviewing safety incentive programs as part of inspections of all kinds.</u> Several citations nationwide have issued under the policy, and at least two are working their <u>way through the contest/appeal process</u>. What the Occupational Safety and Health Review Commission or the courts ultimately will do with those citations is open to speculation. But, unless an employer wants to be the subject of a test case, it would be wise to review any safety incentive program it has for any elements of the kind OSHA hates and, to the extent feasible, modify the program.

The employer should ask:

- 1. Might (not does, but might) the program I have incentivize my employees not to report on-the-job injuries or illnesses?
- 2. Does my program focus just on the fact that an injury or illness occurred on the job or was reported, or does it focus instead on the conduct that led to the injury or illness?
- 3. Does my program punish or reward employees who cause near misses, as well as those who report accidents and injuries?



4. Are near misses treated as being as important an element of my program as reported injuries and illnesses are?

Incentive programs that focus only on the fact of injury or illness are the riskiest under OSHA's policy. An employer's focus should be on an employee's underlying conduct – or the underlying conduct of an employee team member – to pass muster under OSHA's policy. Programs that focus on employee conduct also tend to be the most effective, even if they are a bit more cumbersome to administer because they require more information and discretion.

SOURCE: http://www.michaelbest.com/pubs/pubDetailMB.aspx?xpST=PubDetail&pub=3610 (Eric E. Hobbs)

Solution from Scott: Always tie *safety activities* into Safety Incentive Plans so that employers cannot be accused of either unintentionally or intentionally providing employees incentive(s) to underreport injuries and illnesses. These intentions may be construed as *discriminatory* and may one day be cited by DOJ, EEOC and/or OSHA. For supervisors - the key people in safety culture – the activities may include conducting X number of written safety inspections per quarter, conducting X number of documented safety trainings per quarter, conducting thorough incident and *close call* investigations, positively affirming and documenting safe behaviors, documenting discipline for violating SOPs and safety rules, etc. A company's Scorecard (Dashboard) should include the above actions as well as one or more of the following:

- 1. TRIR Rate: Total Recordable Incidence Rate
- 2. DART Rate: Days Away/Restricted or Transferred (DART) Rate
- 3. Number of Days Without a Lost Time Accident



8

Citing Carbon Monoxide Deaths Could Have Been Prevented, Family Files Lawsuit Against Best Western

February 9, 2015

It's been nearly two years since Daryl and Shirley Jenkins died of carbon monoxide poisoning while vacationing at the Best Western in Boone, NC and now their children are asking that somebody be held accountable.

A lawsuit filed Monday blames Best Western International, the owners of the Boone hotel, and the former manager for the death. Also named in the lawsuit are the gas company, one of the gas company's employees and a local heating technician, all of whom worked on the hotel's swimming pool heating system where the carbon monoxide originated.

One of the most poignant sections of the lawsuit catalogs previous deaths and poisonings from carbon monoxide at Best Westerns and other brands of hotels. Despite those earlier tragedies, the suit claims Best Western International "made a deliberate and conscious decision *not to* require the installation of carbon monoxide detectors in critical areas of its hotel buildings."

Less than two months after the Jenkins' died on April 16, 2013, 11-year-old Jeffrey Williams of Rock Hill died in the same room and his mother, Jeannie, was poisoned. The Williams family is expected to sue for damages, too. <u>Their claims likely will be similar, but also include allegations of negligence by various officials who investigated the Jenkins' deaths</u>.

Both families have made it their mission to get carbon monoxide detectors installed in every room in every hotel in every state. Following the deaths in Boone, and the poisoning of guests last August at a Best Western in Pennsylvania, the board of directors of Best Western International voted to require carbon monoxide detectors in every guest room.

North Carolina passed a law in 2013 requiring carbon monoxide alarms in certain places in hotels with fossil-fuel-burning appliances. The law does not require alarms in all guest rooms.



SCOTT@OXMANSAFETY.COM (310) 420-8538 PAGE 17

The Oxman Report - Safety-in-the-News Briefing to the Society of Risk Management Consultants – March 21, 2015

The lawsuit claims Best Western International "should have known that incidents involving carbon monoxide sickness or poisoning were occurring with alarming regularity throughout the hospitality industry." In 2008, for example, a 63-year-old retired engineer died after inhaling carbon monoxide at a Best Western in Allentown, Pa. Afterward, the lawsuit says, detectors were installed in all guest rooms at all Best Westerns in Lehigh Valley. "There is no price tag on life," a general manager is quoted as saying. <u>Three years later, elevated levels of carbon monoxide set off alarms at the Allentown hotel. The lawsuit points out that because of the alarms no one was injured.</u>

The facts

The civil lawsuit, filed in Mecklenburg Superior Court, incorporates details previously reported in a 2013 Observer investigation into the deaths at the Best Western Blue Ridge Plaza in Boone. The lawsuit includes a new allegation, claiming that when the power venter on the swimming pool heating system failed, maintenance workers deliberately bypassed a pressure-sensing safety switch rather than repair or replace the venter. The venter was designed to draw deadly carbon monoxide from the building.

That decision, coupled with other mistakes and shortcuts, allowed carbon monoxide to escape from corroded pipes, through holes in a protective fire wall and into Room 225 above, where Shirley Jenkins, 72, and her husband, Daryl, 73, were staying. The couple had traveled to Boone from Longview, WA, to visit relatives. "The bathroom in room 225 was equipped with an exhaust fan that was set to run on a continuous basis," the lawsuit said. "As a result, this exhaust fan was constantly pulling air from the room which created negative air pressure in the room, thereby drawing air into the room through any openings in the wall, ceilings or floors."

The Claims

The lawsuit seeks wrongful death damages and punitive damages. Among defendants named is the former hotel manager, Damon Mallatere, who also faces three counts of manslaughter.

SOURCE: http://www.hotel-online.com/press_releases/release/best-western-lawsuit-carbon-monoxide-deaths-could-have-been-prevented *Elizabeth Leland* | The Charlotte Observer | February 10, 2015 2:45pm



9

A 2015 Model Safety Culture

"Culture" - Merriam-Webster's 2014-Word-of-the-Year - it's all about culture! When the following ten safety culture management systems are in place, loss costs and overall cost of risk decrease while profitability, safety, productivity, communication, quality and timeliness increase:

- 1. Safety **accountability** (financial & management);
- 2. Performance scorecard & safety data analysis;
- 3. Safety **<u>feedback</u>**, inspection & behavior observation;
- 4. **Consequence management** & OSHA- and DOJ-compliant incentive plans;
- 5. Safety training & retraining;
- 6. New employee safety <u>orientation;</u>
- 7. Safety communication, teamwork & return-to-work;
- 8. Healthy living & distraction prevention;
- 9. Human capital & safety <u>leadership</u>; and
- 10. Regulatory **compliance**.

* as originally designed by the consultants for Ken Blanchard (author of The One Minute Manager and Gung Ho!) and Scott Oxman:

The key to success is to continuously and relentlessly focus all employees on safety and health initiatives while empowering them to keep safety and health at the *top-of-mind* whether working with equipment and machinery, in the office, or over-the-road.

Accidents, injuries and their financial consequences all tend to involve at-risk behaviors and multiple common causes. The <u>Professional Safety</u> May 2000 article, *The Architecture of Safety Excellence* identifies the following as drivers of safety performance:

- 1. **Organizational Culture** vision, values, and purpose enshrined in practice
- Organizational Leadership executive team actions demonstrate commitment to safety and health
- **3. Organizational Structure** safety is a part of every job description
- 4. **Organizational Process** performance management systems (Oxman Safety Model)



These variables interact to produce organizational performance, and ultimately determine outcomes and results. Although there are <u>no quick fixes</u> in business or safety, companies that forge strong values, lead people, align roles and relationships, and effectively manage human performance can reap rapid returns and dramatic reductions in accidents, injuries, and loss costs.

In an organizational safety context, there are three *Levels of Change*, each of which addresses a different target, and correspondingly, has an increasingly greater impact on performance and results. These are:

Level I: <u>Transitional Change</u> (minor):

Initiatives to change working conditions and behaviors – e.g. machine SOPs, safety inspections, and safety training

Level II: <u>Transactional Change</u> (moderate):

Initiatives to change organizational roles, process systems, and management practices – e.g. safety champions, OSHA- and DOJ-compliant incentive programs, and interdepartmental training on lessons from losses and *close calls*

Level III: <u>Transformational Change</u> (major):

Initiatives to change organizational culture and values and executive actions – e.g. safety scorecards that benchmark department performance and reward achievements, and executive team meetings that steer safety culture initiatives

To significantly impact results, an organization must advance beyond only employing Level I traditional thinking in safety, and target Level II and Level III, as these are the upstream causes of and controls over loss in an organization.

All U.S. employers that want to achieve exceptional results would benefit from a **Safety Culture** *Improvement Plan* developed as a result of a comprehensive, tabulated, Safety and *Performance Management Assessment.*



Five Guiding Principals for a Sustainable Safety & Wellness Culture

The first duty of business is to survive, and the guiding principle of business economics is <u>not</u> the maximization of profit, it is the avoidance of loss.
– Peter Drucker

2 Every organization is uniquely designed to exactly produce the results it achieves.

– Stephen Covey

3 It's the consequences that change behaviors.

- Brad Diede (Blanchard)

Given the opportunity to do nothing, most will.

- Coderre's Law of Least Resistance

S Nothing happens until people talk.

– Hans Finzel

