

August 2013

# PROPERTY CASUALTY

# 360

NATIONAL UNDERWRITER

REINSURERS  
UPDATE

CROSS-  
SELLING  
LIFE  
PRODUCTS

*Best  
of the  
Best*

2013 EXCELLENCE IN WORKERS'  
COMP RISK MANAGEMENT  
AWARD WINNERS



PRINTED COPY FOR PERSONAL READING ONLY. NOT FOR DISTRIBUTION.



NU's  
Excellence in  
WC Risk  
Management  
Award Winners

# Best of the Best

RISK  
MANAGERS  
FROM ALL  
THREE  
PROGRAMS  
WILL BE  
FEATURED IN A  
ROUNDTABLE  
PROGRAM  
ON AUG. 19,  
AT WCEC IN  
ORLANDO



**E**very year, *National Underwriter's* Excellence in Workers' Compensation Risk Management Award honors organizations with outstanding loss control, safety and return-to-work programs. They are the leaders in this field, all featuring success stories showing proven results.

This year's winners are American Infrastructure Inc., Aramark Corp. and Miami-Dade County Public Schools. All three will be honored on Aug. 19 during the 68th annual Workers' Compensation Educational Conference (WCEC), set for Aug. 18-21 at the Orlando World Center Marriott.

The award is sponsored by the National Council on

Compensation Insurance (NCCI).

On Aug. 19 during the conference, *NU* Executive Managing Editor Shawn Moynihan will lead a special roundtable from 1-3 p.m. during which attendees can learn some of the secrets behind these award-winning programs.

Presented by the Workers' Compensation Institute, WCEC is the largest gathering of its kind in the nation and offers discipline-specific programs and breakout sessions from hundreds of national speakers.

Here we share the stories of what makes these programs so exceptional—replete with valuable lessons for anyone who endeavors to control Workers' Comp expenditures. **PC360**





From left: Bryan Schwartz, Risk Manager; Mark Smith, VP of Safety and Claims; Jennifer Cummings, Benefits and Human Resources IS Manager; Robert Herbein, Senior VP of Corporate Services; A. Ross Myers, CEO



# CULTURE OF CARING

## AMERICAN INFRASTRUCTURE WEAVES A THREAD OF SAFETY INTO ALL OF ITS OPERATIONS

BY SHAWN MOYNIHAN

**W**hen it comes to managing worker safety in the construction business, there's compliance, and then there's genuinely caring about your people.

American Infrastructure is focused on the latter.

With more than 1,800 employees in six states, AI operates in the heavy civil construction industry and boasts \$500 million in companywide revenue. Bridges, roads, treatment plants and pipelines span the spectrum of its projects, most of them large and each posing unique challenges and potential safety hazards.

For Risk Manager Bryan Schwartz, fostering a culture of safety—exemplified by its “Home Safe Tonight” initiative—isn’t fueled by a desire to simply comply with safety regulations and hopefully contain Workers’ Comp costs in the process: It’s woven into the very fabric of the company. It’s a philosophy that starts at the top and filters down to the boots on the ground.

“It is inconceivable for any of us to believe that a commitment to any other standard of operation is acceptable,” says Schwartz. AI’s intolerance for incidents or injuries and a basic caring for every employee, he adds, “bleeds through in everything we do.”

On its job sites, safety professionals are aligned with project teams, notes Bob Herbein, senior VP of corporate services. At the start of each shift there’s a huddle among workers during which daily “safety flash” messages are provided to the entire crew, including information about “near misses” and other prior incidents—including, for example, attention to sunscreen use and hydration.

Yet to separate the “safety professionals” from those who operate a crane or a concrete mixer would mischaracterize the commitment of AI’s entire workforce to

a safe work environment. Its workers are entirely safety-focused, constantly looking out for one another; that sensibility is core to the company’s aesthetic. At all of its project sites, “Home Safe Tonight” posters serve to remind employees, sub-contractors and customers of the company’s commitment.

“Becoming Incident and Injury-Free begins with a culture of genuine care, concern and respect for our workers so that they all go home safely to their families each night,” says Schwartz. “We believe that all injuries and occupational injuries are entirely preventable.”

The proof is in the results: A reduction in the injury rate by over 50 percent in just four years, and a drastic reduction in Workers’ Comp loss rate per \$100 of payroll in the past six years.

### A SAFETY-FOCUSED COMMITMENT

While it has engendered a culture of respect for its employees since it was founded in 1939, AI made a conscious effort to move toward a behavior-based safety program in 2005. Its senior

management team implemented a root-cause analysis review of all on-the-job injuries or incidents; it focused on management-level of accountability for losses; and action plans were developed to shift management and employee behaviors to even greater safety-focused approach. AI's new-hire orientation program was revamped to provide better guidance and establish from day one an ingrained sense of responsibility for worker safety and the well-being of co-workers.

In 2008 AI enlisted the services of global consultancy JMJ Associates, which helped to establish further protocols designed to keep safety top-of-mind. All company leaders, including foremen, superintendents, project managers, construction managers and vice presidents were provided a two-day commitment workshop designed to strengthen their personal commitment to safety and better define what an Incident and Injury-Free® (IIF®) safety culture at AI could look like. Focused action plans were developed for the leadership teams. Major focus was put on how leaders and management communicate with the workforce; they were trained on how to properly address and show care and concern for employees engaged in at-risk behavior.

"JMJ brought to us the approach of caring and relationships. It's about policies and training, but comes from

a place of caring and concern," says Schwartz. "That's the essence of it."

Several changes were adopted. A "STOP WORK" card was given to employees to be used if they ever observe a work operation they believe can lead to a serious incident or injury. A continuously updated safe-production playbook of illustrated diagrams, shared with employees at every level on the site, would now be used for planning the day's work. The practice of providing the daily "safety flash" message was instilled. Safety leadership teams were formed in each business unit led by the vice president, and meetings would now be held with sub-contractors to communicate the IIF expectation on all projects.

AI CEO Ross Myers (whom Schwartz calls the company's "chief risk officer") began extending communications related to work-safety matters to employees' family members via e-mail and in its quarterly mailed newsletter. The extension of such practices to employees' personal lives is not surprising, given that one of the

company's key points in its corporate vision of "leaving footprints in the industry." This guiding value is evident in CEO Myers' participation with 17 other CEOs of world-class companies

"Becoming Incident and Injury-Free begins with a culture of genuine care, concern and respect for our workers so that they all go home safely to their families each night."

—Bryan Schwartz, Risk Manager

to drive the IIF safety culture throughout the construction business.

#### HIGH RISK, GREAT REWARD

AI maintains a high deductible with its WC insurer, Liberty Mutual, which keeps the company highly cognizant of its cost-containment efforts on the Workers' Comp side.

"We've built up our confidence that we can control the risk over time, and put our money where our mouth is," says Herbein. "It creates a financial repercussion that keeps us on our toes."

For AI, the biggest surprise since implementing a culture of extreme care at multiple levels has been how well it has been received and put in practice by its people. Safety protocols are fine, says Herbein, but once you get employees to realize that you truly care about their well being, they begin to wholeheartedly embrace the idea of looking out for each other on the job.

"I didn't start out in early 2008 believing that would be as successful as it has," says Herbein. "When I hear stories from our employees that their family doesn't want them to get hurt, that that message has gotten through and their family is in the game—that gives me a lot of satisfaction.

"It's not about compliance," he adds. "It's about a genuine concern for each other personally. That's huge." PC360

## AI's Workers' Compensation Claims

Number of Claims 2006 - 2012

