

White Paper:
“Looking after your lone workers makes money”
Issued September 2010

© Connexion2 2010

Executive Summary

A simple equation - the more frequently you place your workers in lone working situations, the more often they are exposed to risks to their health, safety and wellbeing, the more likely it is you will be faced with the consequences of incidents and therefore staff absence to deal with.

Statistics provided by the HSE (Health & Safety Executive) outline that according to the LFS (Labour Force Survey) an estimated 1.2 million people suffered from ill health which they believed to be work related in 2008/09. Roughly a third of that figure is comprised of ‘stress, depression or anxiety’.

There are direct costs attributable to staff absence, the most obvious being sick pay. But what about the other associated costs, which don’t always spring to mind immediately? The financial impact of staff absence can hit the organisation from numerous directions.

Therefore, an appropriate investment to keep staff safe will reap financial benefits, which far outweigh the monetary cost of implementing lone working safety solutions.

ROI

Can you afford not to protect your lone workers? The Health and Safety Executive estimates the cost of a single physical assault to cost an organisation in excess of £20,000. Compare this to the cost of implementing an effective training and lone worker safety solutions, which costs little more than 50p a day and ask your self...why haven’t you invested earlier? Think of the return on your investment.

Staff absence can occur for a variety of reasons ranging from stress resulting from verbal abuse, injury following incidents of physical assault to ‘man-down’ incidents, which result from slips, trips and falls.

Equally, the organisation will feel the costs in a variety of ways:

- Management time - reporting on and investigating incidents is costly
- Providing temporary staffing – agency staffing can be costly
- Increase the workload of the rest of the staff to provide cover – the cost is possible stress and a low morale
- Poor customer service resulting from staff who feel they are over-worked and are not motivated.

Ultimately, this leads to dissatisfied customers, who will impose that is least acceptable – they will take their business elsewhere; and loss of business equals loss of revenue and that particular loss is one of the hardest to win back.

So any business that tackles personal safety risks to their workers is effectively tackling staff absence and will reap substantial financial and social rewards by increasing productivity and raising staff morale.

Leaving the money to one side for the moment, the need to protect lone workers is an important step towards meeting your organisation’s moral and legal duty of care. But essentially, aside from protecting lone workers simply being ‘the right thing to do’, employers are reducing the many costs and potential risks to their employees and the organisation, which arise from lone working issues. As well as staff absence, there are employee insurance liability costs, and fines imposed as a result of breaches in Health

and Safety legislation. In 2008/09 the HSE imposed fines totalling £12.4 million on convicted organisations breaching legislation with average penalties of £14,614 per breach and £20,606 per case.

According to leading insurers, if they are not satisfied that you, as an employer, have proactively taken steps to provide your lone workers with appropriate safety solutions, the costs of employee liability insurance will rise and in addition, your insurer may alter their terms of cover, or even refuse to provide cover at all. The result is more costly management time spent on identifying an alternative insurer and of course the premium will be higher.

Organisations who do not provide adequate lone worker safety solutions also run the risk of prosecution under corporate manslaughter legislation. Aside from the significant reputational damage this could cause to an organisation, the financial penalties are more than likely to be high. The prosecuting court decides the fine to be handed down to an organisation found guilty of corporate manslaughter. It is perhaps no surprise that fines are expected to be deliberately high and they won't be linked to the size or profitability of the organisation, they will be linked to the severity of the breach of legislation.

Add to this the costs of defending litigation from 'at risk' lone workers, including damages payable – that going to be quite a high price tag.

Summary

Consider the costs that result from the following:

- Staff absence
- Defending litigation
- Time spent reporting and investigating incidents
- Escalating employee liability insurance costs for 'at risk' workers
- Risk from corporate manslaughter legislation

Now consider how much you can save on these costs by implementing appropriate policy, training and safety solutions for your lone workers. In short, protects yourself, your organisation and your lone workers and make money.

ENDS.