

## Corporate Exposure

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Companies are currently wasting a wealth of resources purchasing "canned" safety programs and associated paraphernalia. These organizations are hurt even further when unwitting management forces these products into the system, causing damage that can be irreparable.

So how should an organization begin to develop an effective risk control management strategy?

First, let's look at what a typical "canned" program includes.

### Pre-Packaged Programs

These programs have one distinguishing feature: a policy statement, to be signed "on the dotted line," indicating a commitment to safety management. These commitment statements often contain traditional buzz words outlining management's intent and concern for its workforce.

However, a signature indicating a commitment to accident prevention techniques or, for that matter, some other such change has little value in itself. Obviously, what is important is instituting practices and procedures that will support a commitment by effecting actual changes in behavior.

Developing an appropriate risk control management strategy begins with a four-step approach:

**1. Learn from the past.** Perform a detailed historical analysis of whatever losses have occurred over time. Identify the types of losses and, most important, the causes. As with every aspect of management, take nothing for granted. In determining the fundamental causes of an accident, survey all parties in question. Remember, the failure of human interaction or communication—not physical deficiencies—is the primary cause of most accidents. Analysis of train derail-

ments, airplane crashes, and oil tanker spills corroborates this as fact.

**2. Understand how the organization can influence human behavior.** Evaluate the human management principles affecting the organization. Recognize that in situations where employees lack motivation, the likelihood of loss increases. Evaluate the manner in which employees are hired and trained, and exactly what interaction currently exists within the organization. How are employees recognized for positive performance? What kinds of results are rewarded in the organization? If production goals provide the sole source of recognition, then you can bet you will have employees (both management and labor) directing their efforts solely to that end, with little or no regard for quality, safety, or any other objective.

**3. Review environmental conditions that may be responsible for accidents.** The relationship between individuals and the tasks they perform cannot be ignored. Matching capabilities so that people operate within their own comfort zones is necessary for maximum production, quality, and safety considerations. If an individual is uncomfortable driving a certain vehicle or has difficulty accessing the pedals, that individual is at greater risk of having an accident.

In addition, do not underestimate the influence alcohol and drug use can have on accident frequencies.

**4. If it wishes to achieve results, management must measure its true commitment to change internally.** This is perhaps the most difficult step for an organization.

Developing postures that look good but lack substance is an approach that will ultimately fail. So will any attempt to buy products developed externally and then jammed

into the system. This is the principle that operates with fad diets and fitness programs. Such regimens may look good, but without individual commitment, they will not succeed.

Determine what you, personally, as a manager, together with your organization, are willing to do. What objectives need to be satisfied before any changes can be implemented?

Once again, we are not just talking about voicing a commitment but about getting involved in changing a process. Virtually everyone claims a commitment to a safe and healthy work environment, but only a few are committed enough to get involved in doing something about it.

### Summary

After the individual manager or the organization undergoes this four-step analysis, the correct strategies and approaches will become evident. How? It's quite simple. When you identify the changes you want to make and are committed to making them, the strategies follow. The same is true for an organization. Once management recognizes the changes it wants to make, it will develop the approaches that will achieve results. Attempting to buy a roster of outside success stories will not produce an adequate return on investment. Real change cannot be instituted from the *outside in*, but has to proceed from the *inside out*. The organization develops the objectives and then begins internalizing them.

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