

Funding Growth for Staffing Firms | A Paychex® Company



SAFETY GUIDE

A **Guide to Safety** for Staffing Agencies

Safety is one issue that staffing firms should take very seriously, because accidents and worker's compensation claims have serious implications for the long-term health of your business.

> Staffing firms historically have a hard time finding affordable worker's compensation policies just by the nature of their business, and repeated claims can put you out of business. As the employer of the temporary worker who is injured on the job, you share joint responsibility with the host company if your workers are injured as a result of a temporary assignment.

Good safety policies and best practices can go a long way in helping keep your workers safe. With that in mind, we have put together a document specific to staffing that covers current safety regulations and consequences, safety best practices, and the questions you should be asking to ensure your workers' safety.

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OSHA and Staffing

With a few notable exceptions like the self-employed or family-only farms, all private-sector employees in the U.S. are covered under Occupational Safety and Health Administration (OSHA) federal or state programs.

OSHA is a division of the U.S. Department of Labor that started in the 1970s in order to combat workplace fatalities and injuries, and they have many laws and requirements to ensure the safety of all workers.

According to the Occupational Safety and Health Administration (OSHA), staffing agencies and host employers are jointly responsible for maintaining a safe work environment for temporary workers. This includes ensuring that OSHA's training, hazard communication, and recordkeeping requirements are fulfilled. As the staffing firm, you have to consider the hazards you are in a position to prevent and correct, and in a position to comply with OSHA standards. For example, you may provide general safety and health training, and host employers provide specific training tailored to the particular workplace equipment/hazards.

For information about safety regulations in general and specific to industries: www.osha.gov

For information specific to staffing agencies: www.osha.gov/temp_workers/

Consequences of Accidents and Injuries

While the extent of responsibility under the law of staffing agencies and host employers is dependent on the specific facts of each case, it is important to know the potential consequences for inadequate training or putting your worker in a dangerous situation. For one, any injury that requires medical treatment over a certain dollar amount will affect your worker's compensation policy, which is hard enough to secure as a staffing firm. How much or how little depends on severity of the injury, or the frequency of claims. If your worker's compensation claims are high, your policy could be placed in a higher rate category which will increase your policy costs, or the insurance company could cancel your policy altogether.

Another consequence to consider is the reputation of your staffing firm. If your injury rates are high, your firm is in danger of establishing a specific reputation among clients and workers. This could affect the attraction of good workers in a tight labor market, as well as the attraction of new clients or the retention of existing ones.



Safety Best Practices

The following is a list of safety best practices for staffing firms, both for employee personal safety and for protecting your business. While it is by no means comprehensive, it should give you a good starting place for implementing good safety policies.

HAVE ACCIDENT RESPONSE DOCUMENTATION AND POLICIES IN PLACE.

You will need written policies in place to handle workplace incidents in a prompt, effective, and efficient manner.

2 KNOW THE STEPS TO REPORTING AN INJURY.

Steps to take:

- Medical attention is primary
- Clean up and reestablish normalcy
- OSHA reporting with 8/24 hours
- Workers Comp reporting
- OSHA recordkeeping logs

3 KNOW THE TIMELINES FOR REPORTING AN INJURY.

All employers must report all work-related:

- Fatalities within 8 hours
- Inpatient hospitalizations within 24 hours
- Amputations within 24 hours
- Loss of an eye within 24 hours

MONITOR AND MANAGE WC CLAIMS.

Staffing firms should aggressively

monitor and manage open claims and institute measures to minimize future claims. This can include timely reporting to insurance, ongoing communication with claimant and insurance adjuster, and putting the claimant back to work in a different capacity.

5 KNOW THE WC CODES.

Staffing firms should actively monitor National Council on Compensation Insurance workers' compensation class codes to confirm their accuracy and avoid excessive premiums.

6 BRIEF NEW EMPLOYEES ON SAFETY.

Firms should consider administering basic safety knowledge assessments along with other tests like physicals, drug tests, etc. Then when they are hired, they should receive the employee handbook, briefing on conditions at the client site, and policies specific to that industry.

7 CONDUCT ONGOING TRAINING.

Staffing firms should regularly provide ongoing training and general safety information to employees.This could take the form of emails, posters, meetings to share the results of work site inspections, meetings with Risk Management personnel, etc.

8 CONDUCT A RISK ASSESSMENT AND ANALYSIS ON POTENTIAL CLIENTS.

Before you decide to do business whether to do business with potential clients, you need to know the potential risks.That includes being able to conduct effective onsite inspections and evaluations of a potential client's work site.

9 HASH RESPONSIBILITIES OUT IN THE CONTRACT.

All of the respective responsibilities should be set forth in your written agreement with the client. This includes compliance with applicable OSHA standards.

OPEN COMMUNICATION REGARDING SAFETY ISSUES.

The staffing firm and client should maintain open and ongoing communication regarding safety issues. This could include regular performance and safety evaluations, or participating in client safety committees.

Safety Questions to Ask Your Client



Knowing how your client approaches safety starts with asking the right questions.

HERE IS A LIST OF QUESTIONS TO ASK WHEN GATHERING SAFETY INFORMATION.

- Tell me about the workplace hazards.
- Will my employees be exposed to any chemicals?
- What personal protective equipment will be required and who is responsible for providing it (safety glasses, gloves, respirators, hearing protection, safety shoes)
- What specific safety training do you require of your employees who would be doing this job?
- Will you provide this training to my employees, or are you expecting us to provide this initial training?

ASK INDUSTRY SPECIFIC QUESTIONS AS WELL.

- For Manufacturing/Construction, ask about type of machinery and training. Any chemicals? What equipment is used?
- For medical, how often do you perform bloodborn pathogen training? What types of chemicals? Will the employee be around lasers or x rays?
- For restaurants knife handling training? Fire plan? Do they lift heavy items? Deep fryers?



If you have specific questions about what safety measures you should be taking to start and grow a successful staffing firm, feel free to reach out directly to our Director of Client Development, **Barb Hammerberg**. Barb has decades of experience in the staffing industry and helps Advance clients with business questions. Email your question at askbarb@ advancepartners.com.

We also have other free resources for staffing firms such as a SWOT Analysis template, a Business Plan template, and Quick Guides on Financial Documents.



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