

Managing Risk in the Construction Industry

Construction companies that manage safety-related risk build business value. They experience fewer workplace incidents and avoid the costs associated with fatalities, injuries, accidents, and lost workdays. EHS Risk Management can help you to reduce these risks and costs for greater profitability.

The Problem

According to the U.S. Occupational Safety and Health Administration (OSHA), 20% of workplace deaths are caused by construction accidents. The U.S. Bureau of Labor Statistics (BLS) estimates that there were 195,000 injuries from construction accidents in 2018, and that the U.S. construction industry accounts for 8% of all injuries that account for lost workdays.

“The costs associated with construction accidents,” writes the [Doan Law Firm PLLC](#), “are astronomical.” Each year, the total combined costs top \$11 billion. Workers’ compensation claims alone account for \$2.5 annually – and premiums rise whenever there’s a claim. In addition to fines, there’s damage to a company’s reputation that can result in lost business.

“Too many business leaders look at safety as an overhead cost, or maybe as a cost of doing business. With the right approach, safety becomes a return on your investment.” – Jim Testo

The Solution

To prevent safety-related problems, construction companies need to take a proactive approach that’s based on risk management rather than regulatory compliance. Regurgitating a safety standard isn’t proactive, however, and compliance-only programs don’t do enough to minimize risk. What construction companies need instead is a sustainable, expert system with built-in processes for their specific business.

This ideal program has a policy-procedure format with one or more policies and a set of written procedures for each policy. Each procedure contains key elements like management commitment and communication. Implementation includes training along with hazard control and mitigation. The entire program is an expert system that follows a business process that increases business value.



Leveraging Technology

The ideal program also requires a technology solution that puts safety-related information right at everyone's fingertips. This information is conveniently available online and on mobile devices instead of sitting in outdated, printed binders. Whether you're in an office with a laptop computer, or at the construction site with a smartphone and tablet, you can easily access the information you need.

Along with process information, safety audits, and access to real-time training, construction companies need to know what must be done and when it must be completed. The ideal system meets this requirement through the use of online portals where users log in securely with user IDs and passwords instead of relying on email and printed copies. Digital checklists and forms can be utilized to capture inspection and audit data quickly and accurately and then store it automatically in an online portal.

Developing the right expert system is important because managing EHS risk is about adding business value. Construction companies that take this proactive approach can reduce costs and improve their bottom line. EHS Risk Management, LLC combines the technology you need with safety expertise for a sustainable and proactive risk management solution.

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EHS Risk Management, LLC

The [EHS Risk Manager](#) is a business value proposition that reduces costs and supports your company's performance. The [EHS Portal](#) provides a real-time process for managing and implementing your company's policies and procedures. To learn more, email Jim Testo at jimt@ehs-riskmanagement.com.