



# Safety Matters

**Dixon Insurance: Your restaurant workplace safety partner**

## Accidents Are Costly

We all know that safety is important, but are you aware just how costly a workplace injury can be? According to the Occupational Safety and Health Administration (OSHA), the average eye injury costs \$1,463. It may not seem like much money, but the extra expense to pay for injuries has a powerfully negative effect to our restaurant's bottom line.

Why is profitability also an important issue to you? The only way that can stay in business is to operate at a profit, and that ability can be threatened by a serious workplace injury.

### The Real Cost of Workplace Injuries

It may be surprising to hear that most companies do not have a high profit margin—3 percent is about average. Expenses take a large chunk of the income, and competition limits how much we charge our patrons.

Each time an accident occurs, the cost of the injury must be subtracted from profits. Consider the following two examples:

At a 5 percent profit margin, an extra \$20,000 in sales is needed to compensate for a \$1,000 injury. If the profit margin is nearer to 1 percent, an additional \$100,000 worth of new income is necessary to maintain that profit level for the same injury.

As you can see, that adds up to a lot of extra income just to compensate for a single injury. And we all know that we

can't just find more customers because we need the extra income. Thus, every time a worker gets hurt on the job, other employees are affected, too. The company may be forced to make difficult budget decisions such as cutting hours or jobs, plus some employees will need to work extra hours to make up for the injured employee's lost time.

Also, recovering from an injury can mean time away from work, reduced compensation, painful rehabilitation and frustrating adjustments to daily life.

### Practice Prevention

Though operating at a profit is essential to our success, our top priority is to keep our employees safe and healthy. That's why we are counting on you to help practice good safety principles, including following all safety procedures, even if they seem unnecessary or slow you down. Safe work behavior will contribute directly to our bottom line as well as to everyone's job security. By observing safety precautions, we can limit accidents.

It is always wiser to spend a bit more time doing the job safely than to risk getting a serious injury. Be sure to always follow all safety guidelines and stay alert for unsafe conditions.

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