

A group of workers in hard hats and safety vests looking towards the left. The workers are wearing various colored hard hats (yellow, white, orange) and high-visibility safety vests (yellow, orange). They are all looking in the same direction, towards the left side of the frame. The background is slightly blurred, suggesting an industrial or construction setting.

VelocityEHS[®]

EHSToday[®]

STATE OF THE MARKET REPORT

The State of Workplace Safety in 2024

The State of Workplace Safety in 2024

TABLE OF CONTENTS

- Executive Summary 3
- Safety Oversight & Budget..... 4
- EHS Staffing Trends 4
- Using Technology to Manage Safety 5
- Evaluating Health & Safety Management (HSM) Systems 6
- Key Benefits of a Safety Management System..... 10
- Other Key Safety Trends 11
- Safety's Role in ESG & Sustainability Programs..... 11
- Conclusion 12
- About the Survey 12





Executive Summary

Workplace safety has come to the forefront as companies work to reduce accidents, minimize related costs, and attract workers in a constrained labor market. Companies must also appeal to job candidates who want to work for organizations that are mindful of their employees' well-being. Even minor incidents can have a negative impact on employee morale, turnover, productivity, and efficiency — impacts that can quickly trickle down to the bottom line.

Knowing this, many companies are putting their best foot forward these days when it comes to workplace safety. They're keeping safety and health levels steady, maintaining their budgets in this area, and investing in technology that helps them train employees, monitor safety performance, and take proactive steps to avoid incidents and accidents. They're also using more technology

(including EHS software) to monitor and control risk in an environment that's inherently prone to risk. Even so, many companies are still struggling to improve their safety performance, keep up with key management tasks, and build workplace engagement with safety, and aren't taking advantage of the ways EHS software could help them achieve their goals and demonstrate their progress.

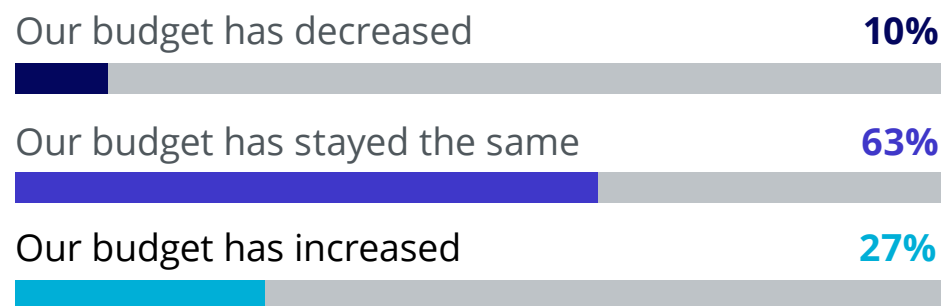
In April 2024, Endeavor Business Intelligence conducted a survey in partnership with VelocityEHS. 478 qualified survey responses were used to develop this report which explores the current state of workplace safety, recent shifts in safety management system budgets and staffing, types of metrics used to measure safety goals, and how organizations are using more technology to manage safety-related programs and activities.

Safety Oversight & Budget

Among the survey respondents, safety is the responsibility of several different job titles. EHS professionals, operations managers, and plant managers are generally in charge of this aspect of their facilities.

For the most part, annual safety management budgets have remained steady this year, with 27% of companies increasing the amount of money allocated to safety and just 10% of respondents revealing that their safety management budgets have decreased.

FIGURE 1
Has your annual safety management system budget increased, decreased or stayed the same as it was in 2023?



Base: All respondents (n=478).

EHS Staffing Trends

Companies that are enhancing their safety goals, responding to market demands, and getting involved with business acquisitions generally need more staff to handle some or all of the added responsibility. Despite the labor shortage, the focus on safety seems to warrant either a “holding steady” or even an increase in the positions related to employee safety.

In the write-in portion of the survey, respondents said they increased EHS staffing levels because they hired their first safety champion, increased overall employee numbers, and conducted assessments and audits that revealed a need for additional support. Some of the reasons given for decreasing EHS staffing levels included corporate downsizing, unplanned attrition, and employees’ resignations.

Organizations that reported decreases in their EHS staffing levels say the key reasons for doing so include market demands, shifting priorities, and business divestitures/acquisitions. The manufacturing firm that has sold off a division that is a particularly high risk on the safety front, for example, may no longer need the same size of staff to orchestrate the broader organization’s safety programs.

When broken down by industry, companies in the mining, lumber, and wood products, professional, scientific, tech services, furniture and fixtures, and pharmaceutical industries were most likely to report increasing their EHS staffing levels this year. Based on survey responses, companies have increased staffing levels as a result of enhanced safety goals and market demands. Respondents’ write-in comments indicated that companies are addressing gaps identified in their EHS programs, experiencing an increase in company size/headcount, and managing production increases, all of which require a more robust, efficient, and proactive safety culture.

According to the survey, most respondents are meeting their recordable injury rate goals. In comparing their recordable injury rates versus their goals — versus their current budgets — 65% of companies that are meeting their goals said their budget has stayed the same. Twenty-nine percent said their budgets have increased, and just 7% are operating with decreased EHS budgets.

EHS staffing levels have largely stayed the same this year, but those companies who have cut back on staffing in their area aren’t performing as well when

it comes to hitting their recordable injury rate goals. In fact, only 6% of the companies who have cut back are hitting those goals — yet another indicator of the correlation between a successful safety program and ensuring that the right people are in place to run it.

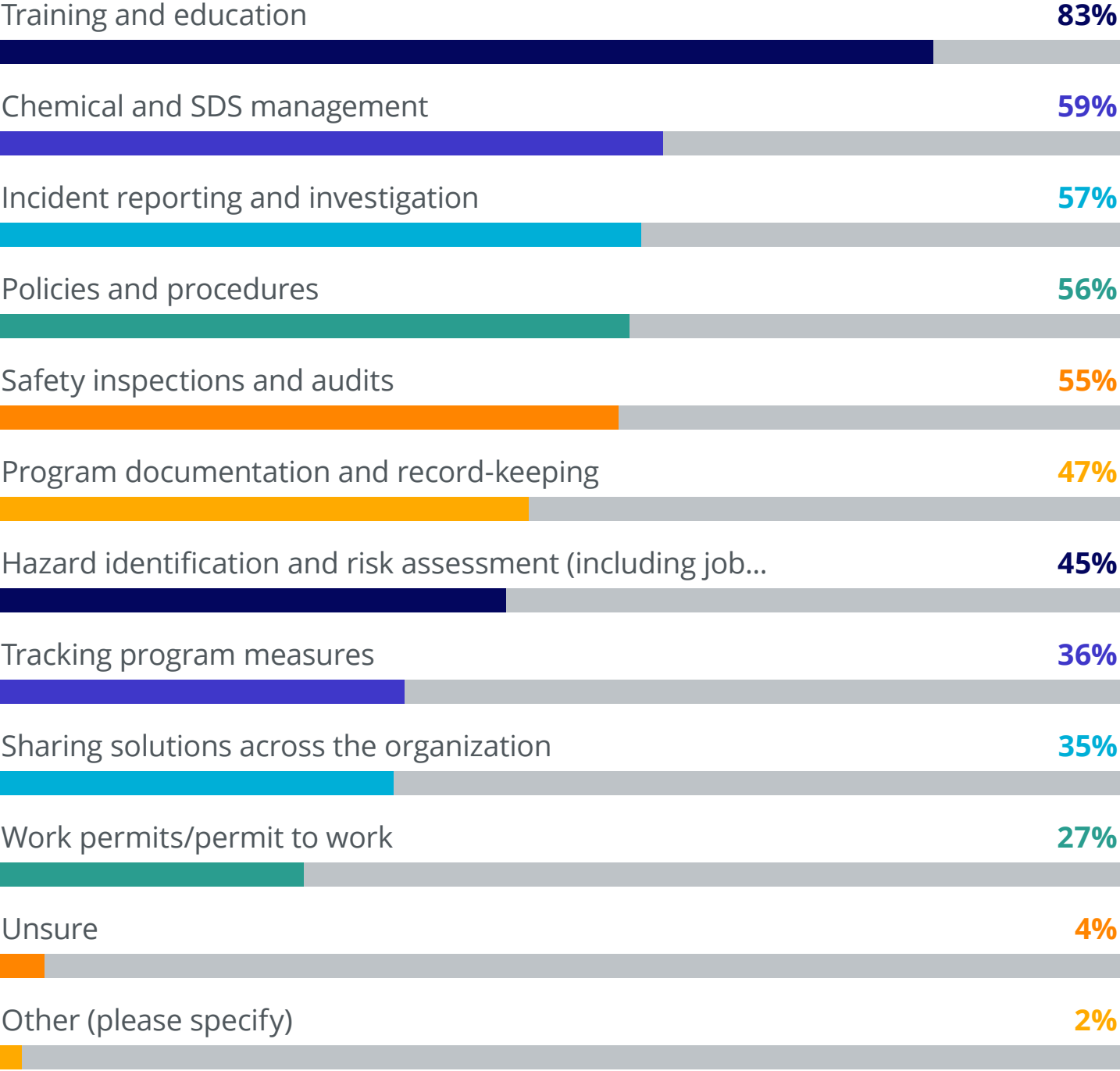
Nearly all survey respondents (95%) said people play an important role in safety management. Most see communication, training, and employee engagement as key success elements.

Using Technology to Manage Safety

Manufacturing facilities are breeding grounds for potential safety hazards. Excessive heat, gas leaks, slippery floors, electrical shocks, and hazardous materials are just some of the environmental issues that can cause minor or serious risks for employees. The human eye can only detect so much, which is why more employers are turning to technology to help manage safety. For example, technology can be used to gather and analyze data across different sources, identify trends and potential threats, and prevent accidents and near misses (unplanned events that could have caused personal injury or property damage).

This year’s survey revealed that a high percentage of companies are using technology to deliver or manage health and safety program-related activities and information. The majority of companies (83%) use it to deliver training and education, for chemical and safety data sheet (SDS) management (59%), and for incident reporting and investigation (57%). Even so, significant minorities of respondents had not yet adopted technology for the latter three categories.

FIGURE 2
How are you using technology to deliver or manage activities and information related to your health and safety programs?



Base: All respondents (n=478).

Companies are also using technology to deliver or manage policies and procedures, safety inspections and audits, and program documentation/recordkeeping. A slight majority of respondents (55%) were not using technology to manage hazard identification and risk assessment. The largest opportunities exist for increased adoption of technology to manage work permits (about 73% of respondents were not currently using technology for that purpose), share effective solutions across the organization, and track program measures. With the right technology tools in place, companies can reduce downtime, improve employee engagement, and be better prepared to manage increased regulatory compliance requirements.

Evaluating Health & Safety Management Systems

Organizations have various safety management tools at their avail, but not all of them are taking advantage of these resources. Health and safety management systems, for example, provide a formalized framework for managing health and safety risks across the enterprise. With these systems in place, employers can more effectively and efficiently prevent incidents and create a culture of safety in their organizations.

There are also a number of EHS standards in existence, developed by standard-setting bodies, to provide companies with guidance on how to improve their own EHS management practices by identifying and addressing potential gaps.

There was a gap between the number of companies who say they've certified to a standard and the number who say they're merely following a standard. For example, slightly less than one-third of respondents (30%) follow ISO 14001 to the Standard's framework, while only 25% are certified to the Standard. The results also show a lack of consensus among respondents on which standards to certify to or follow.

"While it's encouraging that many companies saw the value of following a standard, certifying to a standard is really the best way to get the most improvement of your safety performance," says Phil Molé, EHS Content Expert at VelocityEHS. "When you certify to a standard, you have to take it seriously enough to build teams and document your performance, and to go through external audits with a registrar to confirm you're really doing the things you say you're doing."

ISO 14001 is the internationally recognized standard for environmental management systems (EMSs). Even though ISO 45001 is newer than ANSI Z10, the former is seeing more widespread adoption. Potential factors influencing this could include ISO 45001's status as an international standard and the fact that it built upon and replaced OHSAS 18001.

FIGURE 3
What health and safety management system standards does your organization follow and/or certify to?

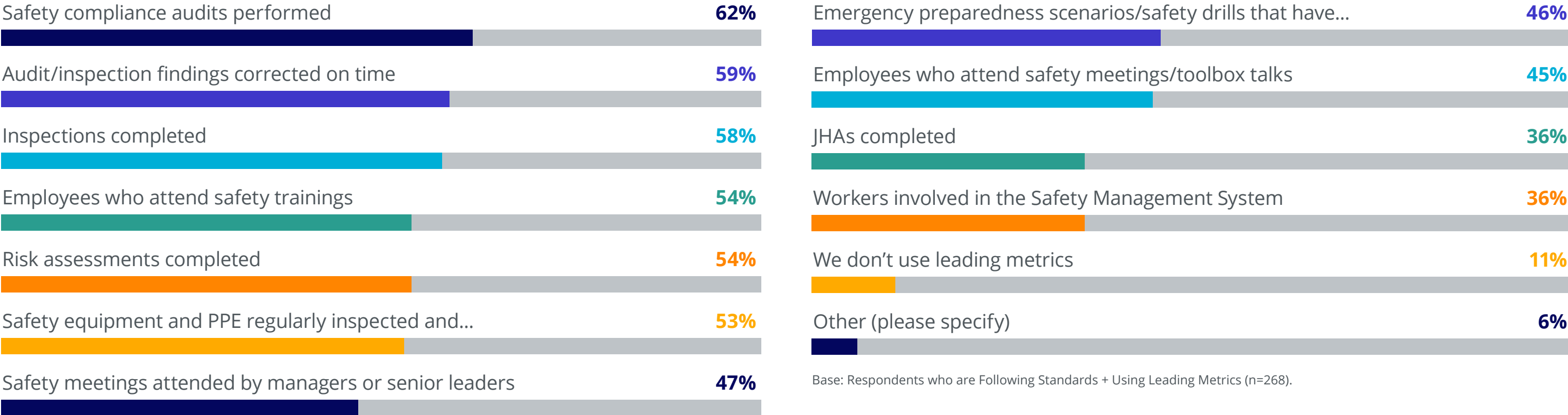
	Follow the Standard's Framework	Certified to the Standard	Don't Know/ Does Not Apply
ISO 14001	30%	25%	49%
ISO 45001	28%	17%	58%
ANSI Z10	24%	8%	69%
OHSAS 18001	27%	12%	64%
Industry-Specific Standard	17%	13%	72%

Base: All respondents (n=478).

The most common leading metrics used by respondents to measure the success of their safety management programs include safety compliance audits, completing inspections, correcting audit/inspection findings on time, and completing risk assessments.

These different types of leading metrics allow companies to benchmark against what other organizations are using and see how they compare and contrast their performance in relation to their peers. The fact that 89% of organizations are using leading metrics shows that employers are taking safety seriously and putting processes in place to ensure safer workplaces overall.

FIGURE 4
Which leading metrics does your company use to measure the success of your safety management system?



Base: Respondents who are Following Standards + Using Leading Metrics (n=268).

The top lagging metrics used by respondents to measure the success of their safety management systems were Recordable Incident Rate, near misses, Lost Time Incident Rate, and Lost Work Days rate. Some of the other lagging metrics used include workers' compensation claims, Days Away Restricted or Transferred (DART) rates, and Safety Perception Survey scores.

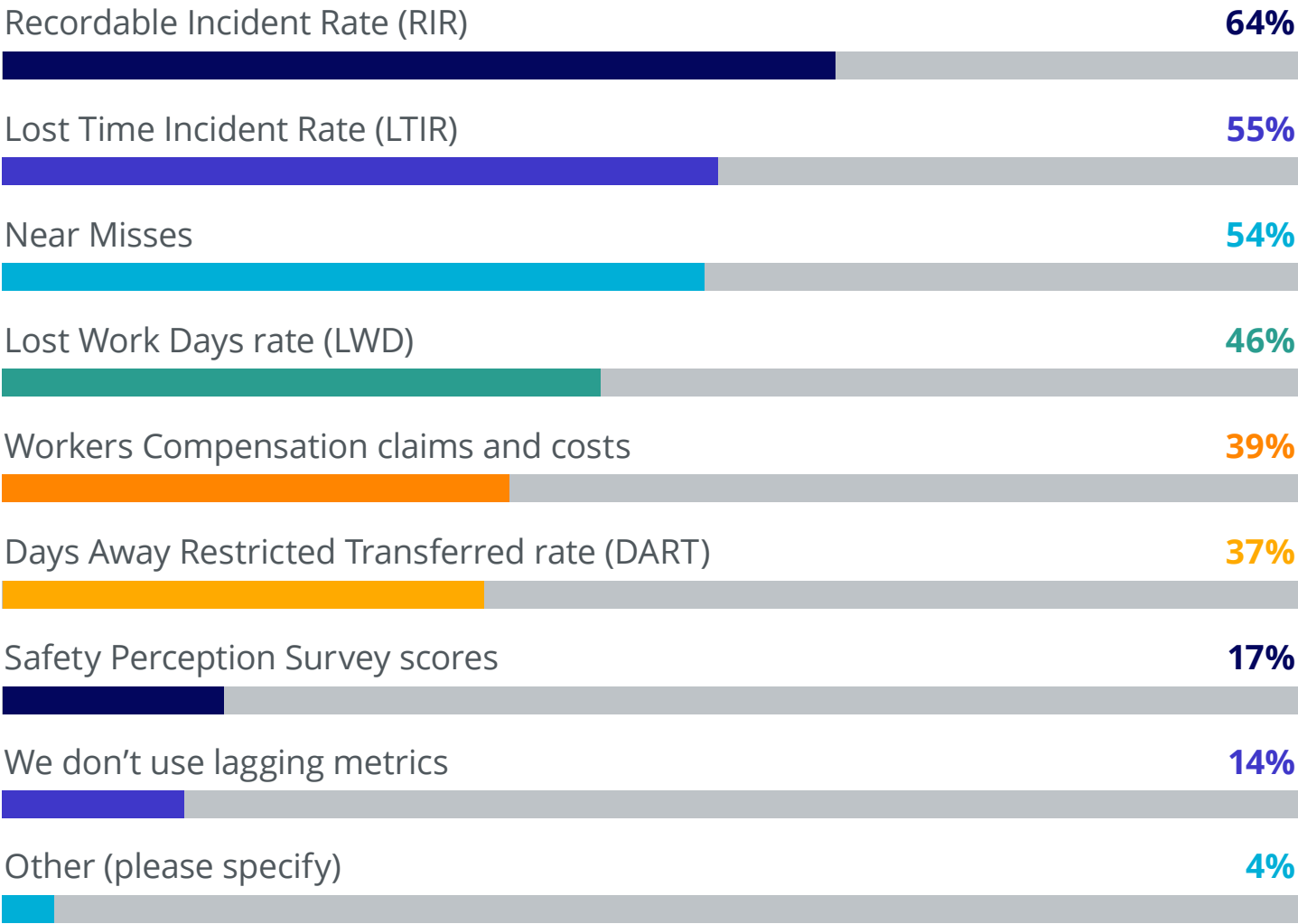
Where lagging metrics like accident rates and near misses paint a picture of what's happening in the past, leading metrics focus on safety practices and behaviors that can be used to avoid future accidents.

Whether they rely on leading metrics, lagging metrics, or both, the companies who are using them can better benchmark their progress and leverage best practices that other organizations may already be using. All companies benefit from being able to compare and contrast their performance against their peers, and this is one more way for employers to gauge the effectiveness of their safety programs and make the appropriate improvements to those programs.

In comparing recordable incident rates versus established goals in this area, companies that follow or certify to the ISO 14001 standard say they are meeting or exceeding goals. Other companies that are meeting their goals use standards like ISO 45001, OHSAS 18001, and ANSI Z10.

For the write-in portion of the survey, participants said they're using leading metrics like site reviews, maturity matrixes, the FMCSA scoring system, and internal safety observations. Some of the other lagging metrics that companies are using include property damage, accident/incident investigation findings, crash rates, and first aid success rates.

FIGURE 5
Which lagging metrics does your company use to measure the success of your safety management system?



Base: Respondents who are Following Standards + Using Lagging Metrics (n=262).

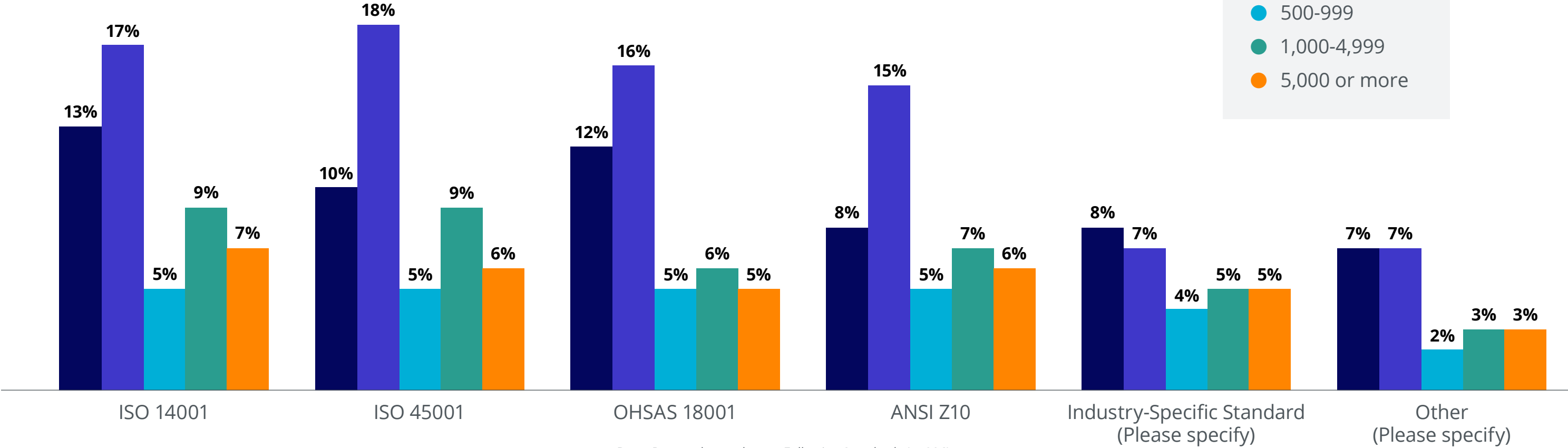
Company size can play a role in whether or not organizations follow and/or certify to a specific safety standard, but smaller organizations are just as apt to follow such standards' framework. For example, 17% of firms in the 100-499 employee group use ISO 14001, while 13% of companies with less than 100 employees follow this framework. For ISO 45001, 18% of those with 100-499 use the framework, and 10% of smaller firms follow it.

These survey results reveal a heightened awareness of the importance of safety across all organizations, regardless of size. While companies rely on different standards to inform their processes, nearly all organizations are incorporating the content of at least one safety management system and utilizing a combination of leading and lagging indicators to monitor the

effectiveness of their safety efforts. There is an opportunity for more organizations to formally certify to the standards they are using. The added rigor necessary for certification improves program results and demonstrates to employees that the organization has a higher level of commitment to workplace safety.

FIGURE 6

What health and safety management system standards does your organization follow and/or certify to?



Base: Respondents who are Following Standards (n=286).

Key Benefits of a Safety Management System

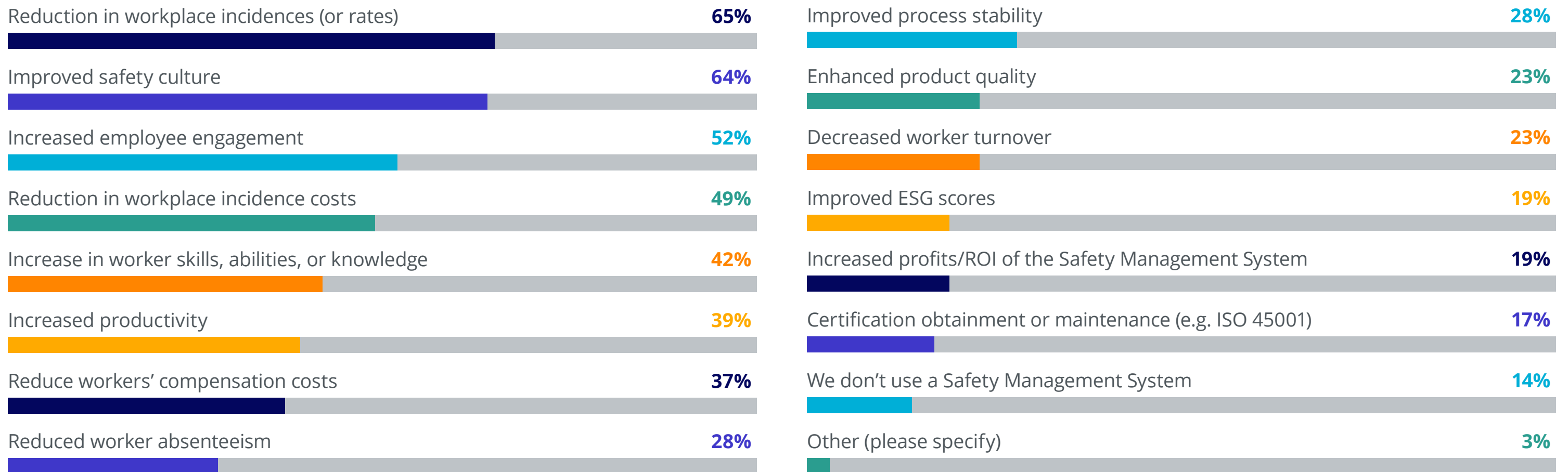
What good is workplace efficiency if your facility isn't a safe place to work? This is a question that more organizations are asking themselves as they look for ways to reduce incidents and injuries, maintain regulatory compliance, and position themselves as "employers of choice" in the midst of a skilled worker shortage.

Companies are turning to safety management systems to help achieve these and other workplace safety goals. Respondents who are using safety management systems said they provide a wide range of benefits that extend well beyond a

reduction in workplace incidents and lower incident costs. Safety management systems are recognized for providing important business benefits such as better employee engagement, increased worker skills, and even enhanced productivity.

"There is an increasing awareness in organizations that investing in employee safety has benefits to the business operation. Key factors in this survey included employee engagement, productivity, absenteeism, and quality. Unfortunately, many of these factors aren't showing up in the safety metrics in the form of impact metrics," says Rick Barker, CSP, Senior Director of Solution Strategy at VelocityEHS.

FIGURE 7
What benefits does your safety management system provide?



Base: All respondents (n=246). Multiple answers allowed

The survey also found that almost four out of five respondents (79%) are not using impact metrics to measure the success of their safety management systems. The ANSI Z16 standard is relatively new (2022), and the low adoption rate of the impact measures may reflect a lack of understanding regarding the content of the standard. This may also indicate an opportunity for safety leaders to become more skilled in gathering, interpreting, and presenting broader business-related metrics.

The opportunity here is further illustrated by recalling that 7 of the top 10 safety management system benefits identified are quantified with impact metrics, including increases in employee engagement, worker skills, productivity, process stability, and quality. The ability to demonstrate these benefits using impact metrics is likely to increase senior management support and involvement with EHS efforts.

Other Key Safety Trends

The global COVID-19 pandemic wasn't just a health crisis; it had major impacts on global organizations. Social distancing measures forced a rapid adoption of remote work models, supply chains were almost instantly constrained, and customers changed the way they buy and interact with companies. Even as the worst aspects of the pandemic waned, some of these shifts remained in place.

More than a quarter of respondents said that there were declines in their company's overall safety performance due to the pandemic, with about 78% seeing recovery in their organization's safety performance to pre-pandemic levels. This is a positive trend for employers, although some negative impacts are still lingering.

Safety's Role in ESG & Sustainability Programs

Safety departments are well positioned to play an important role in their companies' environmental, social, and governance (ESG) initiatives, but not all organizations are implementing and using ESG and sustainability initiatives.

Eighteen percent of respondents indicate that safety personnel lead their companies' sustainability/ESG programs. Nearly half of survey respondents said that safety is "closely integrated" (29%) and often consulted by ESG/sustainability leadership (14%) when developing or coordinating program activities. One-quarter of companies have yet to develop sustainability/ESG initiatives.

FIGURE 8
To what extent is your safety program involved with corporate sustainability and environment, social, and governance (ESG) initiatives?



Base: All respondents (n=478).

Conclusion

Workplace accidents and injuries are costly and can result in worker's compensation claims, lost productivity, and even lawsuits. By implementing effective safety programs and using technology to orchestrate and run these programs, organizations can avoid these challenges, engage their employees, and build a culture of safety where people want to come to work every day.

The survey results paint a picture of employers who understand the value of safety but don't necessarily use all the available tools and metrics. For example, 14% of companies aren't setting recordable injury rate goals, and many still aren't certified to health and safety management standards. Some of the drivers could be that safety programs that prioritize recordable injury rates may encourage under-reporting of incidents or the belief that even a single injury is unacceptable.

Also, 79% of companies are not using impact metrics to measure the success of their safety management systems, which presents a major opportunity for companies that do use these metrics as part of their overall safety culture. On a positive note, companies of all sizes are taking workplace health and safety seriously, with organizations that have less than 500 employees to those with 5,000+ workers putting more time, effort, and investment behind these efforts.

"It all comes down to being able to be who you say you want to be," concludes Molé. "Respondents highly rated the value of engagement and safety culture and said their people are the most important ingredient for safety, but yet, there's less commitment on certifying to safety standards and less adoption of impact metrics to measure their performance. We also see low adoption of technology or software in key areas like risk identification or permit-to-work management, but technology

can help them fill some of these gaps. It's easier to be the company you say you want to be — and live up to your values — when you have better tools."

About the Survey

In April 2024, Endeavor Business Intelligence and VelocityEHS emailed invitations to participate in an online survey to members of its EHS Today database. The survey received 478 qualified responses, which were used to develop this report. More than half of the respondents were managers or supervisors working primarily in safety management, risk management, safety equipment/worker protection, environmental compliance, training/HR, standards, and occupational health positions.

The industries represented were highly diverse, with no sector exceeding 11% of total respondents. About one-third of respondents (32%) said they had between 100 and 499 employees at their location, and 30% have fewer than 100 workers. Twelve percent of respondents work at locations with 5,000 or more employees.

