



OSHA PREPAREDNESS

Being prepared for a scheduled or unscheduled OSHA on-site visit can save direct and indirect costs

by Ron Pitcher, president, Pitcher Insurance Agency Inc.

What do you do when OSHA comes to your door and wants to do a worksite inspection?

The short answer is let them in – because quite honestly, you really don't have a lot of choices. Under most circumstances, it wouldn't be wise to try to keep OSHA inspectors out, considering they'll have no hesitation in getting a court warrant for the inspection.

More importantly, however, the reason to let them in is because you're ready. After reading this article, you will know what to expect from a site inspection and what to do to be prepared.

Who can be inspected?

OSHA regulations state that the agency can inspect any factory, plant, construction site, establishment or other workplace to investigate all pertinent conditions, structures, machines, equipment and materials without notice.

OSHA inspectors, also called compliance officers, prioritize inspections in the following order:

1. Imminent danger situations: Top priority is given to hazards that could cause death or serious physical harm. Employers must immediately correct the dangerous situation or remove employees from the facility. >

Having an assigned guide selected prior to an inspection will help make the inspection process more efficient and will also help avoid unnecessary delays.

General areas to examine in a self-audit include personal protective equipment, evacuation plans, and tools and equipment.



2. Fatalities and catastrophes: For incidents in which three or more employees die or are hospitalized, the employers must report the event within eight hours.
3. Complaints: Allegations of hazards or violations by employees.
4. Referrals: Reports of hazard information from federal, state or local agencies, individuals, organizations or the media.
5. Follow-ups: Verification by compliance officers that previously cited violations are corrected.
6. Planned or programmed investigations: Inspections of high-hazard industries or workplaces with high rates of injuries or illnesses.
7. Random audits: Even employers with clean safety records may be subject to OSHA inspection.

Inspections are stressful situations. But, if you have done your homework, inspected your company regularly and taken steps to eliminate hazards, you have greatly increased the possibility of a good review.

Inspection overview

Knowing what to expect from an OSHA inspection can make the experience less stressful. Here is a brief overview:

Arrival: An inspector arrives at your facility during normal business hours, unless you are contacted prior to the visit. The inspector shows you credentials issued by the U.S. Department of Labor, which authorizes the inspection.

Preliminary conference: The inspector tells you why OSHA selected your company, explains why the inspection is taking place and

reviews with you the standards that apply to your industry. You must then select an employee to accompany the compliance officer during the inspection. Having an assigned guide selected prior to an inspection will help make the inspection process more efficient and will also help avoid unnecessary delays.

Tour: The compliance officer then tours the workplace. The agenda for the inspection and its length is at the discretion of the officer, although most inspectors attempt to cause as little interruption to the workday as possible. According to the OSHA Field Operators Manual, "The main purpose >



Preparing for an OSHA inspection can start by appointing a company inspector who will routinely evaluate the workplace and conduct self-audits.

of the walk-around inspection is to identify potential safety and/or health hazards in the workplace. OSHA shall conduct the inspection in such a manner as to avoid unnecessary personal exposure to hazards and to minimize unavoidable personal exposure to the extent possible."

Inspection: The compliance officer investigates working conditions and asks questions of employees. They may take photographs or record instrument readings relating to safety and health hazards; take environmental samples; and request files recording deaths, injuries and >

OSHA increases fines



In November 2015, Congress enacted legislation requiring federal agencies to adjust their civil penalties to account for inflation. The Department of Labor has adjusted penalties for its agencies, including OSHA.

The new penalties took effect August 2, 2016. Citations issued by OSHA on or after this date will be subject to the new penalties if the related violations occurred after Nov. 2, 2015.

Type of Violation	Current Maximum Penalty	New Maximum Penalty
Serious, Other-Than-Serious Posting Requirements	\$7,000 per violation	\$12,471 per violation
Failure to Abate	\$7,000 per day beyond the abatement date	\$12,471 per day beyond the abatement date
Willful or Repeated	\$70,000 per violation	\$124,709 per violation

illnesses, or instances of possible exposure to toxic materials or harmful agents.

If the officer points out an easily correctable hazard – such as a puddle of oil on a walkway – correct it right away to demonstrate your concern and your cooperation. Your action may help avoid an official notation.

Closing conference: The inspector discusses the findings, identifying any possible violations. Penalties cannot be discussed at this conference because only the OSHA area director sets penalties. Later, the officer files a report with the area director. Any citations or penalties are delivered to you via certified mail.

Inspections are stressful situations. But, if you have done your homework, inspected your company regularly and taken steps to eliminate hazards, you have greatly increased the possibility of a good review.

Even if you are never officially inspected, self-evaluations may

prevent accidents that will save you frustrating downtime, costly overtime, workers' compensation claim costs or even a potential lawsuit.

Non-compliance costs

As a federal regulator, OSHA has come under fire by employers for the mounds of required paperwork and obsession with endless detail. Yet an accident on the job can cost an employer millions, beginning a complicated cycle that piles expense upon expense in fines, compliance costs, and lost revenues and potentially reduced production.

For example: Your best machine operator seriously cuts his arm because a machine lacks a guard. The arm injury prevents him from working for six weeks. As a result of his absence, productivity declines and so do profits. These "profit leakages" come from indirect losses that are not paid for by your insurer or by a third party that is partially responsible to whom the loss payment is transferred.

To stay on schedule, you pay other employees overtime. And despite

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paying top dollar for their work, these employees are less productive because they are fatigued. Tired employees are also prime candidates for work-related injuries.

Because the worker's arm injury is serious, the problem compounds itself with the addition of workers' compensation payments, which will increase your mod rate for



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three years. The mod rate is the company's contribution to workers' compensation premiums.

Furthermore, if the worker has sustained serious injury and brings suit against the manufacturer of the machine that caused the injury, that equipment manufacturer may retaliate by suing your company for negligence. >

This injury can become a never-ending financial nightmare. As this example demonstrates, non-compliance with OSHA standards can become a costly and unnecessary risk, but there is a lot you can do to stay in compliance and reduce your costs of risk – without spending a lot of time or money.

Planning to avoid risks

You can guard against accidents and OSHA citations by creating a self-inspection procedure. Here's how:

- Educate your staff. Employees should have a working knowledge of OSHA standards and regulations within your field. Using laser cutting as an example, the Laser Institute of America and OSHA have worked together to develop the OSHA/LIA Alliance, a partnership designed to foster safety for those who work with and around industrial lasers and to serve as a source for information.
- Appoint a company "inspector" who will routinely evaluate the workplace to conduct self-audits. For businesses that operate an

industrial laser, that inspector is deemed the laser safety office or LSO. An LSO, according to the American National Standard for Safe Use of Lasers in Manufacturing Environments (ANSI Z136.9), "shall have authority to suspend, restrict, or terminate the operation of a laser system if he/she deems that laser hazard controls are inadequate."

During your self-audit inspections, keep these questions in mind: What is the current situation? If an OSHA inspector appeared at your door today, how would you fare? What areas within your facility need to improve to increase equipment safety? What are employee and management attitudes toward safety? Is training up to standards?

As one can assume, a visit from OSHA entails more than simply inspecting a few machines. More often than not, the inspector will conduct a thorough inspection of the entire facility – as accidents can happen anywhere.

Here is a brief checklist of general areas to examine in your self-audit:

- Required employer postings
- Recordkeeping
- Medical services and first aid
- Fire protection
- Personal protective equipment
- General work safety environment
- Floor and wall openings
- Evacuation plan
- Machines, tools and equipment
- Environmental controls
- Electrical safety
- Accident investigation

Complying with OSHA mandates might seem difficult, but businesses need to be in compliance with pertinent laws to avoid OSHA fines. To ease that task, various resources are available for download, such as ["Personal Protective Equipment Program and Training Materials."](#) This white paper includes training materials to help you get closer to OSHA compliance in the area of PPE, including an employee handout, presentation instructor notes and a presentation quiz. ■

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