

BENEFITS OF THE VOLUNTARY PROTECTION PROGRAMS

Testimonials of VPP Participants

"The VPP requires management commitment and employee involvement to be successful."

- Frouzan Afsahi, HSE Manager, Halliburton Energy Services, Carrollton, Tex.

In recent years, the government has recognized the role and benefits of a more team-oriented, cooperative relationship with American industry. In 1982, the U.S. Department of Labor Occupational Safety and Health Administration (OSHA) established the Voluntary Protection Programs (VPP). The VPP emphasize and encourage safety, health, and environmental excellence through a management systems approach emphasizing cooperative effort among labor, management, and the government. This commitment to improving worker safety and health through preventive measures by excelling beyond regulatory requirements at worksites can facilitate tremendous results in improved safety performance, increased public recognition, and enhanced employee benefits.

Improved Safety Performance Creates Economic Benefits

"The VPP creates an ongoing safety culture that makes our safety program a way of life...not an extra duty."

- Darwin Irish, Safety and Environment Manager, Flexcon Company, Inc., Spencer, Mass.

The incentives to developing and implementing effective worker safety and health programs and VPP recognition are significant as well as abundant. One of the key measures of the benefits the VPP provides in terms of enhanced safety performance is seen by lowered injury incidence cases. According to 1995 data from Federal OSHA VPP sites, approved VPP participants experienced 51% fewer injury incidences than their respective industry averages.

The Motorola, Inc. facility in Schaumburg, Ill., a VPP Star site approved in May 1995, is an excellent example of the effect VPP participation has on preventing injury incidence. The 1995 industry average was 272 total injury incidences for the site's Standard Industrial Classification (SIC), 3663. The number of actual injuries for the Motorola site was 53, which is 80% lower than the industry average.

The Aker Gulf Marine site located in Ingleside, Tex. also realized fewer injuries than the average for its industry. Approved as a VPP Merit site in September 1994 and a Star site in March 1996, the Aker Gulf Marine facility experienced only 30 injuries in 1995, which is 86% lower than the

industry average of 217 for the facility's SIC, 3731

ABB Air Preheater, located in Wellsville, N.Y., is another example of decreased total injury incidence cases with the help of VPP participation. Thus VPP Star facility, approved as the first VPP site in October 1982, experienced only 28 injuries throughout 1995, a figure that was 77% lower than their industry average of 123 for SIC 3443

Another indicator of the significance at VPP participation is evidenced by the substantial decreases that have occurred in lost or restricted workdays at VPP sites. According to the comparison of the 1995 industry average for lost or restricted workday incidence rates (LWDI) with the actual 1995 LWDI rates of VPP sites recorded by OSHA, VPP sites have realized 50% fewer LWDI cases than overall industry.

For example, the Georgia-Pacific Corporation's (GP) Crosset, Ark. site, a VPP Star facility since November 1991, has seen a remarkable difference between its 1995 LWDI rate and that of the 1995 national average for its industry, SIC 2621. While the industry average LWDI was 69, the LWDI realized by GP-Crosset was 12, a figure 82% lower than the industry average.

The Lucent Technologies Corporation - Norcross, Ga. facility, a VPP Star site since July 1995, experienced a LWDI much lower than its industry average for 1995. While the industry average was 146, the Lucent facility only experienced 43 lost or restricted workdays in 1995, which was 71% fewer lost or restricted workdays than the national average for its SIC, 3357.

The EATON Corporation site located in Kearney, Neb., a VPP Star site approved in March 1994, experienced a LWDI in 1995 which was 92% lower than that of the national average for the same year in its industry, SIC 3714. The EATON site only suffered 5 lost or restricted workdays as compared to the national industry average of 58

"The VPP has strengthened the commitment to safety and furthered awareness among all employees."

- Edward Vivlenmore, General Mechanic, International Paper, Oswego, N.Y.

According to a survey of participating sites in the VPP conducted by the VPPPA in Spring 1995, average illness rates decreased 35 percent once approved into the VPP as compared to site data the year facilities began the VPP application process.

The GE Specialty Chemicals site in Morgantown, West Virginia experienced a substantial drop in illness rate from the inception of the VPP application process to the time of Star approval, November 1995. When the site began the VPP process in 1992, it reported an illness rate of 0.97, but by 1995 the facility had decreased its rate by over 50 percent to 0.43.

International Paper Mansfield Mill in Louisiana realized an even more remarkable drop in its

illness rates. In 1993, when the site decided to join the VPP, the recorded illness rate was 1.25. However, only a year later in August 1994, the Mansfield Mill facility had attained Star status and also had reduced its illness rate by 66 percent to 0.42.

"The VPP brings recognition and prestige to our safety program."

- Gary Ticker, Safety Manager, Dallas Automotive, Inc., Forest Park, Tex.

The decline in injury and illness rates ultimately leads to lower workers' compensation premiums and insurance rates. The cost savings realized by facilities participating in the VPP provide a powerful economic incentive to implement adequate safety and health programs.

The Nicolet Paper Co. site located in DePere, Wisconsin boasts a significant drop in workers' compensation costs from the outset of its VPP application process in 1992 to its Star approval in 1994. The site, which had realized workers' compensation costs totaling \$59,111 in 1992, experienced a 70 percent decrease in workers' compensation costs to \$18,930 in 1994 upon approval into the VPP.

Another example of VPP benefits occurred at the Alumax-Aluminum Division in Magnolia, Ark. When the site decided to apply to the VPP in 1991, it experienced workers' compensation costs of \$713,766. Once approved into the Merit Program in 1995, the site had experienced a phenomenal 90 percent drop in workers' compensation costs to \$66,522.

The Gloster Plywood facility of Georgia-Pacific Corporation marks yet another example of noteworthy reductions in workers' compensation premiums. This Georgia-Pacific site recorded workers' compensation costs of \$28,823 in 1992 upon embarking on the journey to VPP approval. In 1994, after approval for VPP Star participation, the facility reported a remarkable 83 percent decline in workers' compensation costs to \$4,893.

Enhanced Public Recognition and Outreach

"The VPP Star is the pride of our total workforce and gives us recognition by our industry and community."

- Don Goodwin, Safety Supervisor, Aker Gulf Marine, Ingleside, Tex.

Another benefit of the VPP is the positive public recognition received by participating sites. Participants are recognized not only by OSHA, but also by industry peers. VPP worksites are regarded as superior performers in safety and health excellence. The positive recognition enables company facilities to enhance their relationship with their surrounding community and other similar industrial plants.

Many participating facilities host "Open House" days in which they invite members of the community to visit the plant, learn more about its operations, and observe practical safety and

health information that may be applicable to the home. Plants also interact closely with community groups to share information on processes, preventive measures, and emergency preparedness. The positive public recognition and interaction that results from acceptance into these programs establishes a strong incentive to develop and implement close interaction with surrounding communities.

In addition, participating facilities voluntarily provide assistance to other plants, both VPP members and non-members alike. The VPPPA Mentoring Program and the VPPPA-DOE Outreach Program are two such voluntary efforts to assist facilities with the VPP application process or the implementation of safety and health programs. These mentoring programs, started in 1994, have had a positive impact on enhancing worker safety and health protection. Mentored plants get expert advice in developing and implementing effective worker safety and health programs. More than 60 sites have been mentored through the VPPPA Mentoring program, with more than 70,000 total workers benefitting from the advice of VPP sites.

In addition, informal outreach assistance through workshops, guest speakers, and established models of the best safety and health practices. Over 750,000 workers worldwide have been positively impacted through VPP outreach efforts.

Increased Employee Benefits

"The VPP has been a major plus for the morale of the employees and for their focus on personal safety, on and off the job."

- Bill Russell, former Safety and Security Coordinator, Armstrong World Industries, Inc., Stillwater, Okla.

VPP participants, in addition to significant economic advantages, report signs of increased employee benefits through such indicators as decreased absenteeism, higher morale among employees, a feeling of ownership among employees, and an enhanced relationship between labor and management.

One particular worksite, Vanity Fair Mills in Milton, Fla. realized a tremendous decrease in absenteeism from 1991 to 1994, when it received Star approval. The outset of the VPP application process for Vanity Fair in 1991 showed an absenteeism rate of 3.5 percent. However, upon Star approval in 1994, the facility experienced a drop of 26 percent to its current rate of 2.6 percent.

Another instance of substantial drops in employee absenteeism can be seen by the statistics provided by Winpak Portion Packaging in Chicago, Ill.. This facility showed an absenteeism rate of 6.4 at the inception of the application process in 1993. When the site was approved for Star participation in 1995, the rate plummeted over 70 percent to 1.86.

Employee spirits are high at VPP sites because they know that they play an integral part of ensuring a safe and healthful workplace, and that their concerns are listened to and acted upon.

One participating worksite found in conducting its annual employee survey that employee satisfaction with safety and health at their facility increased dramatically once VPP status was achieved. The year prior to VPP acceptance, 72 percent of the workforce believed that their plant was safe and healthful. Following approval into the VPP, this figure escalated to 93 percent satisfaction.

Leveraged Government Resources

"The VPP is an excellent program to enhance the OSHA and industry relationship."

- David Renz, Safety Advisor, Mobil Chemical Company, Edison, N.J

The cooperative spirit among labor, management, and OSHA also aids OSHA in the innovation of new and improved ways to provide safe and healthful workplaces. VPP participant sites host OSHA officials to observe and learn from implemented safety and health programs. The flow of information from private sector firms to OSHA on successful methods of addressing workplace safety and health leverages government resources. OSHA is provided with reliable, proven methods of worker protection which can be incorporated into the development and interpretation of standards and Agency training efforts. VPP sites also assist OSHA by participating in the VPPPA Mentoring Program. This program fosters high quality VPP applications that consequently facilitate the VPP application process, as well as, a better use of resources for OSHA.

The VPP are a valuable tool for both industry and OSHA and a critical part of the agency's strategy to ensure worker safety and health by relying on cooperative programs balanced with consistent, firm, fair enforcement. The VPP are unique in that they create a win for management, a win for employees, and a win for government. There are no losers in the VPP and everyone benefits.

OSHA has recognized the value of this program over time, and has placed the VPP on its list of priorities to continue this partnership program. The Clinton Administration's National Performance Review also recognized the value of the VPP by honoring both OSHA's VPP Division and the VPPPA as examples in reinventing government excellence. Vice President Al Gore presented the National Performance Review's Hammer Award to these groups at the VPPPA 11th Annual National Conference in September 1995 in recognition of their effort to create a government that works better and costs less.

OSHA has identified the expansion of the VPP as a priority for 1997, and also actively encouraged its growth during the last three years. The number of sites participating in the Programs has more than doubled under OSHA Assistant Secretary Joseph A. Dear's leadership, to its current level of nearly 300 facilities.

OSHA approves applicants for the VPP only after a thorough review of a written application and

an intensive onsite visit to review documentation, to interview employees at all levels, and to certify worksite conditions. Approved sites must then adhere to the key components of the VPP management commitment, active and meaningful employee involvement, training, proper hazard analysis and review systems, and effective preventive or corrective actions for recognized hazards.

The worksites participating in the VPP realize that the responsibility, expertise, and accountability necessary for adequate safety and health must be spread broadly throughout the workday. Commitment must be achieved at all levels of production.

OSHA provides sufficient flexibility for employers to attain the desired program goals. This flexibility enables companies to be innovative in devising new programs and allows them to respond effectively to changes in technology and management practices.

When a worksite is accepted into the VPP, they are removed from the OSHA programmed inspection list for the duration of their participation in the program. This removal enables OSHA to dedicate its resources to the investigation of work sites less likely to be in compliance with OSHA standards. The VPP sites, however, are still subject to OSHA inspections resulting from a formal employee complaint, catastrophe, or fatality.

"Our whole safety culture has changed. VPP is the best investment one can make - total commitment."

- Carroll Jones, Safety and Health Director, Alumax-Magnolia Division, Magnolia, Ark.

Sites from numerous industry classifications are currently participating in the VPP, including automotive parts, food processing, farm equipment, wood products, chemical groups, laboratories, cosmetics, textiles, refineries, electronics, and defense. Small and large businesses, as well as, union and non-union facilities are represented.

VPP: The Cutting Edge

Members of the VPP are considered superior in pursuing new technical and managerial advances in worker safety and health protection. VPP facilities have recognized that in order for their companies and all of American industry to compete in the global economy, they must accomplish the goal of achieving better cost savings, enhanced productivity, and high quality production. By implementing worker safety and health programs at a level of quality required within the guidelines of the VPP, this goal will be fulfilled.