Safety Incentive Programs - Do They Really Work?

The practice of rewarding or paying employees for not having workplace accidents is controversial. With hopes of reducing costly workers' compensation claims and improving the safety culture of their organization, companies are increasingly implementing safety incentive programs.

Professionals who support safety incentives believe they can be a healthy component of an existing safety program, to build interest in working safely, and thus reduce workplace accidents. They find it a valuable tool to show employees that they care about their workers' safety and believe that it can have lasting effects and improve morale. They also see that it dissuades exaggerated or false injury claims.

Those who discourage companies from implementing safety incentive programs often believe they are no more than a form of bribery. Because incentive programs do not involve a core change in existing procedures or conditions, this group fears they can actually create a negative safety culture that promotes underreporting of accidents. They feel they reward the wrong behavior because accidents are usually not intentional acts and do not only involve improper actions. Usually it is unsafe conditions and inadequate procedures that contribute to causes of accidents.

Even proponents see that a safety incentive program by itself does not constitute a corporate safety program. Employees cannot improve their safety record if they do not already have the training to know how to manage hazards and work safely.

When a company's safety program is not already functioning and effective, adding a safety incentive program could promote the underreporting of accidents as employees pursue rewards and, in group incentive scenarios, avoid being the reason why their fellow employees don't receive their rewards.

To be effective, a corporation's safety incentive program must be thoughtfully developed, launched and maintained. Generally these programs fail because of inadequate commitment from management level staff or poor program administration. What is most important when considering an incentive program is that the company's existing program is strong and effective, that upper management is active in all stages of the program in a way that is visible to employees, that the program is well structured with goals and rewards tailored to the workforce and that communication about the program to employees is ongoing.