

HUMAN RESOURCE PRACTICE

The emergence of the human resource practice factor as a “cost driver” and as a “cost container” in workers’ compensation has been remarkable. The challenges of recruiting and selecting the right employee for the right job has important and dramatic implications to your worker’s compensation costs. Without solid human resource practices it is too easy to hire an “accident.”

Human Resource processes that impact workers’ comp costs consist of 5 key areas:

1. The source of your labor force often dictates the quality of your workforce. Where and how to recruit is the first important step.
2. Thorough screening and interviewing will help you select the “right” employees...the one with the right skills, the right attitude, and the right abilities to do the job.
3. Failure to thoroughly check references can doom your selections process. Historically more time is spent on reference checks on higher paid employees, who are less likely to be able to live on work comp benefits than lower wage employees, who are less likely to be able to live on work comp benefits than lower wage employees where maximum workers’ comp benefits are more in line with their weekly wage.
4. When employees are properly oriented to your company’s performance expectations, benefits (including workers’ comp) safety rules and accident reporting procedures, they are less likely to file workers’ comp claims.
5. Employee recognition particularly for quality work and safe performance creates a positive culture. Those who are made to feel successful try to do more.