

Avoiding the Hidden Costs of Self-Managed Compliance



Reduce Risk and Business Disruption at a Third the Expense of In-house Resources

In our 23 years of helping businesses create safe, compliant work environments, we've seen a lot in person, including the unanticipated costs that accompany violations and course-correction when trying to manage safety compliance with internal resources.

Here's a look at the costly issues, the remedies, and how a proactive approach leveraging the focus and expertise of Hellman & Associates has become a preferred choice for businesses.

The Real Price of Handling Compliance In-House

Self-Managed Programs Cost Businesses More Than Expected

The hidden costs of compliance violations are about three times more costly than the direct costs associated with implementing an effective health and safety program.¹ But even an in-house EHS program is no guarantee you can avoid large fines and business disruption.



1 TIME LOST

It's difficult to estimate the true cost of an ongoing investigation because every business is different. But business disruption due to work stoppage and time taken off other tasks to resolve violations and meeting with regulators negatively impacts the bottom line. In fact, time-related losses are some of the most expensive businesses must bear.



2 EQUIPMENT LOSSES

When equipment is used improperly, it can fail. The cost to replace or repair damaged property and machinery due to misuse is an unexpected hit against budgets.



3 FINES

Even the most well-intentioned in-house EHS program can come up short during an investigation. And depending on the circumstances surrounding a violation, the business could be looking at up to a \$13,600 penalty.²



4 TRAINING

One of the most common struggles businesses encounter when implementing an EHS program in-house is developing training that is both effective and engaging to employees. And in the event of an inspection and resulting violation, companies must bear the cost of bringing training up to date and then implementing it across the business.



5 OPERATIONAL EXPENSES

The most obvious costs of an in-house program are tied directly to overhead expenses. For companies that hire a full-time safety manager and/or team, the business must support their salary and benefits, as well as continuing education expenses to stay current.

¹ Leigh, J.P. (2011), Economic Burden of Occupational Injury and Illness in the United States. Milbank Quarterly, 89:728-772.4

² Occupational Safety and Health Administration (OSHA), 2021. <https://www.osha.gov/penalties>.

How H&A Partnership Reduces Costs and Risk

When it comes to compliance, H&A can be the key to favorable results when facing potential violations. Even when OSHA has already investigated, our proven health and safety experts can help negotiate a reduced outcome.

In the following three cases, each company was found to be in violation of OSHA standards. Their outcomes drastically improved though once they engaged with H&A.

Citations and Fines Reduced by H&A Leadership

Company	Aeronautical Service and Manufacturing Facility	Air Purification Filter Housing Units Manufacturer	Custom Metal Fabrication Manufacturer
Situation	An employee complaint at this mid-sized business triggered an investigation resulting in multiple citations.	After an employee voiced safety concerns, this mid-sized manufacturer was forced to deal with the costly consequences.	OSHA paid this small business a visit as part of a strategic targeting initiative and discovered a host of violations.
Proposed Penalties	<ul style="list-style-type: none"> \$43,890 in fines 13 serious citations 	<ul style="list-style-type: none"> \$39,596 in fines 12 serious citations 2 other citations 	<ul style="list-style-type: none"> \$55,978 in fines 12 serious citations
Negotiated by H&A	<ul style="list-style-type: none"> \$15,800 reduction in fines 3 deleted citations 6 reclassified citations 	<ul style="list-style-type: none"> \$7,596 reduction in fines 8 citations withdrawn 5 citations reclassified 	<ul style="list-style-type: none"> \$22,391 reduction in fines

A proactive EHS program implemented and managed by H&A can result in better outcomes. The resolutions above were reached after investigations. Our EHS Management System can make the biggest impact by establishing a program *before* OSHA steps foot in a facility.

Citations and Fines Avoided when Partnering with H&A

Company	Home Improvement Services	Metal Manufacturer	Metal Parts Manufacturer	Machinery Manufacturer	Full-Service Signage Company
Situation	Employee filed a complaint	Employee voiced concerns about eight alleged hazards	Finger amputation led to a proposed \$12,000 penalty	National emphasis program resulted in an inspection	OSHA inspection
Results	<ul style="list-style-type: none"> \$0 owed No citations Inspection closed 	<ul style="list-style-type: none"> \$0 owed No citations Inspection closed 	<ul style="list-style-type: none"> \$0 owed Serious citation withdrawn 	<ul style="list-style-type: none"> \$0 owed A single other-than-serious violation 	<ul style="list-style-type: none"> \$0 owed No citations Recommended application to Safety & Health Achievement Recognition Program

As these examples demonstrate, businesses that partner with H&A save valuable time and money that other businesses might sacrifice with an in-house program.

A Ready-Made Compliance Solution

ASSUREDComplianceSM

Designed and Implemented
by H&A

We've been helping businesses remain compliant for decades. In that time, we've built an EHS program that is:

- Based on OSHA's recommended safety practices
- Customizable across industries, from construction to technology
- About a third the cost of a full-time safety manager on staff
- Implemented at 200+ businesses and growing

Our partners experience success that keeps them competitive when it comes to compliance.

- **18% MOD rate improvement** on average over the course of three years
- **100% approval** in the Colorado Cost Containment Program
- **Larger contracts** are typically won by our clients with comprehensive safety programs in place

ASSUREDComplianceSM by Hellman & Associates, Your Partner in Operational Compliance

Is the price of building and running an in-house EHS program worth the hidden costs in dollars, time and training? We've spent the past 23 years perfecting a program built with OSHA's recommended practices at the center. ASSUREDComplianceSM provides your business with the expertise of an entire EHS team, including industry experts, at a fraction of the cost of an in-house safety manager.

Through ASSUREDComplianceSM, we help businesses like yours achieve operational compliance on an annual partnership basis, ensuring your employees and work environment are protected year-round. The best part? Our work is guaranteed, meaning if you incur a citation for something we should have managed, we pay for it.

ABOUT HELLMAN & ASSOCIATES

We're a team of experienced workplace safety experts, formed to serve companies like yours. We partner to support your needs now and flex with you as those needs change in the future.

With a personalized approach to learning your business and becoming a seamless part of your team, we take the time to understand the unique needs and safety protocols of your workplace and work with your company to develop, implement and maintain best-in-class safety programs.

To learn more about ASSUREDComplianceSM, visit [EHScompliance.com/services/assuredcompliance](https://ehscompliance.com/services/assuredcompliance).