



# Curry Insurance Agency

## WORKPLACE SAFETY

# Distractions Hurt Your Employees and Your Business

**W**ORKPLACE DISTRACTIONS are ever-present. They reduce workers' productivity, increase their stress, cause injuries, and lower morale. Some are the result of modern technology, but others have been around a lot longer.

Following an interruption, it typically takes a couple of minutes to return concentration to work. These short interruptions and recovery periods add up to large amounts of lost productive time.

There are many distractions that can affect employee safety and productivity that employers need to be aware of.

**Smartphones** – Smartphones and tablet computers are a major distraction, especially in office environments. Text messages, alerts and the urge to check Facebook and news – not to mention game apps like Candy Crush and Words with Friends – can pull employees' attention away from the task at hand.

**E-mail** – Misuse of e-mail can be another productivity-sapper. This includes strings of e-mails sent to arrange a time

for a meeting or conference call, when scheduling software could accomplish the same thing with one or two messages. It also includes clicking the "reply all" button, sending a thank-you intended for one person to a group of ten. Again, these small interruptions compound over time.

**Old-fashioned interruptions** – A co-worker who stops by to ask a quick question and sticks around to chat for a few minutes. Meetings that are held because they've always been held, regardless of whether they accomplish anything. The colleague who sits three cubicles away and is incapable of having a quiet conversation.

**Personal issues** – In some cases, a worker's distractions may come from himself. His job may be boring, causing his mind to wander while he uses a tool or pours a hot drink. He may have problems at home – financial difficulties, family members who are ill, elderly parents, a child going through a rough time.

**Work pressures** – This includes perceived pressure to finish a job quickly.

Manufacturing or warehouse employees may feel pushed to fill an order in a hurry, or construction workers may face short deadlines.

**Complacency** – Sometimes, workers have done a job for too long and have grown complacent in their knowledge. This can lead to their missing crucial steps in the process, resulting in faulty work and worse.

### The fallout

Distractions are not only annoying; they can also be dangerous.

Tripping hazards, machines that use saws, punches, drills or lasers, and workplace chemicals can all cause serious injuries if workers are not paying attention.

An employee driving a forklift in a warehouse can collide with furniture or goods. Kitchen workers plus knives and stoves, coupled distractions can easily produce injuries that are costly and upsetting for the rest of the staff.

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CONTACT US



Curry Insurance Agency

If you have any questions regarding any of these articles or have a coverage question, please call us at:

### ISU Curry Insurance Agency

489 E. Colorado Boulevard  
Pasadena, CA 91101  
Phone: 626-449-3870  
Fax: 626 449-5268

License No. : 0588757

## LIABILITY RISK

# A Corporate Shield Is No Substitute for Insurance

**B**USINESS OWNERS who form corporations or limited liability companies (LLCs) may question the need for the business to carry insurance.

A major benefit of these forms of organization is that they shield the owners' personal assets. Because of this, the owners may believe insurance is unnecessary.

A corporation is a legal entity separate from its owners. It acts as an artificial legal person. It can do the things that individuals may do, such as:

- Enter into contracts
- Incur debts
- Earn income
- Make investments
- Sue others and be the target of lawsuits

A corporation gives its owners a legal shield against many of its obligations. In other words, an individual owner of a corporation (called a "stockholder") does not have to pay for the business's debts out of their own funds.

An LLC also shields its owners (known as "members"). But, tax laws apply differently to LLCs than corporations. If a corporation earns \$10,000 in income, it must pay tax on that \$10,000. If an LLC earns \$10,000, the money is distributed to the members and they individually pay taxes on it.

Corporations and LLCs shield their owners and members from liability for the entity's debts. Suppose someone sues the business, claiming that its product injured him. A court orders the business to pay the injured man \$1,000,000.

The business must pay that amount out of its assets.

But, the members do not have to cash in their bank accounts or homes to pay it. The most they stand to lose is the amounts of their investments in the business.

The shield is not absolute. A court may hold individual members liable in some situations. If they personally and directly injure someone, the shield does not protect them.

A court may also decide that the corporation is a sham entity. It could do this if the business has not conducted the normal activities of

a corporation, such as:

- Holding regular stockholder meetings
- Keeping business records separate from those of the owners
- Investing enough capital in the business.

### The shield has limits

Regardless of the shield, the business should carry insurance. The shield cannot protect the time and effort that goes into building a business.

An uninsured accident can wipe out all of the business's assets. Without large additional investments, the business might not survive.

The stockholders' investments in money, time and work will have been wasted.

Also, an individual acting on the business's behalf may incur personal liability. For example, while driving on company business, a member may injure someone in a car accident.

Business liability and auto insurance policies usually insure individual stockholders and members for acts they perform in their roles with the business.

Without coverage, the individual would have to hire his own lawyers and pay judgments out of pocket.

Wise business owners buy insurance. They should insure the business's buildings, property, and liability risks. The personal liability shield is no substitute for insurance protection. ❖



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## Time-Limit Meetings and Have Stated Agendas

To an extent, distractions are unavoidable, but they can be reduced. One thing employers can do is to encourage frequent breaks.

There is a limit to how long someone can focus intently on a task. Occasional stretch or walk breaks can help workers clear their minds, relax a little, and take care of personal phone calls and messages.

If necessary, managers can block employees from accessing certain websites or limit use of smartphones to break times. They can also model and encourage proper use of e-mail.

Meetings can be scheduled only when a group discussion is necessary to accomplish work results. To keep them on track, they should be time-limited and have stated agendas.

If it doesn't interfere with customer service, employees can wear earbuds or headphones to muffle loud conversations. Employees subject to frequent interruptions from gossipy co-workers should be permitted to hang up "do not disturb" signs when necessary.

It is possible to reduce distractions without burdening the workplace with excessive rules. Employers who do so will raise morale, prevent injuries, improve quality and boost profits. ❖



## STOREFRONT CRASHES

# Crash Stats Are Alarming – How to Reduce Risk

**V**EHICLES CRASH into storefronts about 60 times each day across the United States. Such incidents cause about 4,000 major injuries annually, and about 500 fatalities each year.

These findings were reported by the Storefront Safety Council, which aims to spread awareness about the dangers of such crashes.

Retail outlets were the most common types of stores to be involved in crashes. They were followed closely by convenience stores, restaurants and miscellaneous types of businesses.

Offices and commercial buildings were less commonly hit by vehicles.

Business owners everywhere must be aware of their risks and know how to be prepared for a vehicle crash.

### Why so many crashes?

Studies show that “pedal error,” where drivers mistake their gas pedals for their brakes, is the leading cause of damage to buildings from vehicle impact.

Drivers can also confuse ‘Drive’ with ‘Park’ on their automatic transmissions and drivers of all ages get distracted or suffer medical emergencies and fail to brake in time, or at all, when entering or leaving parking areas.

Even in a best-case-scenario incident where no injuries occur, a vehicle crashing into a building can cause serious damage.

Simply replacing plate glass windows or doors can cost thousands of dollars.

A storefront crash puts commerce on hold – sometimes only for a few hours, sometimes for a few days and in the worst cases, permanently. While no business is immune,

high customer/vehicle-turnover store locations such as convenience stores suffer many more accidents than locations with fewer visitors or separate parking facilities.

### Prevention

A combination of methods can be implemented to protect your business from damage due to vehicle impact.

**Direct pedestrians** – Keeping pedestrians and moving vehicles separated is vital. Bollards, guardrails and signage direct people to walk in safe, predictable areas.

**Reduce vehicle speeds** – Slowing vehicles down means drivers have more time to see and react to pedestrians, other vehicles and signage, and pedestrians have more time to get out of the way. When a crash is unavoidable, the slower a vehicle’s speed, the better the chances of minimizing damage. Speed bumps are a good way to reduce speeds.

**Shield people and property** – The types of barriers that can be erected to prevent these accidents include bollard posts, large planters or other architectural items that actually enhance appearance while offering a layer of protection. Bollards can be removable, retractable or fixed, but must be tall enough for drivers to see.

**Point cars into safety zones** – Orient parking spaces so they’re pointed away from people and buildings. Arrange parking so vehicles pull in toward a planted berm or other pedestrian-free zone.

**Don’t rely on car stops or curbs** – Standard 6-to 8-inch car stops or curbs are not effective barriers for moving vehicles. Once the wheels roll up over the edge, there’s nothing to impede the vehicle’s momentum.

To learn more about storefront safety, call us. ❖

## COMMERCIAL AUTO

# Four Ways to Employ Better Driving Employees

**A**CARELESS DRIVING employee can result in a substantial liability claim, particularly if a third party is injured. If one of your drivers is found to have been engaged in distracted driving, any judgment or settlement for a personal injury could easily cost more than \$1 million.

While you can hold meetings about the dangers of distracted driving and what your driving employees can do to reduce the chances of crashing, in the end it comes down to trusting that they will do the right thing.

So what can you do? We suggest a holistic approach to the issue.

### 1. Understand distracted driving

Just how bad is the distracted driving problem? In 2015 alone, 3,477 people were killed and 391,000 were injured in motor vehicle crashes involving distracted drivers.

But smartphones are not the only source of distraction. Road safety experts say there are three other types of distraction for drivers:

- **Manual** – This can include looking around for a lost object in the car, reaching under or behind the seat.
- **Cognitive** – This can include a driver who is lost in thought and not paying full attention to driving.
- **Visual** – Anything that makes a driver take their eyes off the road, like looking at the GPS or tuning the radio.

All of your training for your driving employees must address all types of distracted driving, and should include scenarios to help them make proper decisions when behind the wheel.

### 2. Hire good drivers

When hiring personnel who drive, consider what their primary responsibility is. For example, if you own a plumbing operation, your drivers are not necessarily going to be professional drivers, since their primary duty is fixing plumbing issues.

If you think any prospect will be driving as part of their job, you should pull their DMV records. Look for anything serious like DULs or frequent citations for moving violations.

In addition, check their resumes to see whether they were driving as part of any of their prior jobs, and if they have experience driving the same type of vehicle they would be driving for you.

Also ask about any medications the applicant may be taking, as some can affect their driving. Finally, consider requiring candidates that would be driving to take a road test as part of the recruitment process.

### 3. Coach current employees to be safe drivers

You should attack this in a three-pronged approach:

- Pull their DMV driving records annually.
- Conduct road tests where they are graded on their driving.
- Hold an annual meeting to go over safe driving policies; reinforce the dangers of distracted driving and stress the need to always focus on the task at hand.

You should also have driving policies in writing that are enforceable and list all the behaviors that are prohibited while driving, like:

- Never answer the phone while driving, even if you have a hands-free device.
- Bar programming a GPS while on the move and require that they pull over when safe to do so.
- Never hold your smartphone in your hand while driving.

Your policy should also specify the consequences and any disciplinary action for breaking the rules.

You should maintain records of these policies. This is of utmost importance if one of your employees is in an accident and accused of negligence. Your policy and proof of training can protect your organization.

### 4. Take advantage of technology

GPS tracking devices in their vehicles allow firms to receive real-time information about a vehicle's location and rate of speed. This gives you valuable insight into any dangerous habits your drivers may be engaging in.

You can also install technologies that will block cell phone signals while the vehicle is moving. ❖

