



LOSS CONTROL MANAGEMENT

(Course Code - OSH 104)

Course Objectives:

Identify core elements of the Loss Control Management Program

Enumerate the requirements of Loss Control Management Program

Develop, implement and evaluate a Loss Control Management Program

Enumerate the importance and benefits of Loss Control Management Program





Session 1

INTRODUCTION TO LOSS CONTROL

Loss Control Basics

- Loss(es)

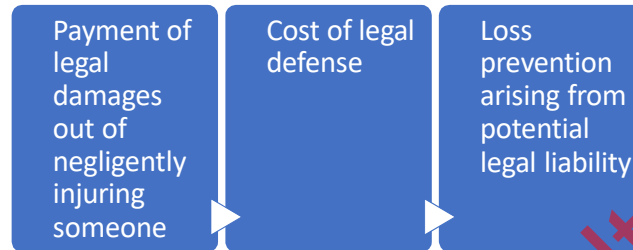
> incurred as a result of damage to lives and properties from out of negligence or ineffective actions of management

EXAMPLE: *industrial accidents and illnesses*



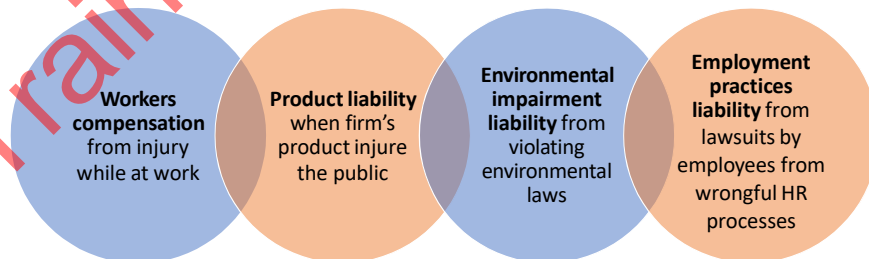
- Loss(es)

> often associated with liability losses that arise from
3 common sources:



- Loss(es)

> increasingly becoming a concern of business organizations:



Total impact of claims can DEVASTATE:



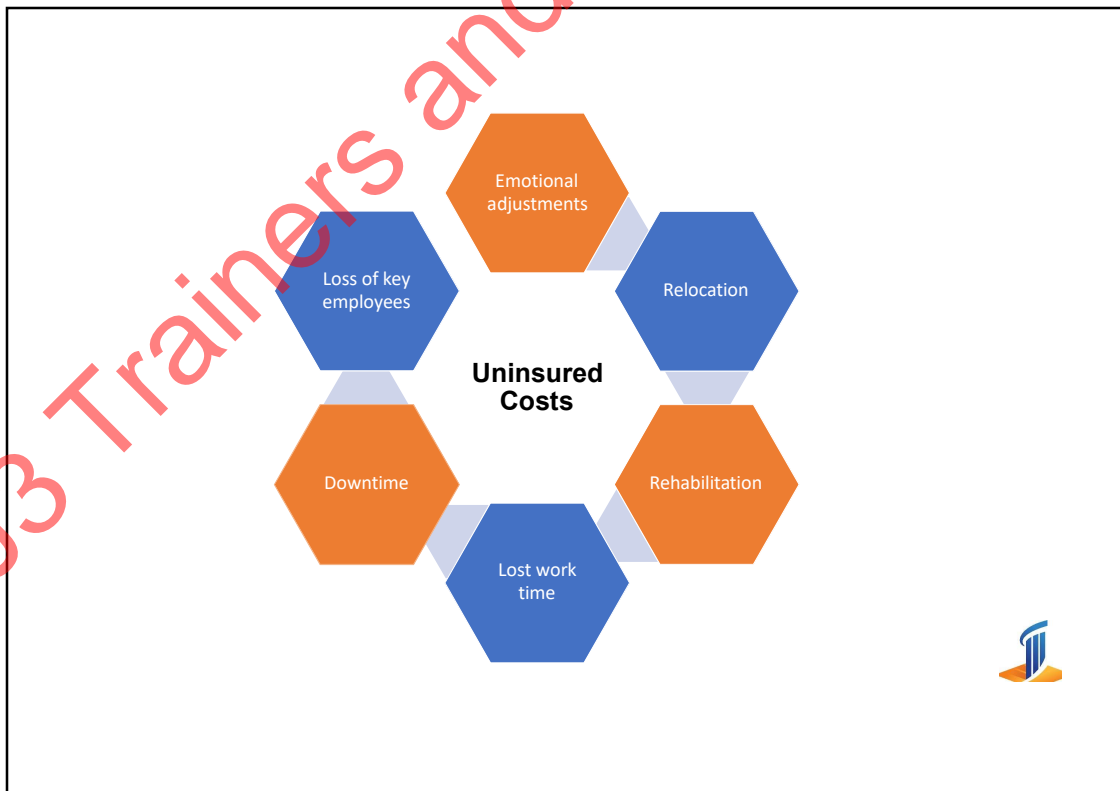
Businesses



Homes



**YES... insurance helps offset covered loss
but UNINSURED costs have the BIGGEST
impact!**



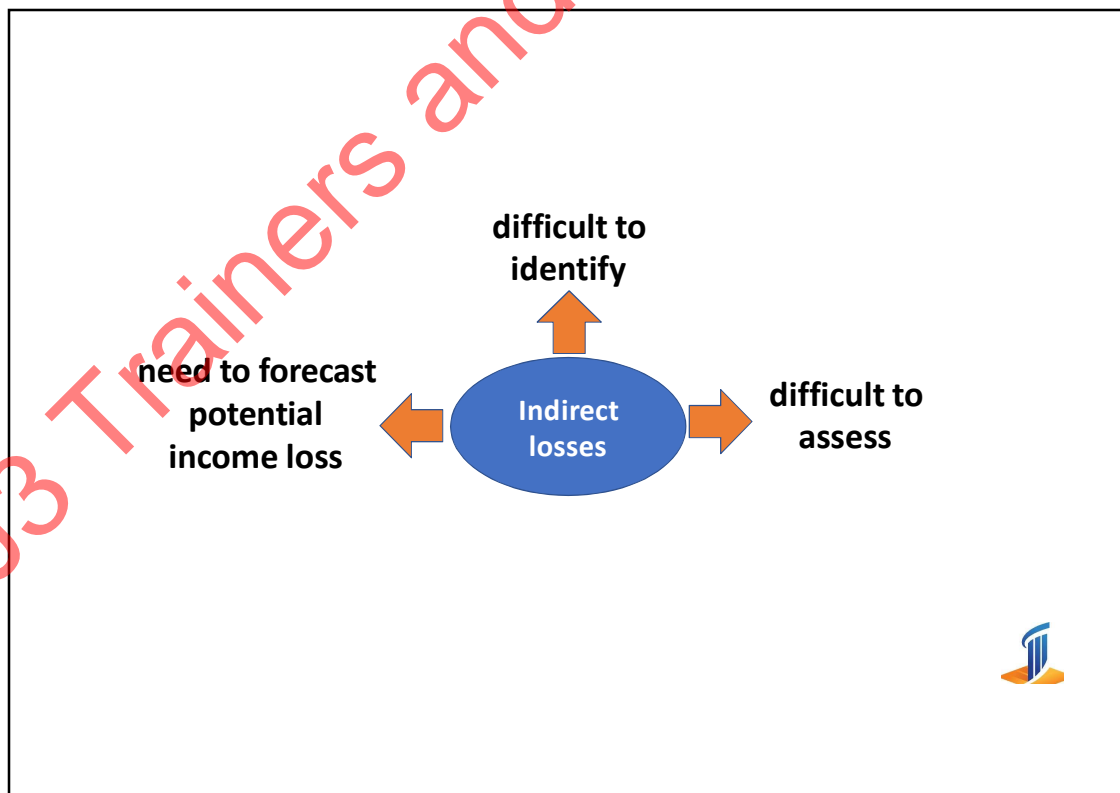
- Loss(es)
 - > can be direct or indirect

Direct

- When there is damage to lives and properties, e.g. fire, explosion

Indirect

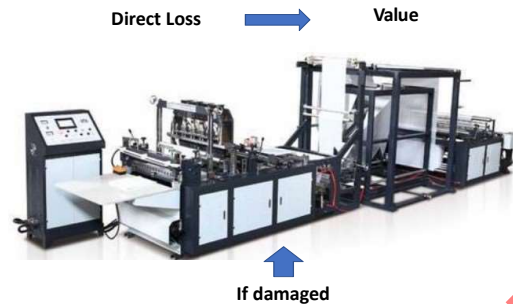
- When direct loss causes expenses to increase and revenue to decline



EXAMPLE

One can see a machine and measure its value, but we cannot see the lost profits if the machine is unavailable for several months.

It is difficult to estimate how long a machine will be unavailable after a loss.

**The idea is:**

- Losses should be controlled!

PRE-LOSS

prevent losses from occurring

Prevention is most effective

POST-LOSS

contain the extent of losses after they occur



This is where

**LOSS CONTROL
MANAGEMENT**

comes in!



What is Loss Control?

any intentional management action
directed at:

- Ø prevention
- Ø reduction
- Ø elimination



of the pure
(non-
speculative)
risks of
business



What the surveys say:



Unsafe
conditions

Unsafe
practices

Major source
of potential
losses



Loss Control

Study

- Unsafe behaviors
- Unsafe conditions

Recommend




- Changes

Investigate

- Incidents to prevent recurrence



Protect companies from special hazards

Machine guarding		Machines are studied to recommend effective guarding techniques
Industrial hygiene		Environmental health hazards are recognized, evaluated to recommend appropriate controls
Fire and explosion		Possible fire and explosion hazards are identified and controlled

Loss Control Management?

application of professional management techniques and skill through program activities directed at:



- Ø eliminating loss exposure
- Ø avoiding losses
- Ø reducing losses
- Ø transferring losses



Involves the following:

Identification of risk exposures

Measurement and analysis of exposures

Determination of exposures that will respond to existing or available controls

Loss control techniques or activities

Selection of the appropriate loss control action based on effectiveness and economic restraints



Aims to eliminate problems of:

Occupational health

Property damage

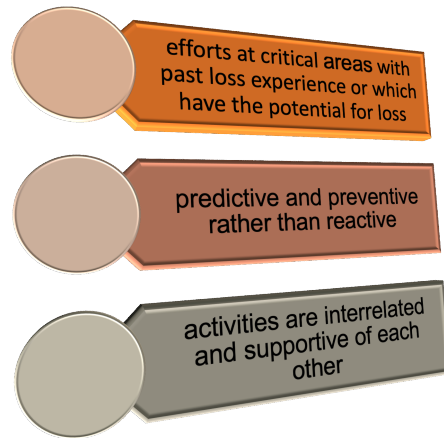
Products and production flaws

Security

Areas where unwanted incidents can occur and affect company's profitability



Loss Control Program




• EXAMPLE:

- >meaningful accident analysis is dependent upon effective accident investigations
- >PPE
- >standards established from accident data and planned task observation



Safety and Accident Prevention

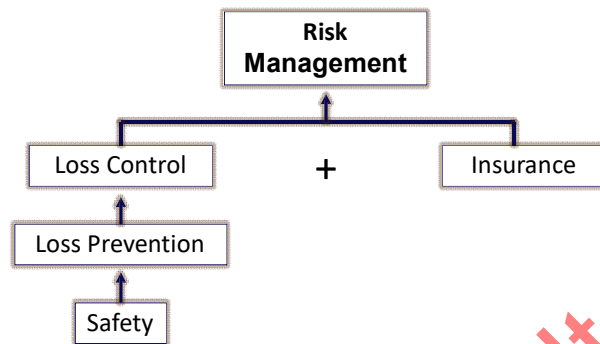
- prime purpose  avoid personal injuries and deaths

1. immediate physical suffering of the injured
2. possibility of some permanent impairment
3. economic effects on the workers and their families
4. worker's compensation payments provide less than what could have been earned by the injured worker'

CONSEQUENCES



Progressive development



Philosophy of Loss Control and Risk Management

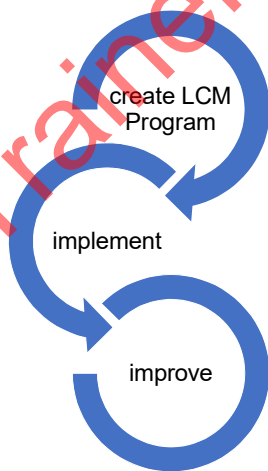
- q Eliminate problems of occupational health, property damage, product safety, security that affects profitability
- q Top management involvement
- q Responsibility at all levels of the organization
- q Standards derived from the knowledge and input of professionals
- q Organizations no longer pay for the costs of unnecessary and avoidable losses
- q A peso of prevention will harvest many more pesos of savings and profits



A very important aspect of **Risk Management** and **Loss Control Program** is sensitivity to and sympathy of management for all workers.



How to achieve it?



EFFECTIVE



CONSISTENT



CONTINUAL



What consist an LCM Program?

This is what the course is all about.



Scope of this course

MODULE	SUBJECT
3	Economics in Loss Control
4	Management Control
5	Measurement Tools for Management
6	Cost-Benefit Analysis
7	Property Damage and Loss Control
8	Industrial Hygiene (Environmental Health)
9	Product Liability Loss
10	Planned Safety Inspections
11	Accident Investigation
12	Job Analysis and Procedures
13	Control Fleet Safety
14	Security Loss Control
15	Stress Management
16	Behavioral Dimension of Loss Control
17	System Safety
18	Fire Loss
19	Communication
20	Cyber Risk and Data Breach
21	Risk Management and Business Continuity



But first let us briefly check why
LCM
came into being



J3 Trainers and Consultants Inc.