

The Automotive Service Industry Loss Prevention Program

&

Self-Inspection
Checklist



FARMERS®



Why should you be concerned about controlling losses?

Insurance pays only the obvious costs of an accident. You pay the hidden costs out of your PROFITS!

Hidden costs of loss are unrecognized costs such as losses in labor productivity, disrupted schedules, supervisory and administrative time, replacement of damaged material and equipment, loss of customers - the list goes on and on.

Hidden costs typically run from four to seven times the insured's cost.

The Hidden Costs of Accidents

Direct Costs

- Medical
- Compensation

Indirect and Hidden Costs of Accidents

- Time lost from work by injured employee
- Loss in earnings power
- Economic loss to injured family
- Lost time by fellow workers
- Loss of efficiency due to break-up of crew
- Lost time by supervisors
- Cost of training a new replacement worker
- Damage to tools and equipment
- Lost time due to damaged equipment out of service
- Loss of production for remainder of day
- Spoilage - fire, water, chemical, explosives, etc.
- Failure to fill orders
- Overhead cost (while work was disrupted)
- Miscellaneous - There are at least 100 other items of cost that appear one or more times with every accident

Like an iceberg - hidden costs of accidents are not visible on the surface but are there just the same.



Your safety Program

This program will assist you, as a repair shop owner/manager, in establishing or enhancing your own safety program.

Farmers Loss Control Consultants are ready to assist you in developing and maintaining a successful safety program. Contact your Farmers Agent for details.

Today, many factors can come between you and success. An effective loss prevention program will help you recognize and deal with these factors.

To help your program be a success, it's critical for you to become actively involved in demonstrating your:

- Expectations
- Commitment
- Involvement
- Follow-up

Management of Loss Control

You must believe in and support the loss prevention concept. By developing and endorsing your own safety policy, you show support for a program which requires active involvement of all employees.

An ongoing safety program controls expenses and enhances your ability to compete. It has to be embedded into your day-to-day operations. To be effective, it must be more than a program on the shelf; an occasional safety meeting or posters on the bulletin board are not enough.

When management continuously demonstrates genuine interest in safety, employees are likely to do the same.

Have you:

1. Issued a written safety policy?
2. Allocated realistic time and money for safety items?
3. Acted promptly on safety recommendations, suggestions and complaints.



Communication

The success of your loss prevention program depends on each person in the organization being aware of the safety expectations for their job.

Consistent two-way communication is the key.

Communication Involves:

- Input from everyone involved in developing your program.
- Feedback to determine the program's effectiveness.

If communication is encouraged and rewarded, more employees will participate.

Have you:

1. Shared your safety goals with your staff?
2. Communicated the actions necessary to accomplish these goals? This applies to everyone from the owner to the mechanic's helper.
3. Trained in safe practices and follow-up? The success of your program depends on your employees' continuous awareness of the value of loss reduction and how it relates to each employee.
4. Communicated effectively? Your regular meetings should include a discussion of Loss Prevention activities and responses to employees' concerns.

Employee Selection

Physical Requirement of the Job

It is becoming increasingly important to develop a written description of the physical requirement of each job. Each employee should be selected according to the particular job requirement and the employee's ability to perform the job.

Safety Rules

Written rules will help new employees understand what is expected and how following procedures will help protect them from possible injury.

Have you:

1. Accurately defined the job requirements in your job descriptions?
2. Familiarized everyone with the job requirements?



Training

New employees need to know your loss control goals and practices right along with employee benefits and company operations. From day one show your company is committed to safety and the important part each employee has in keeping the workplace safe.

Review shop safety rules and quality improvement procedures. Training is incomplete unless it includes employee and customer safety measures. Address ways to avoid damage to equipment and customers' vehicles and prevent injuries.

Successful Job Training Includes:

- Identifying and communicating job hazards.
- Teaching employees the proper way to perform the job.
- Monitoring the employees' performance and compliance with established safety practices.
- Reinforcing positive behavior.

A Farmers Loss Control Specialist can suggest methods to determine whether employees are performing the job safely. Controlling possible losses through these activities will have a positive effect on your operation.

Have you:

1. Developed and implemented job training procedures for new and seasoned employees?
2. Established controls to check the effectiveness of the training?

Inspections

Self-inspections increase your opportunities to correct unsafe activities or conditions before a loss. They protect you in at least two ways:

- Identify unsafe work habits/behavior.
- Identify unsafe physical conditions.

Frequently, the inspection process has focused entirely on the physical environment, yet the majority of costly injuries and lost time results from employee actions.

Formal Inspections

A formal inspection provides a structured guide to check items that may not be readily apparent. They provide documented evidence for management and meet regulatory requirements that steps be taken to identify unsafe acts/conditions.



Informal Inspections

An informal inspection is an ongoing process performed by a selected person to identify unsafe acts and/or conditions. Informal inspections do not need to be documented. Informal inspections DO NOT replace inspections.

Have you:

1. Developed a formal inspection checklist? (*see sample at end of program*)
2. Identified who will be responsible and accountable for the inspections?
3. Determined the frequency of the inspections?
4. Modified your inspection checklist to remain up to date with changes you have made in your operations?

Hazard Control

Certain operations are inherently hazardous because of fire, pollution, inhalation and contact exposures. Examples are:

- Spray painting operations
- Service of brakes
- Service of air conditioning
- Repair of fuel tanks
- Storage of chemicals in drums/tanks
- Dispensing of chemicals
- Disposal of waste oils, filters, tires, batteries, etc.

Protection of customer and company vehicles is an important concern. Key control, security fencing/personnel, alarm systems, lighting and storage practices should be considered.

Have you:

1. Identified hazards and their controls?
2. Determined the changes in hazards as you make changes to your operations?



Accident Investigation

Accidents and “near misses” result from unsafe behaviors and conditions and need to be investigated. Seldom are accidents a result of something outside your control.

The Investigation Process

- Obtain information from the employee(s) involved.
- Survey the conditions at the time of the accident.
- Determine the condition of the equipment involved.
- Obtain information from witnesses.
- Analyze the information and determine root causes. (i.e., equipment, training)
- Implement corrective measures.
- Report incident to appropriate source(s).

It is extremely important not to place blame because it discourages cooperation.

Have you:

1. Communicated the accident investigation process is to uncover root causes?
2. Followed through on the recommendations resulting from the investigation to prevent future loss?

Effective loss control results in a higher level of efficiency, fewer losses and increased profits.

Commitment is essential to an effective loss prevention program. If you need assistance, just ask.

Your Farmers Agent will discuss with you how a Loss Control Consultant can help you accomplish your safety goals.

The Automotive Service Industry

Self-Inspection Checklist

An essential part of loss prevention is the recognition, removal or correction of hazards before a loss occurs. This checklist serves as a tool to indicate areas needing attention.

A “no” response to any question indicates corrective action may be necessary. This survey form should be complete at least quarterly and reviewed by management to monitor the loss control program.

A. General Inspection Checklist			Yes	No	N/A	C. Automotive Repair Shop Items			Yes	No	N/A
1.	Are all outside areas free from potholes uneven surfaces, cracked cement, hoses or other such conditions where customers could trip or fall?.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1.	Are all mechanics instructed not to use air hoses to clean themselves or clothing off unless it has a pressure reducing nozzle?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
2.	Are all higher surfaces clearly marked (such as island areas or higher walkway areas into the station or store) with white or reflective paint or tape to clearly indicate there is a step there?.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2.	Are all vehicles left overnight locked and the keys stored away from the cars and out of sight and knowledge of customers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
3.	Are all public areas free of oil, spilled gas, grease, etc.?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3.	If vehicles are left overnight and are not locked inside the garage, is the lot well lighted and are the cars in view of police patrols?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
4.	Are all areas inside the station and/or store clean and free of debris on the floor?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4.	Do mechanics use safety glasses and work boots when working on vehicles?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
5.	Do all gasoline pumps and pump handles work properly. Do they shut-off automatically as they should?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5.	Have you checked each automotive lift for damage, cracks, leaks, or malfunctioning parts to assure they are working properly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
6.	Are all fire extinguishers easily accessible and properly charged? ..	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.	Are all customer vehicles tested to be sure brakes are functioning properly before the vehicle is test driven?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
7.	Are cashiers and store personnel trained in what to do in the event of a robbery?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7.	Are customers kept out of the work area of the garage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
B. Reminder Checklist			Yes	No	N/A	D. Fueling			Yes	No	N/A
1.	Any New Hires this month? If yes, did you train them in safe practices using either the safety guidelines in the handbook or the safety training video?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1.	Is it prohibited to fuel an internal combustion engine with a flammable liquid while the engine is running?.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
2.	Any new employees who will be driving company or customers vehicles? If yes, have you checked his/her MVR and submitted the name to your insurance company for approval?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2.	Are fueling operations done in such a manner that likelihood of spillage will be minimal?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
3.	Were there any accidents? If yes, did you perform a complete investigation and identify the causes? And did you take steps to prevent such losses from occurring in the future? Did you complete the loss report and OSHA 200 log?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3.	When spillage occurs during fueling operations, is the spilled fuel cleaned up completely, evaporated, or other measures taken to control vapors before restarting the engine?.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
4.	If you have a safety committee, have you reviewed their duties and responsibilities with them? Are they training employees or performing these inspections?.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4.	Are fuel tank caps replaced and secured before starting the engine?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
					5.	In fueling operations is there always metal contact between the container and the fuel tank?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
					6.	Are fueling hoses of a type designed to handle the specific type of fuel?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
					7.	Is it prohibited to handle or transfer gasoline in open containers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

8. Are open lights, open flames, or sparking or arcing equipment prohibited near fueling or transfer of fuel operations?
9. Is smoking prohibited in the vicinity of fueling operations?
10. Are fueling operations prohibited in the building or other enclosed areas that are not specifically ventilated for this purpose?
11. When fueling or transfer of fuel is done through a gravity flow system, are the nozzles of the self-closing type?

E. Fire Protection

Yes No N/A

1. Fire extinguishers accessible, checked monthly, and recharged after use?
2. Stand pipe and hoses properly maintained with no mechanical damage and clear of stock storage?
3. Fire doors operating properly with no mechanical damage and clear of stock storage?
4. Sprinkler Control Valves secured in open position?.....
5. Minimum of 16 inch clearance between stock storage and sprinkler piping?

F. Storage

Yes No N/A

1. All stock susceptible to water damage stored on pallets, shelves or otherwise off floor and away from walls?
2. Minimum of 18 inches maintained between tip of high-rack storage and ceiling or roof joists in unsprinkled building?
3. Storage of combustibles restricted from vicinity of heating equipment and electrical panel boxes?.....

G. Walking Surfaces & Customer Areas

Yes No N/A

1. Electric cords arranged in such a manner as not to present a trip hazard?
2. Snow, ice and refuse removed from parking lot area(s) and walkway(s), with adequate drainage provided?
3. Customers restricted from service areas with sign posted?
4. Equipment (*i.e., vending machines and furnishing*) in customer waiting area firmly anchored, in good repair and electrically grounded?

H. Housekeeping

Yes No N/A

1. Housekeeping good, i.e., aisles clear; storage of paint, tools, parts orderly; debris removed, etc.?
2. Waste materials stored in metal containers with tight fitting lids, kept in designated areas and removed from premises daily?

I. Exits

Yes No N/A

1. All exits doors illuminated, kept clear and unlocked during hours of operation?

J. Ladders

Yes No N/A

1. Step ladders of either industrial grade (*Type I*) or commercial grade (*Type II*) in use?.....
2. Step ladders substantial (*not wobbly*)?
3. Side rails, rungs and spreaders on ladders in good condition (*i.e., not cracked, loose or broken*)?
4. Wood ladders protected from the elements and hung horizontally when stored?

K. Battery Charging

Yes No N/A

1. Battery charging areas well ventilated and vent caps in place with charging units protected from vehicular damage?
2. Emergency facilities available for flushing and neutralizing battery acid spills or splashes?
3. Personal protective equipment, i.e., face shields, gloves, aprons worn by employees handling or charging batteries?

L. Smoking

Yes No N/A

1. Smoking prohibited throughout storage, repair and fueling areas?.....
2. Receptacles provided for discarded cigarettes in designated smoking areas?.....

M. Flammable Liquids & Spray Painting

Yes No N/A

1. Flammable and combustible liquids (*i.e., paints, fuel and solvents*) stored in metal safety cabinets or in a properly constructed storage vault?
2. Bulk fuel and solvent tanks properly vented, vent pipes terminate away from air intakes, fuel pipes marked?
3. Flammable liquid dispensing equipment bonded, grounded and protected from vehicular damage?

- 4. Only one day supply of flammable liquids allowed in work areas and stored in "U.L. LISTED" safety containers?
- 5. Degreasing and dip tanks containing flammable liquids, equipped with self-closing lid, actuated by fusible link?
- 6. "Explosion proof" electrical lights, fixtures, motors, switches and wiring provided in all hazardous areas?.....
- 7. Ignition sources (*i.e., open flame heaters, cutting torches, etc.*) prohibited within 20 feet of hazardous areas?
- 8. Solvent soaked rags stored in properly marked "U.L. LISTED" covered metal containers?
- 9. All spray painting done in designated spray areas only?
- 10. Spray paint areas, flammable liquid storage and dispensing areas provided with adequate mechanical ventilation?
- 11. Bureau of Mines-approved respirators, effective for specific containment in use, provided and used in spray painting and toxic areas?.....
- 12. Sprinkler heads in spray areas covered with protective coating of light grease and petroleum jelly with overspray cleaned off and coating re-applied?
- 13. Spray booth filters cleaned and/or changed regularly?.....
- 14. Paint overspray removed from interior booth walls with non-sparking tool?

N. Welding & Cutting Yes No N/A

- 1. Adequate ventilation provided in welding, cutting, brazing, sanding and grinding areas?
- 2. Adequate mechanical ventilation in general shop area?
- 3. Personal protective equipment (*i.e., safety glasses, respirators, welding masks, safety shoes and proper clothing*) provided and used?
- 4. Air pressure reduced to less than 30 PSI at orifice on manually operated air hoses?.....

- 5. Torches and hoses properly connected, checked for deterioration and in good condition (*i.e., no deterioration, leakage, kinks, etc.*)?
- 6. Oxygen and fuel cylinders properly segregated?
- 7. Compressed gas cylinders marked, secured and capped?

O. Material Handling Yes No N/A

- 1. Hoisting and lifting equipment, including ropes and chains, inspected on a scheduled basis; written records maintained and capacity limits posted?
- 2. Employees trained in proper lifting procedures?
- 3. Two or more employees, or mechanical handling equipment, used for heavy loads?.....

P. Tools & Equipment Yes No N/A

- 1. All tools returned to their proper place upon task completion or at end of day?
- 2. Correct tool(s) used to work being done?
- 3. Portable grinding tools, bench and pedestal grinders properly guarded?
- 4. Portable power tools provided with constant pressure controls?
- 5. Electrically powered equipment and tools double insulated or properly grounded?
- 6. All tools (*company and individually owned*) free of hazardous conditions (*i.e., mushroomed chisel heads, cracked or loose hammer handles, etc.*)?
- 7. Hydraulic and pneumatic lines and connections inspected daily for deterioration, leakage, kinks, etc.; preventive maintenance performed?
- 8. Compressors properly guarded, maintained, clear of combustibles and well-vented?
- 9. When a chainblock hoist or jack is used, is vehicle securely blocked before the employee begins work?
- 10. Vehicles properly positioned and automatic chocks operative on all lifts?



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