New evidence suggests that tenure, even more than age, is an important variable driving workers’ compensation claims. Loss-time frequency may be driven by:

- An influx of new workers
- The return of older workers

Workers with shorter tenure file more lost time claims. And the difference is more significant in the current economic recovery. A recent study found that injury rates were 4–6x higher for workers during their first month on the job.¹

**NEW CLAIMS & TIME LOSS STUDY**

The Hartford claims data independently validates research on increased frequency. Recently, we conducted a proprietary, multivariate analysis of The Hartford’s claims data and employee census information. See the chart on page 2 for our findings and conclusions.
WHO ARE YOU HIRING, REALLY?

Recent studies reveal that applicants aren’t always who they purport to be. What looks good on paper may, in fact, be false information. Statistics like the ones below underscore the importance of verifying records and credentials before you hire.⁵

53% of all job applications contain inaccurate information

46% of employment, education, or reference checks revealed discrepancies⁶

74% of all drug users are employed⁷

14.1% of construction workers used drugs in the last 30 days⁷

30% of the adult U.S. population has a criminal record⁸

HELP REDUCE POTENTIAL FOR FUTURE LOSSES BY CAREFULLY CONTROLLING THE HIRING PROCESS⁴

With effective candidate selection, hiring and training, you can help offset the impact of inexperience.

Putting these new-hire controls into practice can help.

<table>
<thead>
<tr>
<th>Pre-Employment Controls</th>
<th>Post-Employment Controls</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Background checks (criminal, motor vehicle registration, financial)</td>
<td>- Physician (medical) assessment</td>
</tr>
<tr>
<td>- Verification of employment, education, licensing, credentials (See sidebar)</td>
<td>- Physical exam</td>
</tr>
<tr>
<td>- Behavioral assessments (culture fit, risk potential, job skills, cognitive abilities, critical thinking, abstract reasoning)</td>
<td>- Random drug testing</td>
</tr>
<tr>
<td>- Drug testing</td>
<td>- Drug testing</td>
</tr>
</tbody>
</table>

WHEN IS THE RISK MOST LIKELY?

• The first year presents the highest risk
• The first month is twice as risky as subsequent months

WHAT WAS THE STUDY BASED ON?

- The Hartford’s claims data and employee census information
- Industries with a greater probability of injury, such as construction and manufacturing

WHAT WERE THE PREDICTORS FOR CLAIMS AND LOSS?

- Tenure
- Age
- Salary

WHERE’S THE GREATEST RISK?

- Tenure of less than one year was the single most significant predictor
- Inexperienced workers have 2-4x the loss cost relativity
- Workers with tenure of less than a year have a much higher claims frequency – regardless of age
- Workers tenured for 2+ years have relatively low claims frequency and loss costs
- Severity is higher in older workers, regardless of experience

CLAIMS & TIME LOSS STUDY FINDINGS
HELP LIMIT RISKS MOST LIKELY TO IMPACT NEW HIRES AND SHORT-TENURED EMPLOYEES

Every employer has a legal obligation under the Occupational Safety and Health Act of 1970 to provide and maintain a safe and healthful workplace for employees. A comprehensive safety and health program will address exposure associated with new hires and all employees.

We recommend the following best practices checklist to help control risks:

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>CHECKLIST</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAFETY AND HEALTH PROGRAM</td>
<td>Review your plan&lt;br&gt;Make revisions to assure it applies to all employees&lt;br&gt;Make sure all supervisors and managers are actively engaged in safety&lt;br&gt;Notify new employees of your commitment to safety</td>
</tr>
<tr>
<td>SAFETY AND HEALTH TRAINING</td>
<td>Emphasize safety and health with all new hires and temporary employees, including them in all programs&lt;br&gt;Provide hands-on safety training specific to each job&lt;br&gt;Involve supervisors and managers in safety training of new hires, plus follow-up and enforcement&lt;br&gt;Observe operations and provide feedback&lt;br&gt;Provide training in alternate languages as necessary&lt;br&gt;Encourage questions from employees</td>
</tr>
<tr>
<td>LOSS CONTROL</td>
<td>Make sure new hires participate in these programs, and educate them on how they apply to their jobs as well as your entire operation.</td>
</tr>
<tr>
<td>ERGONOMICS</td>
<td>Provide work stations, equipment and tools appropriate for the job&lt;br&gt;Educate workers on use of work stations and equipment</td>
</tr>
<tr>
<td>FUNCTIONAL JOB ANALYSIS</td>
<td>Be proactive about providing functional job descriptions that clearly identify essential and non-essential job functions as well as physical and other requirements&lt;br&gt;Analyze jobs to clearly identify all of the above</td>
</tr>
<tr>
<td>MACHINE GUARDING</td>
<td>Make sure all equipment is properly guarded&lt;br&gt;Make sure new hires know how to use the equipment and guards</td>
</tr>
<tr>
<td>DRIVER SAFETY</td>
<td>Obtain periodic motor vehicle registration information on all employees with driving responsibilities&lt;br&gt;Inspect vehicles to assure they’re in good operating condition&lt;br&gt;To boost driver safety, consider:&lt;br&gt;» Implementing The Hartford’s 3-D Driver Training course&lt;br&gt;» Participating in The Hartford’s Driver Improvement Fleet Conferences</td>
</tr>
<tr>
<td>RETURN-TO-WORK (RTW)</td>
<td>Develop an RTW program that includes:&lt;br&gt;» Functional job descriptions&lt;br&gt;» Employee and medical provider communication&lt;br&gt;» Transitional duty opportunities&lt;br&gt;» Assure that new hires are aware of your RTW program(s) and expectations</td>
</tr>
<tr>
<td>DESIGNATED SAFETY EQUIPMENT FOR NEW HIRES</td>
<td>Provide hard hats, eye protection, safety vests of a different color and name badges to help your employees identify and support new hires during orientation</td>
</tr>
<tr>
<td>BUDDY/MENTOR PROGRAM</td>
<td>Team up new employees with a “safe” person to consult with questions or concerns</td>
</tr>
</tbody>
</table>
NEW HIRE ON-BOARDING

PERSISTENT RISK MANAGEMENT CAN HELP CURB WORK-RELATED INJURIES

By understanding the link between workers’ compensation claims and employee selection, placement and safety on-boarding, you’ll be in better position to:

• Help reduce frequency and severity of claims
• Retain the more highly skilled, experienced, and productive workers

Remember that risk management for work-related injuries doesn’t end at hire. A persistent effort works best. While special attention and safety training should be provided to newly hired workers, the benefits can extend to all employees and company operations in general.

FOR MORE RESOURCES, VISIT US OR CALL.
We’re here to help you prevail at THEHARTFORD.COM/LOSSCONTROL.
Or contact your local Hartford agent or Loss Control consultant today.

3 www.ndwa.org/aboutus.php
4 Employers’ hiring practices are regulated by state and federal law, including but not limited to, the regulations of the ADAAA and EEOC. Employers should always consult with legal counsel before establishing any practice that involves hiring.
5 Sources: CareerBuilder.com Survey (2008); Gurtin vs. Nurse Connection, et. al. (2002); Human Resources Management (2008); Recruiting Times, Society of Human Resources Management (2003); Two Wrongs May Mean No Rights, by Barbara Kat Repa, Nolo.com, (2001); U.S. Department of Labor, Wall Street Journal (2003); U.S. Department of Justice
6 www.statisticbrain.com/resume-falsification-statistics
7 www.samhsa.gov/data/occupation.htm

The Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries, including issuing companies, Hartford Fire Insurance Company, Hartford Life Insurance Company and Hartford Life and Accident Insurance Company. Its headquarters is in Hartford, CT.

Please be advised that employers’ hiring practices are regulated by state and federal law, including but not limited to, the regulations of the ADAAA and EEOC. Employers should always consult with legal counsel before establishing any practice that involves hiring.

The information provided in these materials is intended to be general and advisory in nature. It shall not be considered legal advice. The Hartford does not warrant that the implementation of any view or recommendation contained herein will: (i) result in the elimination of any unsafe conditions at your business locations or with respect to your business operations; or (ii) will be an appropriate legal or business practice. The Hartford assumes no responsibility for the control or correction of hazards or legal compliance with respect to your business practices, and the views and recommendations contained herein shall not constitute our undertaking, on your behalf or for the benefit of others, to determine or warrant that your business premises, locations or operations are safe or healthful, or are in compliance with any law, rule or regulation. Readers seeking to resolve specific safety, legal or business issues or concerns related to the information provided in these materials should consult their safety consultant, attorney or business advisors.