Workplace Distractions Hurt Your Employees and Your Business

Workplace 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 a multitude of distractions that can affect employee safety and productivity that employers need to be aware of.

1. **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.
2. **E-mail** – Misuse of e-mail can be another productivity drain. 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.
3. **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.
4. **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.
5. **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.
6. **Complacency** – Sometimes, employees 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, plus distractions, can easily produce injuries that are costly and upsetting for the rest of the staff.

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.

Be Sure to Tell Your Insurer of Any Material Changes

One important risk that many policyholders are not aware of is failing to notify their insurer or broker about material changes that could affect their coverage.

Various events should trigger you to inform your carriers – for example, if you purchase new equipment, hire new staff, buy a new building, or expand your operations. And depending on the type of change, it could cut across different lines of insurance, like workers' compensation and employee benefits.

Here are a few examples of how these potential changes can affect your policies, both commercial and personal.

Workers' compensation

Hiring new employees – While you don't have to notify your insurer every time you are hiring someone, you may want to consider making a call if you are adding a number of new staff in a short period of time.

Insurers will often conduct policy audits to catch changes in personnel and may send a notice to collect additional premium for the new hires. If you don't want any surprises or to risk misclassification, it's a good idea to reach out to your insurer about these changes.

Ownership changes – If you and your partners are claiming an exemption for workers' compensation coverage as owners of the company, and there is a material change – like changing corporate structure or a change in ownership – you need to file the correct documentation with your workers' compensation carrier.

This is critical in case there is an ownership change in the middle of the policy year. If you don't notify the insurer and assume a new owner will be exempt like the one they replace, you could be in for a surprise. If the carrier doesn't know about the change, it could treat the new owner as an employee and demand collection of back premium to the date they entered the picture.

In California, this is especially important now in light of recent legislation.

Before AB 2883 and SB 189 were signed into law, if an insurer discovered during final audit or midterm that a policyholder's entity had changed to a corporation from a sole proprietorship and the owner had previously been exempt from coverage, the insurer would simply endorse the policy with the corrected entity type and legal name and then exclude the owner again.

As a sole proprietor, the individual was not covered on the policy and, as the only officer of a corporation, the owner would still be eligible for exclusion.

Under the new laws, this is no longer possible. In order to exclude qualifying individuals from workers' compensation coverage, the organization must file a signed waiver from each of the qualifying individuals requesting to be excluded. The insurer is barred from backdating any waivers. So, if there are ownership changes or structural changes to the entity type, the owners who want to be exempt from coverage must file new waivers with the insurer.

Employee benefits

For employee benefits, you'll need to notify us of new hires or recent terminations within 30 days. Health insurers have strict windows for retroactive changes under the Affordable Care Act, so it's imperative that you follow the guidelines when adding new employees to your company health plan.

Employees may leave a company and new workers may take their places. Dependents may change from time to time. As such, you need to periodically review the group health insurance plan to make changes and to ensure recent changes were completed correctly. You can contact us or your insurer when you need to make these updates.

New property, equipment

Fortunately, most commercial property policies include a coverage called "Newly Acquired or Constructed Property." This is usually afforded as an extension of your existing building and/or business personal property coverage.

That is, if your policy already covers a building, you may extend your building coverage to cover a building you acquire during the policy period. Likewise, if your policy currently covers business personal property, you may extend that coverage to include personal property you acquire during the policy period.

Under some commercial property policies, the newly acquired or constructed property extension is provided only if you have fulfilled certain insurance-to-value requirements. These may include a coinsurance percentage of at least 80% or insurance that is written on a value reporting basis.

Personal lines

You'll want to pay special attention to your homeowner's policy as well, particularly if you've had any renovations, add-ons, or purchased any expensive items that you should list on your policy to ensure they are covered. A new TV is typically not enough for you to have to call your insurer, but if you've bought expensive jewelry or artwork you should notify them.

And obviously, if you purchase a new vehicle, you'll need to contact the insurer to make sure it's covered. Depending on the insurer, you will typically have anywhere from a two-week to a 30-day window to transfer the insurance from the old car to the new one. But you shouldn't count on this. Call your insurer immediately after buying a car to avoid a potential cancelation.

Also, if you are accumulating more assets or had an increase in income you may want to consider revisiting your life insurance policy as well, to see if you need to increase the limits as your net worth increases.