



Commercial Risk Advisor

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Business Risks of Marijuana Legalization

Over the past decade, many states have been moving toward the legalization of both recreational and medical marijuana. The changes in legislation have posed a range of difficulties for employers, forcing many to reevaluate existing workplace drug policies and procedures. This has resulted in the following challenges across industry lines:

- **Employee safety risks**—Although existing research on the correlation between marijuana usage and employee injuries is low, some data has shown that using the substance can elevate workplace safety exposures, including impaired judgment, reduced concentration and slower motor skills.
- **Workers' compensation issues**—Because marijuana usage may increase the likelihood of employee injuries, it could subsequently result in elevated workers' compensation claims.
- **Commercial auto concerns**—As more adults are able to legally use marijuana and other cannabinoids, there have been concerns over how such legalization could impact road safety, especially among commercial drivers.
- **Employment practices liability exposures**—Some states have enacted legislation restricting an employer's ability to perform preemployment screening tests for marijuana.

Despite the challenges created by marijuana legalization, businesses can implement the following measures to minimize related risks:

- Educate employees on the safety risks associated with marijuana usage in the workplace.
- Adopt an appropriate marijuana usage policy aimed to prevent impairment issues on the job and provide proper support for employees.
- Train supervisors and managers on how to detect and respond to potential marijuana-related impairment in the workplace.

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New Employees and Workplace Injuries

A report by insurance company Travelers Companies Inc. found that 35% of workplace injuries occur during a worker's first year on the job. Some of the most common injuries include overexertion; slips, trips and falls; being struck by an object; cuts and punctures; being caught in or between objects; and motor vehicle accidents.

In addition, 1 in 8 injuries happen on an employee's first day, according to the Bureau of Labor Statistics. This can most likely be attributed to the fact that new workers don't know the process as well as experienced people, are unfamiliar with the tasks, and don't know the rules and regulations of the job.

Workplace injuries can impact employers by resulting in absenteeism, presenteeism, decreased productivity, increased claims costs and employee turnover. The following are precautions employers can take to minimize the risk of new workers getting injured on the job:

- **Hire qualified candidates.** Implementing a formal hiring process with clear job descriptions that emphasize a company's safety culture can help attract qualified job candidates.
- **Conduct a job safety analysis.** Breaking down each step in a job and describing the hazards associated with each step can help to minimize or eliminate those hazards.
- **Provide education and training.** Conducting onboarding training can help new employees understand and adhere to safety expectations and procedures.
- **Analyze accidents and make safety adjustments.** Having an accident analysis program in place can help identify the root causes of injuries after an accident has occurred. Companies can then develop and implement corrective actions to reduce the likelihood of similar accidents and injuries.

Companies should have robust safety training programs and practices in place to prevent workplace accidents and injuries and minimize liability. For more risk management guidance, contact us today.



New workers are
five times more likely
to be injured on the job
than their more experienced
counterparts.