



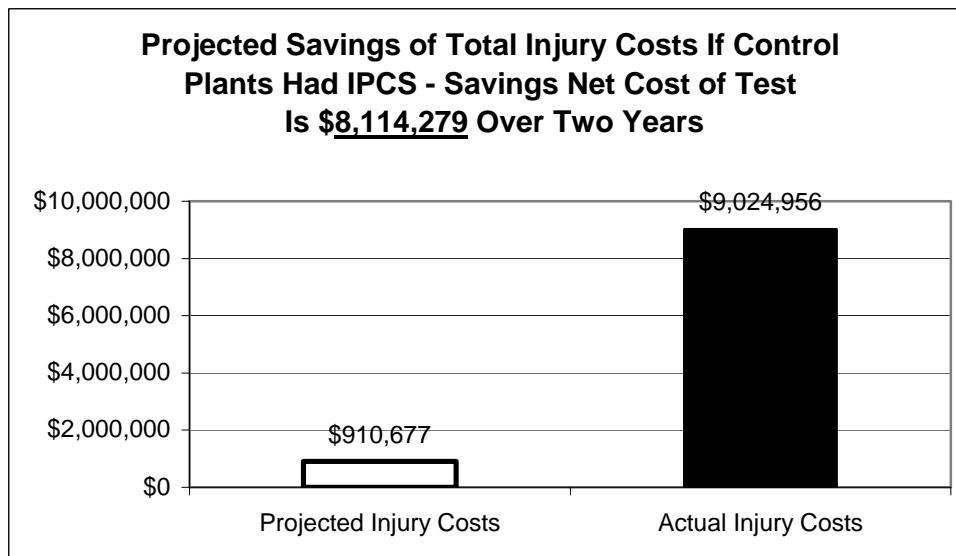
## A Two Year Injury Analysis To Determine the Effectiveness Of the IPCS Physical Capability Evaluation Program On Reducing Injuries For: The World's Largest Food Producer

*The data clearly shows a dramatic difference in number of injuries, total cost of the injuries and average cost per injury between the IPCS plants and the Control plants. If the Control plants had the IPCS program in place, the net savings minus the cost of the program over a two-year period would have been \$8,114,279.*

The following comparative study was performed to evaluate the impact of the IPCS new hire physical capability evaluation program on reducing both the frequency and severity of injuries.

Sixteen plants from the United States were included in this study. Three plants received the IPCS physical capability assessment program (IPCS Group) and 13 plants did not (Control Group). All plants performed similar jobs and had similar turn over and thus, hiring needs. The total workforce between the 3 IPCS plants and the 13 Control plants were similar in that each grouped employed approximately 4,500 employees. Both groups hired approximately same number of employees, which is 2,500 new hires, during the stated time frame. The time frame for this study was February 1, 2001 through January 31, 2003.

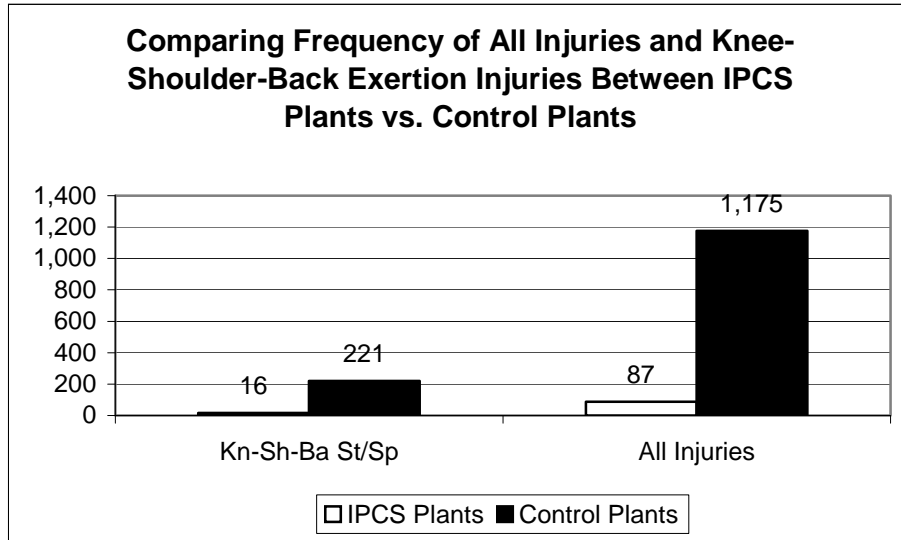
The chart below shows that if the Control Plants had the IPCS program in place for the two-year period, the net savings minus the cost of the program would have been \$8,114,279.



## Frequency of Injuries

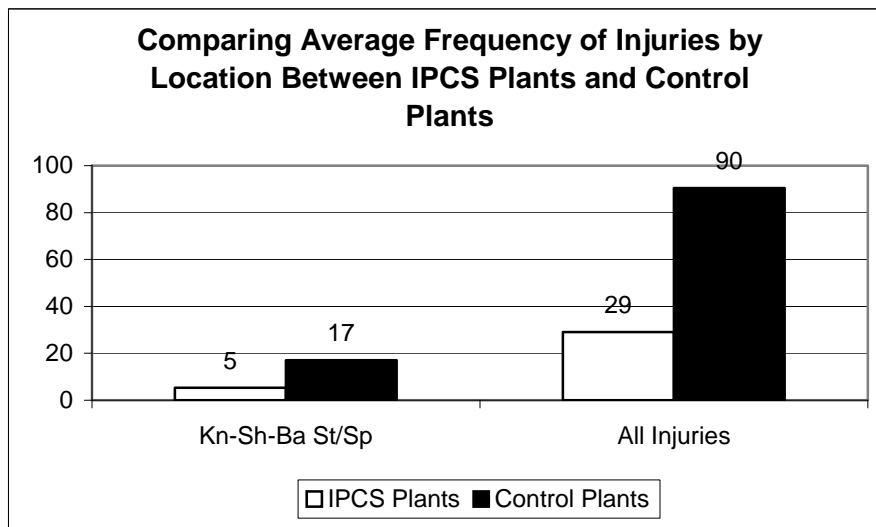
Chart 1 shows the total number of injuries that occurred for the IPCS Plants versus the Control Plants. The number of injuries is also shown for the knee-shoulder-back (kn-sh-ba) strains/sprains. The differences in terms of location are dramatic for both categories – all injuries and kn-sh-ba strain/sprain injuries. To better understand these differences, the average number of injuries for the each plant within each group was calculated as shown on Chart 2.

**Chart 1**



It is clear from Chart 2 that the average number of all injuries and the average number of kn-sh-ba strains/sprains that occurred for each plant for the Control Plants were more than 3 times greater in comparison to each plant for the IPCS group.

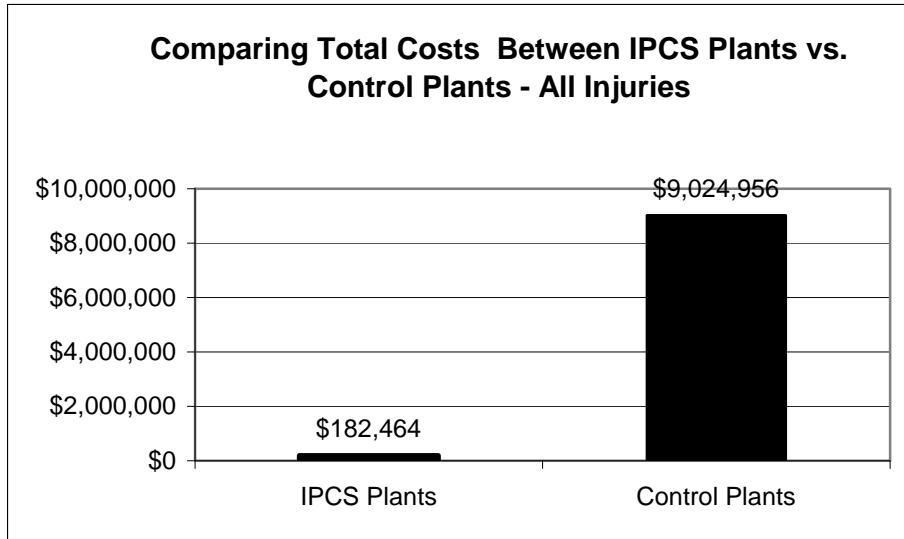
**Chart 2**



Total Costs and Average Costs for All Injuries

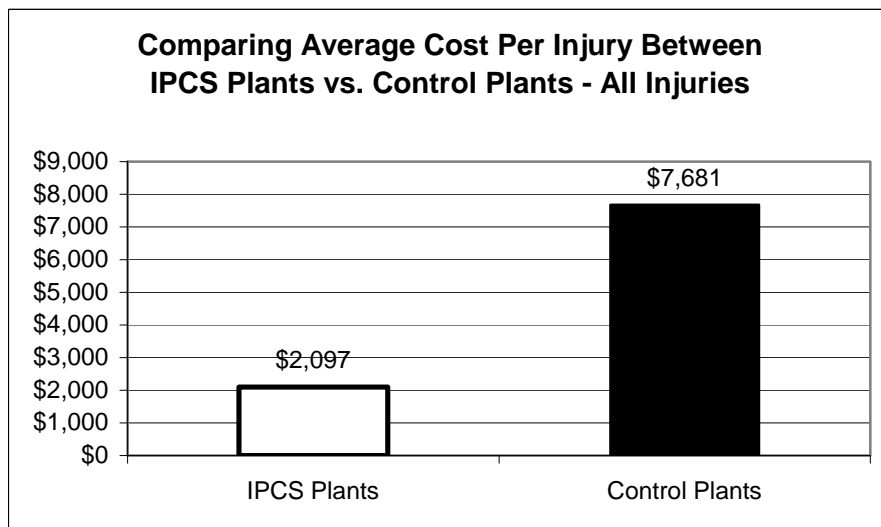
Chart 3 compares the Total Costs for all injuries for the IPCS Plants to the Control Plants. The Total Costs for the Control Plants was nearly 50 times greater than the IPCS Plants.

**Chart 3**



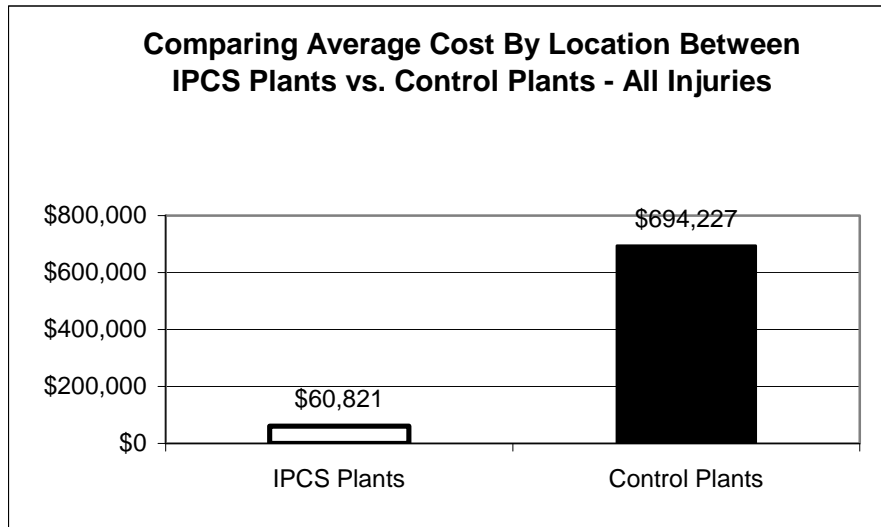
To put these costs from Chart 3 in perspective, the average cost per injury was calculated. When comparing the average cost per injury between the IPCS Plants and Control Plants, Chart 4 clearly shows that the Control Plants average cost per injury was nearly 4 times greater than the IPCS Plants.

**Chart 4**



Another way to look at the data is to calculate the average cost for All Injuries spent per plant within each group. Chart 5 shows that each Control Plant, on average, spent 11 times more for all of their injuries in comparison to each IPCS plant.

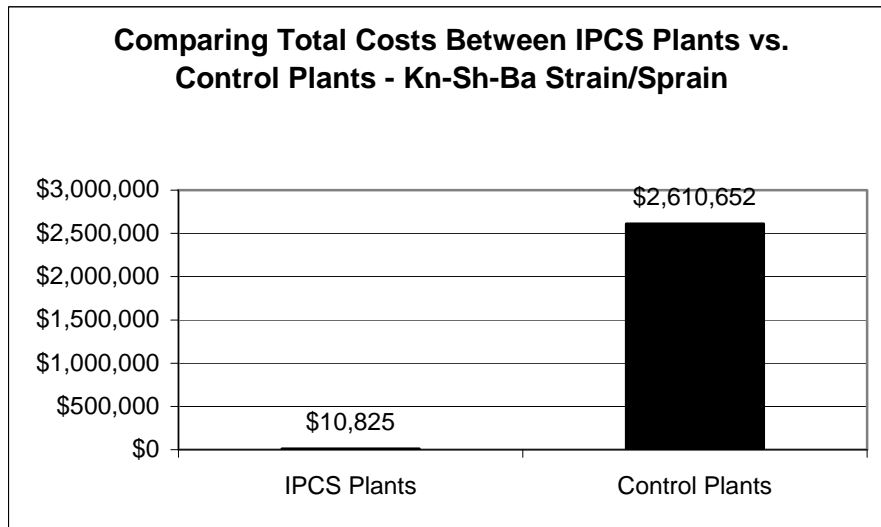
**Chart 5**



Total Costs and Average Cost of Knee-Shoulder-Back Strain/Sprains

Chart 6 shows dramatic differences between the IPCS Plants and Control Plants when reviewing the Total Costs for Knee-Shoulder-Back Strains/Sprains. The Control Plants spent 241 times more for these kinds of injuries when compared to the IPCS Plants.

**Chart 6**



Again, to put these numbers from Chart 6 into perspective, the average cost of a knee-shoulder-back sprain for the Control Plants is more than 17 times greater in comparison to the IPCS Plants as shown on Chart 7.

**Chart 7**

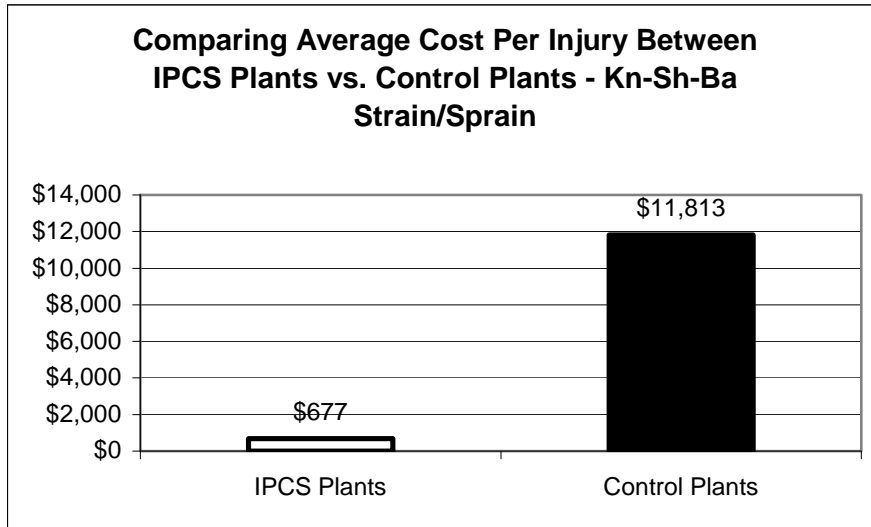
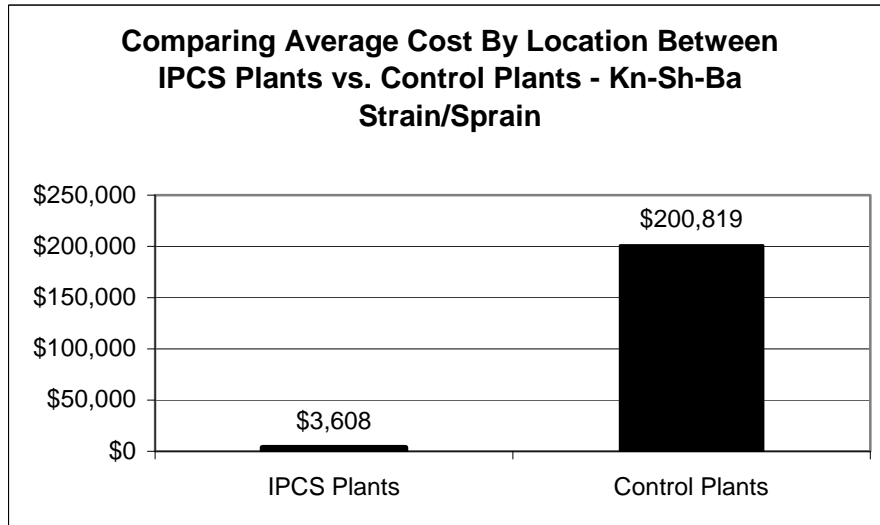


Chart 8 shows on average what each location spent for knee-shoulder-back strain/sprains. Each Control Plant spent on average 56 times more for their knee-shoulder-back strain/sprains in comparison to each IPCS Plant.

**Chart 8**

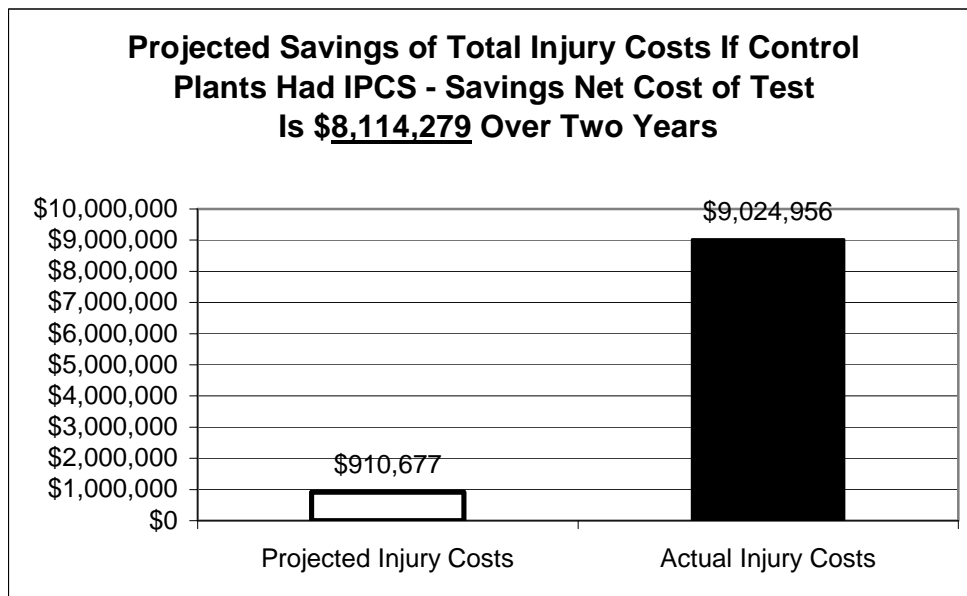


## Projected Savings

To calculate the projected savings for the two-year time frame identified, the average each plant spent for all injuries for the IPCS group was multiplied times 13 (the number of plants in the Control group), which equaled the Projected Costs. The Projected Cost was subtracted from the Actual Total Cost for the Control group for all injuries minus the cost to implement the program. The cost to implement the program was calculated by using the cost of the test, which was multiplied times the number of new hires for the Control group.

Chart 9 shows a dramatic projected savings over the two-year period in excess of \$8,000,000.

**Chart 9**



## Conclusion

The analysis of the injury data for this company clearly demonstrates that the IPCS physical capability assessment program had a dramatic impact on reducing both the frequency and severity of injury. The impact appears to be greater on the severity of injury as measured by the total costs and average cost not only for knee-shoulder-back exertions injuries but also for all injuries.