

ADVANCING A 'CULTURE OF COMPLIANCE'

SET RULES AND STICK TO THEM

Improved Safety Survey scores show TRSA members are making progress

By Jack Morgan

When it comes to compliance, laundry operators have two choices: For a shot at success, management must embrace and thoroughly document adherence to all applicable rules and regulations in your area; then follow through with staff at all levels. The second option is to court a long-term decline, plus potential liability for incidents by cutting corners on rules, indulging in half-measures on training and documentation, or simply ignoring mandates related to safety, the environment, personnel and other areas.

TRSA's most recent 2023 Safety Report shows that most association members are getting the message of embracing continuous improvement in compliance, particularly on safety issues. For example, from 2018-2022, TRSA

member survey respondents lowered their Total Recordable Incident Rate (TRIR) by 29%. On another key metric, days away from work, restricted or transferred duties (DART) rate, TRSA member respondents improved on their performance by 30% from 2018-'22. We asked several operators and safety specialists who are active in promoting compliance at their companies to share their insights on this issue. Their comments follow.

CORNER OFFICE COMMITMENT

Of course, even the most diligent companies can make mistakes related to compliance issues. With that said, a push from top management can help companies lower the risks of an incident or citation because each employee will know what they need to do to comply with the law. "A commitment by owners/management to obey all federal, state and local rules and regulations is of the utmost importance to ensure compliance by employees at all levels of a company," says Russell

Holt, chief compliance officer for Superior Linen Service Inc., Tulsa, OK. The example that company leaders set let's everyone know that management won't tolerate deviations from compliant practices. "This commitment sets the tone for the entire organization and establishes a culture of compliance and ethical behavior," Holt adds. "When owners and top management prioritize following legal requirements, it sends a strong message that adherence to rules and regulations is non-negotiable. This commitment provides a framework for employees to understand the expectations and boundaries set by the company, and it promotes a sense of accountability and responsibility in their actions."

For companies that consciously or through carelessness opt for lax compliance, don't be shocked if employees adopt the same attitude that adherence to rules and regulations isn't critical. Michael Halter, director of loss control for Haylor, Freyer & Coon, an insurance carrier based in Syracuse, NY, says that unless company executives take the lead, employees are unlikely to

embrace compliance. In fact, the odds are they'll adopt an outlook that says, "Without management's commitment to compliance, why bother?"

Halter, who regularly conducts safety audits of laundries, adds that negligence on compliance issues can quickly snowball into major problems for a company—even without a major safety or other incident "Say I come in and audit someone, and I leave them a whole punch list of stuff. ... 'Hey, here's where you're not compliant.' Well, if they don't do anything with it. You've probably created a liability for yourself then. If you find something, you got to have a plan to fix it."

COMPLIANCE: A 'MOVING TARGET'

Beyond making safety and regulatory conformity a priority, each company must devise a strategy for managing compliance. In the case of Bates Troy Inc., a healthcare operator based in Binghamton, NY, having a dedicated professional overseeing the program is their preferred course. Ed Arzouian, compliance and special projects manager for Bates Troy, cited the ongoing shifts in the regulatory mandates as a sufficient rationale for having a specific person assigned to manage this effort. "It is necessary to have a management person or persons whose primary duty is to ensure regulatory compliance," says Arzouian, a 16-year veteran of Bates Troy. "Regulatory compliance is always a moving target. Regulations are always changing and evolving. Documentation, recording, reviewing and oversight must be ongoing. That is difficult to do if it's not part of one's job purview."

Other companies, particularly independent businesses, may prefer a less-centralized approach to ensuring compliance. Miller's Textile Services, Wapakoneta, OH, relies on a hybrid model that incorporates outside education on regulatory trends and a board of advisers to help the staff stay abreast

of regulatory issues and compliance, "For independent companies, having a dedicated compliance manager might not be practical, due to our size and the complexity of regulations," says Miller's COO Andrew Thornbury. "At Miller's, we find that cultivating partnerships with external subject-matter experts in the legal and financial fields, collaborating with industry groups, and maintaining a board of advisers gives us peace of mind. Additionally, having management staff attend and share knowledge from both industry and nonindustry workshops and webinars fosters a culture of regulatory compliance and responsible business practices in the company."

Holt notes that either model can serve a company's needs, provided that compliance is treated as an ongoing priority as rules and regulations evolve. "The primary duty of this person or persons, depending on if it is a full-time job for one person or part of the job duties of different department managers, would be to proactively monitor, interpret and implement relevant laws and regulations," Holt says. "They would develop and enforce policies and procedures that align with the legal framework, ensuring that the company operates within the boundaries set by federal, state and local authorities." He adds that in either scenario, companies must conduct regular audits and assessments of compliance to ensure that the company follows the latest rules in a comprehensive fashion.

On a related issue, the experts we contacted for this article expressed a range of views on the use of outside contractors such as lawyers or regulatory specialists to advise companies on compliance issues. Halter notes that seeking input from outside sources often can enhance a company's approach to compliance. "I think it depends on what your internal capabilities are," he says. "But even with that, it's good to get an outsider to come in." Having a specialist offer a fresh perspective on operations can help companies. "You see what you see every day, Right?

We all draw off different experiences. So you know, as an inspector or an auditor, I may see something based on my experiences. But I'll tell you what: You bring in 10 professionals, their lists are not going to be exactly the same. They'll have 'crossovers' There's going to be things that I find that someone else doesn't find. And vice versa. I think that's a very good exercise."

We previously noted the need for thorough training of staff, so that all employees are aware of regulatory issues and their responsibilities to assist in compliance efforts. As in other areas, opinions vary on the quantity and types of training that are needed. Holt recommends a comprehensive effort that explains not only the particulars of applicable rules, but also the rationale behind them. "The training should begin with an introduction to the relevant workplace regulations, including laws related to health and safety, equal employment opportunity, data privacy and any industry-specific regulations," he says. "This foundational knowledge will provide employees with a solid understanding of the legal framework they need to adhere to." To help make the training stick, Holt adds that an explanation of how regulations affect people directly is also necessary. "The training should emphasize the reasons behind these regulations and the potential consequences of noncompliance. This can include highlighting the impact on individuals, teams and the organization as a whole, as well as the potential legal and financial repercussions." Reviewing case studies and real-life scenarios can also spotlight compliance issues.

Other training programs may center on areas such as environmental compliance. Staff should pursue training specific to those concerns, Arzouian says. "If we are referring to workplace regulations in regard to environmental regulations, a good Hazard Communication Plan, reviewed annually, should provide the training necessary to those employees who would be subject to environmental regulations in their assigned tasks."

Thornbury recommends the use of on-line training to assist in the process of keeping staff current on compliance issues. “To ensure that employees understand and comply with workplace regulations, provide ongoing and varied training on topics from basic regulatory knowledge, role-specific tasks and the consequences of noncompliance,” he says, noting that companies can use software programs such as SafetySkills to manage and document employees’ working knowledge of the rules.

Halter says one way that operators can evaluate training needs is to adopt a “nice to have” vs. “need to have” approach. Specifically, OSHA mandates training in areas such as forklift operation, or lockout/tagout for employees who work on electrically powered laundry machinery. Operators can get specifics on OSHA training requirements at www.osha.gov or by contacting their local OSHA office.

DOCUMENTATION, OUTREACH & IMAGE

As noted above, an effective compliance program must include a strong policy on documenting both the policies and procedures, including training, that a company uses as well as written affirmations that employees are adhering to these rules. For example with insurance, if you tell the agent you have a compliance program, he’ll want to see any related paperwork. As an insurer, Halter says the standard response to such statements is “OK, Can I see your written program? Can I see your manual? Can I see your procedures? In order to set insurance rates, the agent will say “Show me evidence.” The same goes for OSHA, if a laundry has a safety incident. “They’re going to ask to see your written program and training information,” he says, adding that the agency routinely interviews employees as well to ask whether safety procedures are in place and followed by staff. The risk for operators is that you could have a great safety program, but if the documentation is weak, it won’t carry

the weight that it should, either among regulators or insurers.

Superior Linen’s approach to this challenge has included working with OSHA’s Safety and Health Recognition Program (SHARP). This initiative helps make the agency a partner, rather than an adversary on compliance issues. “We are engaged in the OSHA SHARP program, which means we have voluntary in-plant inspections by state OSHA compliance officers,” Holt says. While participating in SHARP is a demanding process, companies that qualify receive exemptions from most surprise inspections.

Broadly speaking, whether or not a company pursues an OSHA program like SHARP, Holt recommends retaining detailed documentation sufficient to demonstrate compliance with all applicable regulations. “This includes safety policies and procedures, training records, incident reports—OSHA’s 300, 300 A & 301 (forms); at the very least, safety audits, inspection records, hazard assessments, equipment maintenance logs and any other relevant documentation,” he says.

Thornbury adds that “If it’s not documented, it didn’t happen.” He recommends that linen, uniform and facility services companies regularly review what OSHA, other agencies and in-house policies require. Companies also should ensure that staff take steps to understand and adhere to all rules for document retention to confirm compliance. Arzouian says working with an attorney or other expert could help answer questions. In addition, partnering with TRSA’s Hygienically Clean certification program can help companies ensure full and ongoing compliance through this third-party program, which requires documented compliance with OSHA rules, he says.


If a company has an outstanding compliance record, they should share that fact with customers, prospects, vendors and the public, Halter says. Companies that do SHARP or the Voluntary

Protection Program (VPP), OSHA’s other main partnering effort, also should note that status as part of their marketing efforts, he adds. Companies with a good compliance records also tend to have less staff turnover and better efficiency due to less equipment downtime. “There’s plenty of research showing that safe operations tend to be more timely and of higher quality,” he says.

Thornbury adds that touting Miller’s Textile Service’s compliance record is integral to the company’s outreach efforts. “Promoting a solid compliance record builds trust, credibility and confidence in your company’s commitment to transparency and accountability,” he says. “For Miller’s, this supports our mission of showing up on time, doing what we say and finishing what we start... while having fun doing it.”

The issue of compliance is more critical today because various sources report that they expect tighter controls in areas such as per- and poly-fluoroalkyl (PFAS) discharges in wastewater, plus demands by various states for alternative-fuel fleet vehicles (see related article, pg. 20). “We’re noticing a trend toward stricter regulations on wastewater discharge,” Thornbury says.

These trends make it doubly important that operators reaffirm their commitment to compliance because it shows customers, prospects, vendors and staff that the company takes responsibility for its actions. “It is vitally important for owners/management to set the tone and model the behavior that they expect others in the company to exhibit,” Thornbury says. “Leading by example establishes company culture and expectations for all employees. Ultimately, you owe this commitment to your employees, company, customers, vendors and yourself. As the saying goes, ‘People don’t care how much you know until they know how much you care.’” **TS**

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