

# Avetta Insights and Impact Report 2025



#### **About Avetta**

Avetta is a global leader in supply chain risk management, connecting businesses with a network of over 130,000 suppliers and contractors across more than 130 countries. Our unified platform, Avetta One, empowers organizations to manage safety, sustainability, workforce, financial, and cybersecurity risks in one centralized system — providing real-time visibility and actionable insights across the entire supply chain.

Our mission is to build stronger, safer, and more sustainable supply chains through world-class risk management and compliance solutions. We partner with companies across industries to ensure their supply chains meet the highest standards of safety, compliance, and ESG performance. From contractor prequalification and insurance verification to sustainability tracking and workforce enablement, Avetta simplifies the complex.

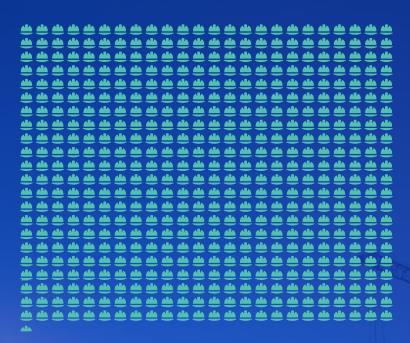
Headquartered in Lehi, Utah, with offices around the world, Avetta is trusted by leading global brands to drive resilience, reduce risk, and deliver impact across the entire supply chain.

For more information, visit avetta.com.

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## **Foreword**



In 2023,
5,283 workers
tragically died while
doing their jobs.

National Safety Council (NSC)





That amounts to fourteen families every day who had to face the terrible reality of a loved one never returning home.

Even a single workplace death is one too many.

In 2023, according to the National Safety Council (NSC), 5,283 workers tragically died while doing their jobs. That amounts to fourteen families every day who had to face the terrible reality of a loved one never returning home. Even a single workplace death is one too many.

In addition to the terrible suffering caused to these workers, their families, and their communities, the total financial loss from such deaths amounted to \$7.7B nationwide. With such immense human and financial costs, it is disheartening to observe that improvements in fatality rates have mostly plateaued in recent years compared to the continued decline in non-fatal injury rates. Unfortunately, this isn't just a U.S.-based phenomenon — similar safety developments are also seen globally.

At Avetta, we are deeply committed to reversing this trend. The lack of improvements in fatality rates calls for a renewed focus on innovative safety practices that go beyond traditional measures. Our customer base of thousands of clients and tens of thousands of American suppliers gives us the unique opportunity to share current, on-the-ground information on various system drivers that affect safety outcomes. Importantly, this data also helps to highlight factors beyond prequalification and compliance that improve workplace safety.

Some key findings from this report for reducing workplace fatalities include:



The Critical Role of Compliance: Fully compliant suppliers demonstrated a 62% lower fatality rate than non-compliant suppliers (1.19 vs. 3.12), underscoring the vital importance of implementing prequalification processes for your supply chain.



The Positive Impact of
Manual Audits: Suppliers
with more than three
years of regular manual
audits experienced a 15%
improvement in fatality rates
(0.45 vs. 0.53), highlighting the
benefits of repeated safety
evaluations above and beyond
compliance.



The Importance of Long-Term Safety Efforts: Organizations with over 10 years of engagement in Avetta's safety programs saw a 45% reduction in fatality rates compared to companies with 2-3 years of engagement (2.04 vs. 3.7), demonstrating the lasting impact of sustained safety efforts for saving lives.

This publication represents Avetta's commitment to contribute to the vital discussion around reducing serious injuries and fatalities in the workplace. It is my hope that the information shared here will not only inform but actively influence the practices of safety professionals across the globe, steering us towards a future where no worker has to pay the ultimate price for their livelihood.

Thank you for your dedication to this crucial endeavor. Together, we can forge a path to a safer, more secure workplace.



**Arshad Matin**President, CEO, and Board Member,
Avetta

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## Glossary of Key Terms

TRI (Total Recordable Incidents)	The total number of work-related injuries and illnesses that are required to be recorded under OSHA regulations.		
TRIR (Total Recordable Incident Rate)	A standardized metric used to compare workplace safety performance across industries, calculated as: (Total Recordable Incidents × 200,000) / Total Hours Worked.		
DAFW (Days Away From Work)	A measure of the number of work-related injury or illness cases that result in an employee missing one or more full workdays (not including the day of the incident) due to the severity of the condition.		
DART (Days Away, Restricted, or Transferred)	A metric tracking workplace injuries or illnesses that result in employees missing work, being placed on restricted duty, or being transferred to a different job, calculated as: (DART Cases × 200,000) / Total Hours Worked.		
LWCR (Lost Workday Case Rate)	A metric indicating the frequency of workplace injuries severe enough to result in lost workdays, calculated as: (Lost Workday Cases × 200,000) / Total Hours Worked.		
Fatality Rate	The number of work-related deaths per 100,000 employees, calculated as: 100,000 × (Number of Fatalities / Number of Employees).		
SIF (Serious Injury or Fatality)	A work-related incident that results in life-altering injury or death, often used as a key safety performance indicator.		
Variance	A formal exception driven by the hiring Client to a connected Supplier overriding compliance requirements (e.g., insurance, or safety related) typically contingent on alternative safety measures and additional oversight.		
Prequalification	A process in which contractors and suppliers undergo safety, compliance, and risk assessments before being approved to work for a client organization.		

Compliance	The process of meeting prequalification and client-driven requirements by adhering to legal, regulatory, and industry-specific safety standards. This includes verifying contractor and supplier qualifications, ensuring alignment with jurisdictional regulations, and fulfilling client-specific criteria to maintain operational safety and regulatory adherence.		
Plan-Do-Check- Act (PDCA) Cycle	A continuous improvement methodology used in safety management systems to assess risks, implement changes, measure results, and refine processes.		
Safety KPI (Key Performance Indicator)	A measurable value used to evaluate safety performance, such as TRIR, DART, LWCR, and fatality rate.		
HSE (Health, Safety, and Environment)	A term referring to workplace policies and practices designed to protect employee health, ensure safety, and minimize environmental impact.		
OSHA (Occupational Safety and Health Administration)	The U.S. federal agency responsible for setting and enforcing workplace safety and health regulations.		
BLS (Bureau of Labor Statistics)	A U.S. government agency that collects, analyzes, and reports data on labor market activity, including workplace injuries, illnesses, and fatalities.		
NSC (National Safety Council)	A U.Sbased nonprofit organization that promotes workplace safety through education, research, and advocacy.		
ASSP (American Society of Safety Professionals)	A U.Sbased global organization dedicated to advancing HSE professionals through education, advocacy, and professional development.		

## **Executive Summary**

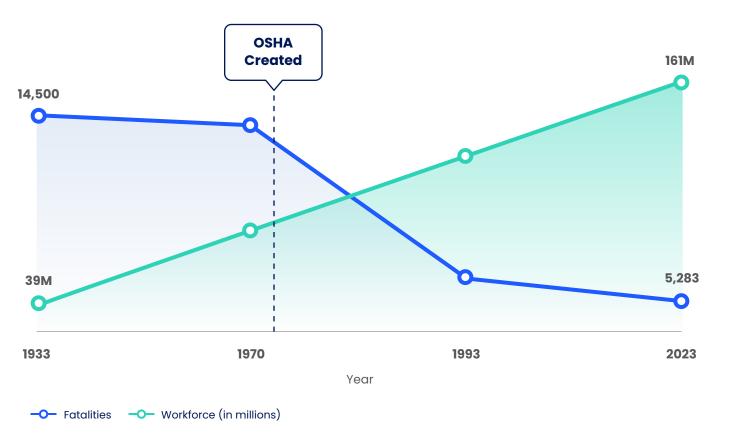
Despite over fifty years of significant efforts and success in improving workplace safety, every year over 5,000 Americans still die at work.<sup>1</sup>

Major workplace incidents like the Triangle Shirtwaist Fire in 1911<sup>2</sup>, killing nearly 150, and the Texas City Disaster in 1947<sup>3</sup>, taking over 500 lives, spurred changes in industry safety standards and government regulations, allowing the United States to reduce the number of workplace fatalities from 14,500 in 1933<sup>4</sup> to 5,283 in 2023<sup>5</sup>.

A significant safety milestone occurred in 1971, when the United States Occupational Safety and Health Administration (OSHA) was created, introducing legal requirements for workplace safety and enforcing standards for training, protective equipment, and injury reporting<sup>6</sup>. In the years following, fatalities fell, despite a rise in the number of workers nationwide.

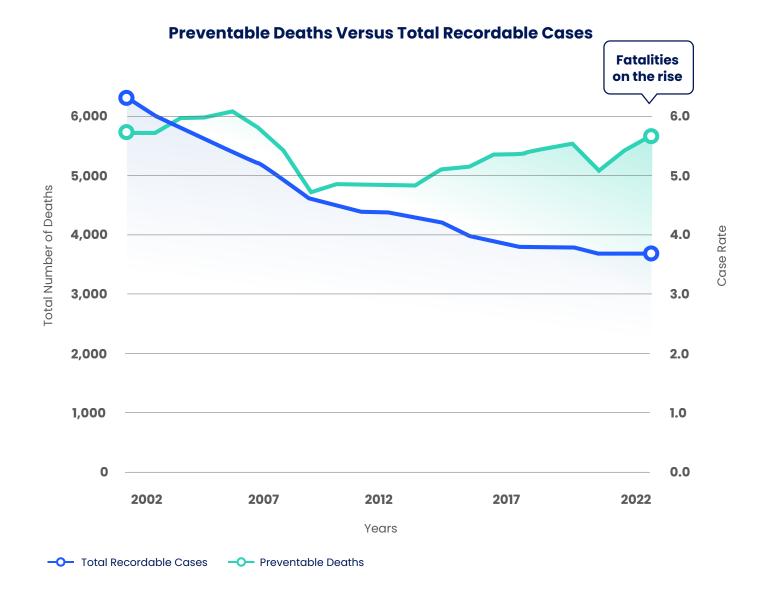
	Fatalities	Workforce
1933	14,500 <sup>7</sup>	39 million <sup>8</sup>
1970	14,000°	79 million <sup>10</sup>
1993	6,331 <sup>11</sup>	120 million <sup>12</sup>
2023	5,283 <sup>13</sup>	161 million <sup>14</sup>

#### A Growing Workforce in Need of Protection



**M** Avetta

While OSHA's work led to much needed safety structure and compliance processes throughout U.S. workplaces, more recently, these same compliance processes have revealed their limitations. Tragically, the rate of improvement in fatalities leveled off in the early 2000s, followed by a disheartening increase.



For this reason, many safety experts have begun exploring additional approaches, processes, levers, and drivers that could be harnessed to continue reducing workplace incident and fatality rates. With a network of tens of thousands of American clients and suppliers, Avetta is well-positioned to provide data and insights to support these discussions. This is also why we are actively in the process of building capabilities for better safety systems management and continual improvement in today's contracted workforce.

In this report, we analyze **Avetta's customer network data**, national data from the **Bureau of Labor Statistics**, and survey data conducted by the **American Society of Safety Professionals (ASSP)** in order to:



Discover how effective prequalification and compliance processes actually are





Investigate additional drivers that might exist for reducing safety Key Performance Indicators



Our intention is to test the following two theses:



#### **THESIS ONE**

Prequalification and compliance are foundational for improved safety performance



#### **THESIS TWO**

System drivers beyond prequalification and compliance correlate with further improvement in safety metrics



#### **THESIS ONE**

#### Prequalification and Compliance Are Foundational for Improved Safety Performance

Digging into national data shows that prequalification and compliance have been instrumental in improving various safety metrics.

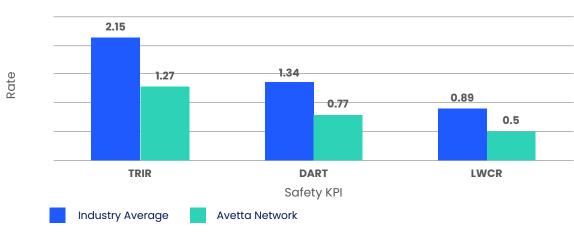
Since the foundation of OSHA, safety KPIs have improved dramatically<sup>15</sup>:

#### Improvement in Safety KPIs Since the Founding of OSHA



> Prequalification correlates with improved safety KPIs in Avetta's network as well:

## KPIs of Suppliers that Participated in Avetta's Prequalification Programs vs. Industry Averages



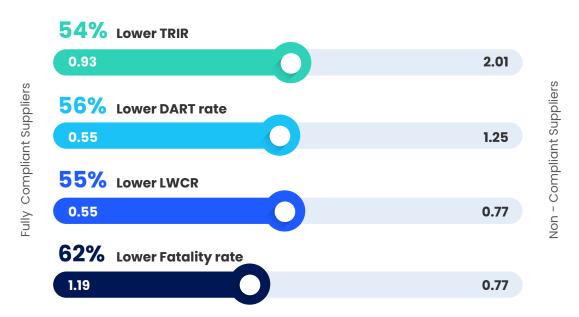
Prequalification completion correlates with improved safety KPIs, regardless of actual compliance status:

↑ 16-17% Improvement

Suppliers completing Avetta's prequalification process improved their TRIR, DART, and LWCR by 16-17% over those who did not complete the process.

> Fully compliant suppliers demonstrated the most dramatic improvements:

### Fully Compliant Supplier Safety KPIs vs. Non-Compliant Suppliers in Avetta's Network



#### **THESIS TWO**

## System Drivers Beyond Prequalification and Compliance Correlate with Further Improvement in Safety Metrics

Avetta network data shows that there are system drivers beyond prequalification that correlate with improvements in safety metrics.

In this report, we look at the following five drivers:



#### First Time Prequalification Completion:

Suppliers that completed prequalification processes on their first attempt outperformed those requiring resubmission in TRIR (-3%), DART (-6%), and LWCR (-6%).



#### **Variances:**

Suppliers granted variances experienced significant reductions in TRIR (-19%), DART (-15%), and LWCR (-10%), suggesting that increased scrutiny and corrective action play a vital role in risk mitigation.



#### **Manual Safety Audits:**

Manual safety audits correlated with a 14% reduction in TRIR, an 11% reduction in DART, and a 15% reduction in LWCR, proving the value of proactive safety assessments.



#### Tenure:

Suppliers with more than ten years of tenure in Avetta's network showed a 14% lower TRIR, 16% lower DART, 22% lower LWCR, and a significant 45% lower fatality rate compared to those with 2-3 years of tenure.



#### **Improved Financial Health:**

Organizations with increasing financial stability saw slightly better safety performance, indicating a link between financial health and a company's ability to invest in safety improvements.

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The above data shows that, while improvements in national averages on safety metrics have leveled off, it is still possible to continue reducing and preventing workplace injuries and fatalities, protecting your workforce and strengthening your organization. By uncovering additional system drivers for safety improvements, companies are able to improve their overall safety maturity and create a culture that harnesses HSE as a strategic driver for saving lives, lowering costs, and increasing operational efficiency.

Based on these findings, we make the following three recommendations:



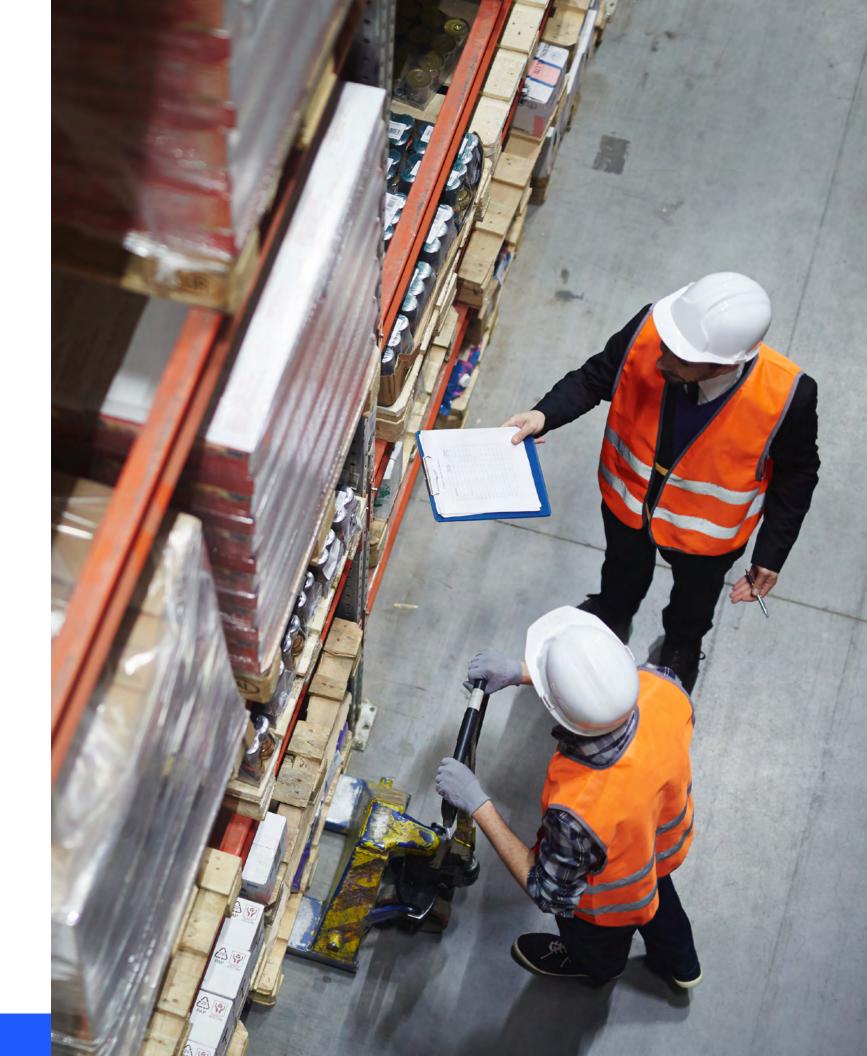
Create a strong safety foundation through prequalification and compliance programs



Establish a comprehensive safety maturity framework for identifying system drivers and opportunities for safety improvement



Apply systems thinking and structure to your process



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**SECTION ONE** 

Prequalification and Compliance Are Foundational for Improved Safety Performance

#### **U.S. National Data**

NSC safety data pulled from U.S. OSHA and BLS statistics highlight the foundational role of compliance in driving improvements in workplace safety. When OSHA was established in 1970 through the United States Occupational Safety and Health Act, its mission included setting and enforcing standards to protect workers' health and safety.

Since OSHA began setting and enforcing such safety standards, workplace safety performance has seen remarkable progress, as evidenced by dramatic reductions in workplace incidents and fatalities over the decades.

#### TRIR:

In 1973, Total Recordable Incident Rates peaked at 11 cases per 100 full-time workers. Over time, this rate has steadily declined, reaching 7.6 in 1983, followed by a slight plateau at 8.5 in 1993. Significant progress resumed in the 2000s, with rates dropping to 5.0 in 2003, 3.3 in 2013, and just 2.4 in 2023.<sup>16</sup>

#### **Total Recordable Incident Rate**

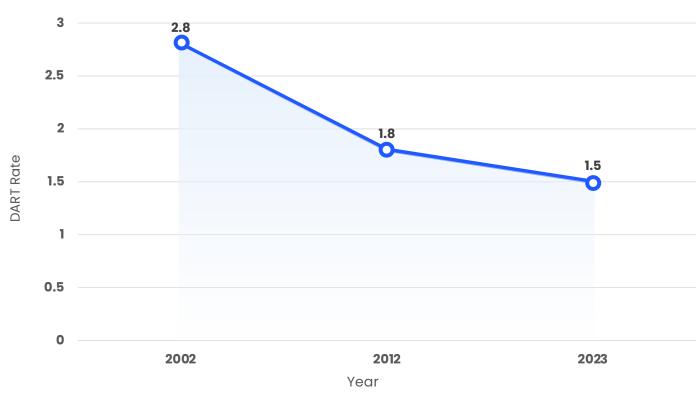


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#### **DART:**

Data for Days Away, Restricted, or Transferred incidents also reflect a steady decline, from 2.8 per 100 full-time workers in 2002 to 1.8 in 2012, and further improving to 1.5 in 2023.<sup>17</sup>

#### Days Away, Restricted, or Transferred Rate

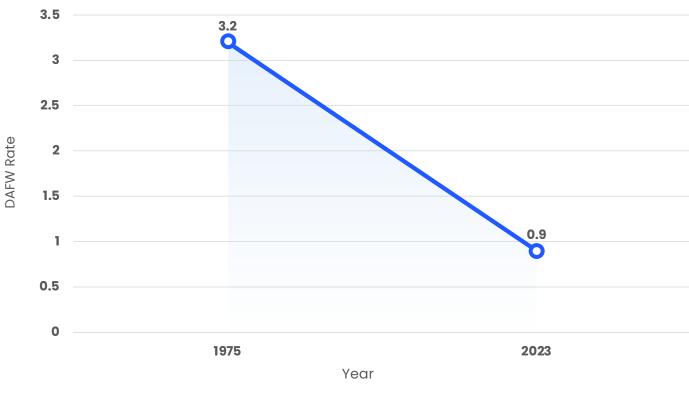


#### O DART Rate (per 100 workers)

#### **DAFW:**

Days Away From Work has also seen remarkable improvement, beginning at 3.2 per 100 workers in 1975 and dropping to 0.9 in 2023, indicating the effectiveness of ongoing safety compliance measures.<sup>18</sup>

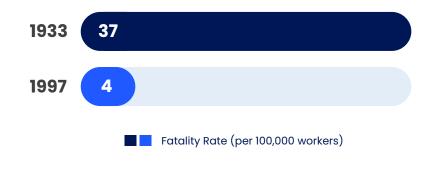
#### **Days Away From Work Rate**



#### **Fatalities:**

The reduction in fatalities underscores the life-saving impact of compliance programs and safety initiatives. NSC data from 1933 through 1997 shows that workplace death rates declined a remarkable 90%, from 37 per 100,000 workers to 4 per 100,000. This corresponded to a decrease of 14,500 to 5,100 in the annual number of worker deaths during that period.19

#### Workplace Fatality Rate (1933-1997)

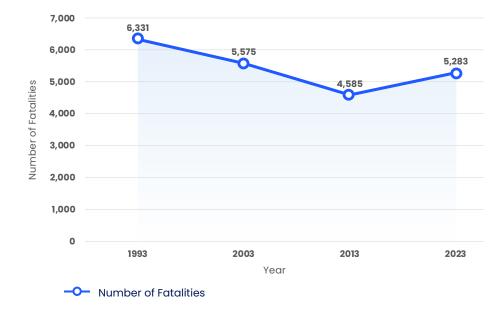




90% lower fatality rate between 1933 and 1997

Over the past thirty years, workplace fatalities have generally declined – from 6,331 in 1993 to 5,575 in 2003, and then to 4,585 in 2013. However, in 2023, the number rose to 5,283, highlighting new and emerging risks and the ongoing need for safety improvements.<sup>20</sup>

#### Workplace Fatalities (1993-2023)





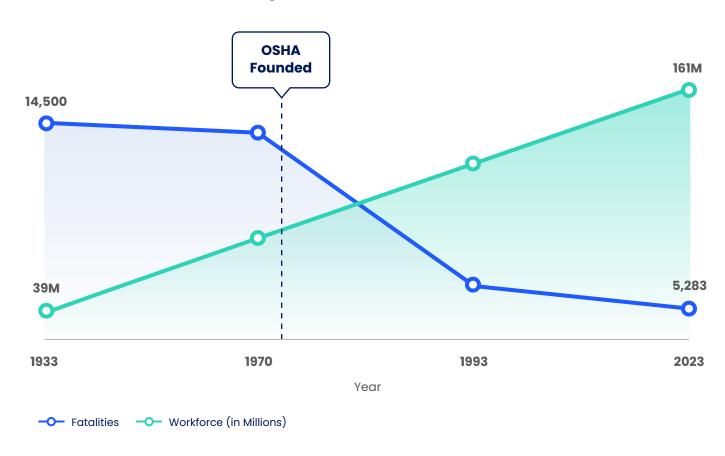
**Recent workplace** fatality increases
highlight new risks and ongoing

need for safety improvements

Remarkably, national safety performance has managed to achieve such significant improvements while the number of American workers has more than quadrupled from 39 million in 1933<sup>21</sup>, to 79M in 1970 (a year before OSHA's founding) and 161 miliion in 2023.22



#### A Growing Workforce in Need of Protection

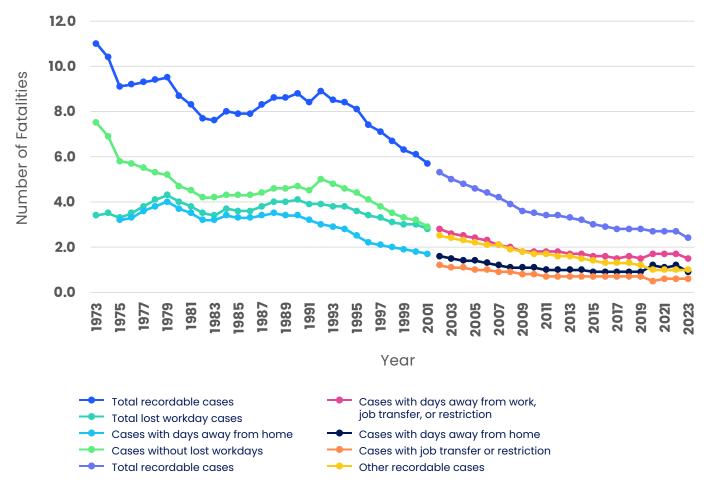


These long-term trends, paired with the rise of independent workers, 23 illustrate how foundational prequalification and compliance measures are for improving safety performance in workplaces across U.S. industries. Despite the rise in contractors in the workforce, however, a safety professionals survey conducted by ASSP found that only 13% of respondents are leveraging technology and data analytics to assess and manage risk associated with contractors.



of surveyed safety professionals leverage data analytics to assess and manage contractor risk

#### Work-Related-Injury and Illness Rates, Private Industry, United States, 1973-2023



#### Source: NSC, based on Bureau of Labor Statistics.<sup>24</sup>

Note: Beginning with 1992, all rates are for nonfatal cases only.

Changes in OSHA recordkeeping requirements in 2002 affect comparison with earlier years.



#### **Avetta Network Data**

Similarly to the U.S. national data discussed above, data from Avetta's supplier network shows correlations between compliance and improved safety performance. Companies that go through Avetta's prequalification and compliance processes show significant performance improvements in safety KPIs compared to national averages.

For this analysis, we looked at four specific safety KPIs: TRIR, DART, LWCR, and fatality rates from 2020–2023.

The following three findings support the above U.S. national data that show how foundational prequalification and compliance are to improved safety performance:



Participation in Prequalification and Compliance Programs Correlates with Safety KPI Improvements



Completion of Prequalification Correlates with Further Improvements in Safety Metrics



Compliance with Client Prequalification Programs Correlates with Significant Improvements in Safety Performance

Let's look at each in turn.



#### **SUCCESS IN ACTION**

#### **Dynamic Property Services**

Dynamic Property Services, an enterprise-wide property management services provider, improved their safety metrics with Avetta's compliance process even as they scaled operations. Streamlining prequalification allowed the company to increase capacity by 1,000% while reducing the number of safety incidents by 30%.



1,000% Increased Capacity



30% Fewer Safety Incidents



Read More



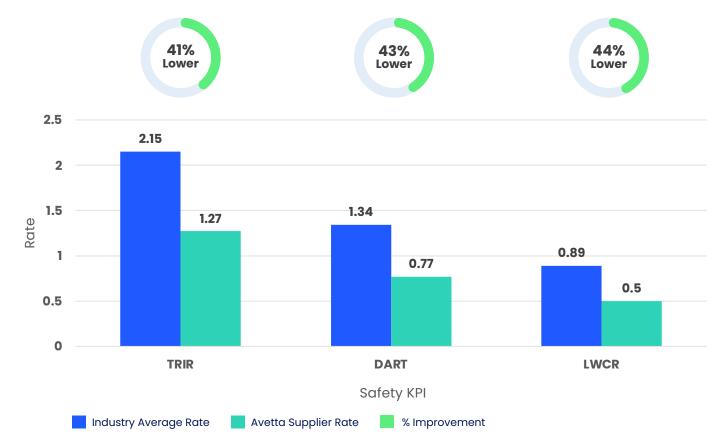


## Participation in Prequalification and Compliance Programs Correlates with Safety KPI Improvements

Our supplier network data shows significant improvements in safety KPIs for suppliers and contractors that participate in their clients' prequalification and compliance programs. This is irrespective of whether or not these suppliers completed prequalification or were found compliant. Simply participating in a prequalification program led to significant improvements in TRIR, DART, and LWCR versus national averages.

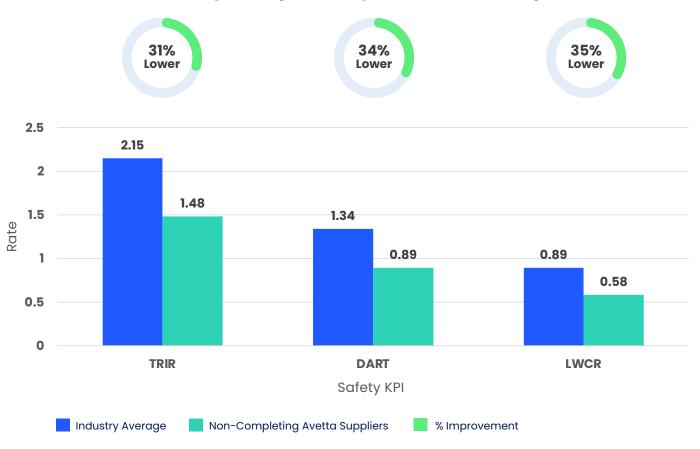
In terms of TRIR, suppliers that participated in prequalification programs saw a 41% improvement over national averages (1.27 Avetta supplier average vs. 2.15 industry average). Similarly, the DART rate of participating suppliers improved 43% (0.77 vs. 1.34), and the LWCR rate also showed a significant improvement of over 44% (0.50 vs. 0.89). The improvements in DART and LWCR are especially significant given the fact that they correlate with reductions in the most severe cases of injury and/or illness.





Interestingly, suppliers that participated in but did not complete prequalification within our network still outperformed the national average in key safety KPIs. For TRIR, suppliers that did not complete prequalification had a rate of 1.48, which is 31% better than the industry average of 2.15. Similarly, DART rates for non-completing suppliers were 0.89, an improvement of 34% over the industry average of 1.34. For LWCR, the rate of non-completing suppliers was 0.58, which is approximately 35% better than the industry average of 0.89. This suggests that prequalification programs improve workplace safety performance even with limited participation.

### Safety KPI Comparison: Non-Completing Avetta Suppliers vs. Industry Average with Improvement Percentages



Meanwhile, even non-compliant suppliers in Avetta's network demonstrated better safety performance compared to national averages. For TRIR, non-compliant suppliers in our network had a rate of 2.01, which is approximately 7% better than the industry average of 2.15. Similarly, DART rates for non-compliant suppliers were 1.25, showing an improvement of 7% over the industry average of 1.34. In terms of LWCR, non-compliant suppliers had a rate of 0.77, which is approximately 13% better than the national average of 0.89. Such improvements, even by non-compliant suppliers, suggest that merely participating in basic compliance improvement processes, whether or not successful, still correlates with better safety KPI outcomes.

Overall, the above data indicates that there is indeed a strong correlation between participating in compliance programs and significant improvements in safety performance KPIs. The reason behind this correlation may be that simply engaging in prequalification programs raises awareness around critical safety metrics and required compliance as well as exposes suppliers to industry best practices and client requirements. All of which help to prompt some level of self-assessment and proactive steps even when the process is left incomplete.

### Safety KPI Comparison: Non-Compliant Avetta Suppliers vs. Industry Average with Improvement Percentages





#### Completion of Prequalification Correlates with Further Improvements in Safety Metrics

Exploring this data further, we see that suppliers in Avetta's network that fully complete prequalification programs demonstrate significantly better safety performance compared to those that do not. This shows the impact of prequalification as an important practice for achieving initial safety improvements in contractors and suppliers.

In terms of TRIR, suppliers completing prequalification programs achieved a 16% lower rate compared to those who did not complete the process (1.25 prequalification completed average vs. 1.48 uncompleted average). Similarly, DART rates improved by 16% for those who completed prequalification (0.75 vs. 0.89), while LWCR rates were reduced by 17% (0.48 vs. 0.58). Notably, in the critical category of fatalities, suppliers completing prequalification saw a 9% reduction compared to uncompleted participants (2.5 vs. 2.76).

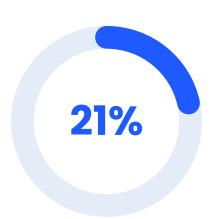
### Safety KPI Comparison: Prequalification Completed vs. Not Completed with Improvement Percentages



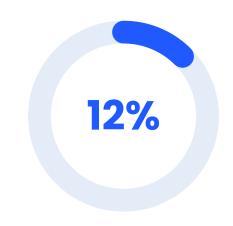
Overall, therefore, completion of prequalification is correlated with notable improvements across all four safety KPIs that we investigated. These findings highlight the importance of not only participating in but fully completing prequalification programs to drive substantial safety improvements. Prequalification completion highlights areas of risk and improvement opportunities, uncovers safety gaps, and provides suppliers with actionable insights and a clear roadmap for strengthening their safety processes. Completing this process can therefore lead to measurable improvements in safety KPIs even before full compliance is achieved.

It is therefore important to have processes in place that assess and document supplier completion of prequalification programs. Unfortunately, ASSP survey respondents noted that only 21% of hiring clients had an extensive, formalized process for assessing and documenting supplier risk and only 12% of organizations responded as highly collaborative across departments regarding contractor oversight, leading to tens of thousands of suppliers being overlooked annually due to compliance oversight failures.

#### Organizational Supplier Risk & Oversight (ASSP Survey)



of hiring clients had an extensive, formalized process for assessing and documenting supplier risk



of organizations responded as highly collaborative across departments regarding contractor oversight

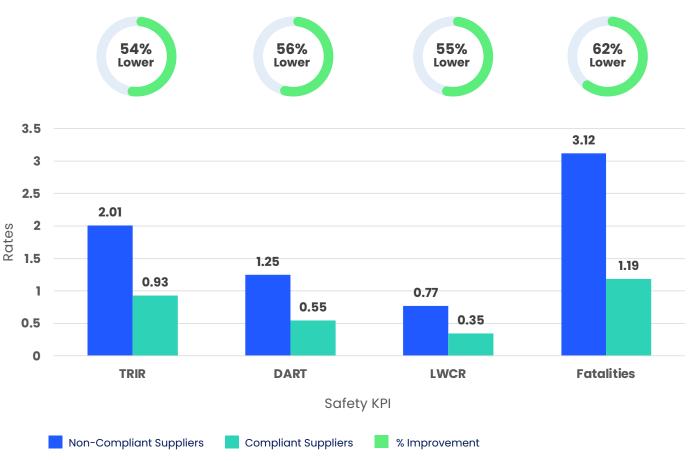


#### **Compliance with Client** Prequalification Programs Correlates with Significant Improvements in **Safety Performance**

Moving beyond mere completion of pregualification programs to actual compliance, our data shows substantial improvements in the safety metrics of compliant suppliers in Avetta's network when compared to those that were non-compliant. This trend is again evident across all four safety KPIs that we looked at.

Suppliers with baseline compliance achieved an average TRIR of 0.93, which is 54% lower than the 2.01 average rate observed among non-compliant suppliers in our network. Similarly, the DART rate for compliant suppliers was 56% lower (0.55 compliant average vs. 1.25 non-compliant average), and LWCR also saw a significant reduction of 55% (0.35 vs. 0.77). Even more striking, compliant suppliers experienced a 62% lower fatality rate compared to non-compliant suppliers (1.19 vs. 3.12).

#### Safety KPI Comparison: Compliant vs. Non-Compliant **Suppliers with Improvement Percentages**



Combined with the above national data, the strong correlations between improved safety performance and achieving compliance with client prequalification programs highlight how foundational such programs are to positively impacting supplier and contractor safety performance. Compliance represents an established operational shift towards safety, helping suppliers internalize best safety practices, establish robust safety processes, and strengthen future efforts in actively managing risk and incident prevention. Compliance therefore helps drive the significant and sustained reductions in workplace injuries reflected in the above data.

Compliance with prequalification programs also positively impacts revenue. For example, a company with 500 employees and 1M work hours, could save \$120,000 per year by lowering their DART rates from 1.25 to 0.55, and \$80,000 dollars per year by lowering their LWCR rates from 0.77 to 0.35. Reducing fatality rates from 3.12 to 1.19, meanwhile, more than halves the chance of a tragic fatality occurring — which cost on average \$1.46 million per incident.<sup>25</sup>

Given the above, it is clear that achieving compliance serves as a critical operational and corporate baseline for improvement in safety outcomes.

#### Compliance Lowers Safety Risks & Costs



\$120,000

could be saved per year by reducing DART rates from 1.25 to 0.55



\$88,000

could be saved per year by reducing LWCR rates from 0.77 to 0.35



Reducing fatalities from 3.12 to 1.19 more than halves the chances of incurring \$1.46M / incident

**SUCCESS IN ACTION** 

#### **Pilbara Traffic Management**

Pilbara Traffic Management, a traffic management, rail safe-working, and equipment hire service within Australia's mining and construction industries, needed help maintaining compliance while scaling operations. Even as their workforce grew by 215%, the partnership with Avetta led to a reduction to their Total Recordable Injury Frequency Rate (TRIFR).



Growth



TRIFR Reduction



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**SECTION TWO** 

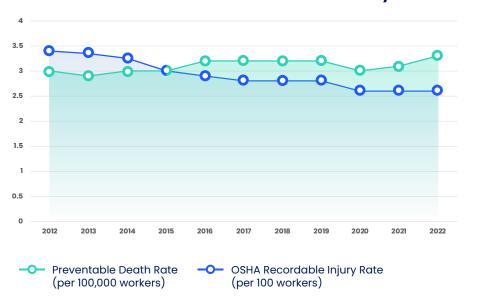
## System Drivers Beyond Prequalification and Compliance Correlate with Further Improvement in Safety Metrics

Looking at the NSC data shared above, it is clear from the trend lines that safety KPI improvements have flattened in recent years.

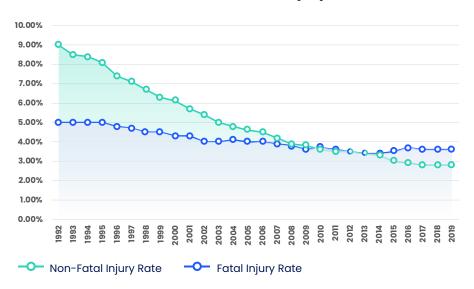
For example, while TRI showed dramatic improvements from 11 cases per 100 full-time workers in 1973 to 3.3 in 2013, the pace of decline has slowed significantly, with the rate now at 2.4 in 2023. Similarly, DART improved from 2.6 in 2003 to 1.7 in 2013 but has only marginally decreased to 1.5 over the past decade. Fatalities, which had been steadily decreasing from 6,331 in 1993 to 4,585 in 2013, have unfortunately since seen an uptick, rising to 5,283 in 2023. Similarly, from 2012 to 2022, the preventable worker death rate increased from 3 to 3.2. Overall, therefore, while more minor injuries are still trending downward, albeit at a slower rate, serious injuries and fatalities have either plateaued or even increased.

This flattening of national safety KPIs suggests that while prequalification and compliance programs have historically driven significant improvements, new strategies may be required that go beyond prequalification and compliance to continue improving safety performance.

#### U.S. Total Recordable Incident Rate and Fatality Rate



#### Fatal vs. Non-Fatal Injury



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In order to test the thesis that drivers beyond prequalification and compliance correlate with improved safety performance, we looked at the following variables in our supplier network:



First-time prequalification completion



**Variances** 



**Manual audits** 



**Tenure** 



Improved financial health

We will take a look at each in turn.





## First-Time Prequalification Completion vs. Resubmission

Our data reveals that suppliers completing their clients' prequalification process on their first attempt outperform those requiring resubmission in key safety KPIs.

For TRIR, first-time completers achieved a rate of 1.25, which is 3% lower than the 1.29 reported by resubmitting suppliers. For DART, suppliers achieving first-time completion reported a rate of 0.73, compared to 0.78 for those requiring resubmission — a 6% improvement. Similarly, LWCR also showed an advantage for first-time completers, with a rate of 0.47, compared to 0.50 for those who resubmitted — a 6% reduction.

### Safety KPI Comparison: First-Time Completers vs. Resubmitting Suppliers with Improvement Percentages



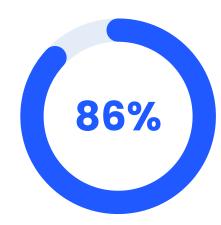
These findings indicate that first-time prequalification completion correlates with stronger safety performance, possibly due to better initial preparedness and alignment with safety expectations.

Despite this, ASSP survey data shows that only 14% of client organizations said they had regular training on risk responsibility related to contractors, meaning that **the majority of hiring clients are themselves unprepared to help their suppliers align on prequalification and safety expectations.** 

### Client Organizations: Risk Responsibility Training (ASSP Survey)







Client without Regular Training



SUCCESS IN ACTION

#### **ABM Industries**

Handling a network of 124,000 employees and 50,000 contractors can be logistically challenging. ABM Industries, a major facilities management company, used Avetta's platform to streamline prequalification and compliance, resulting in **50,000 hours of review work being saved annually**, allowing team members to focus on strategic initiatives to improve safety metrics.



Read More





## Impact of Supplier Variances

While it might seem counterintuitive, being granted a variance correlates with significant improvements in safety KPIs. This is due to several factors, including increased scrutiny and oversight, thorough evaluation of processes before variances are granted, enhanced collaboration between suppliers and clients, stronger commitment to maintaining variances, and improved reporting practices.

The most notable improvement was in TRIR, which decreased from 3.39 before the variance to 2.76 after — a 19% improvement. For DART, variance recipients saw a reduction from 2.19 to 1.86, reflecting a 15% improvement. Similarly, LWCR dropped from 1.58 to 1.43, a reduction of nearly 10%.

These results illustrate that drivers such as variances, which enhance the safety culture and collaboration between suppliers and clients, not only ensure operational continuity but also correlate with measurable improvements in workplace safety performance.

#### Safety KPI Comparison: Before and After Variance with Improvement Percentages



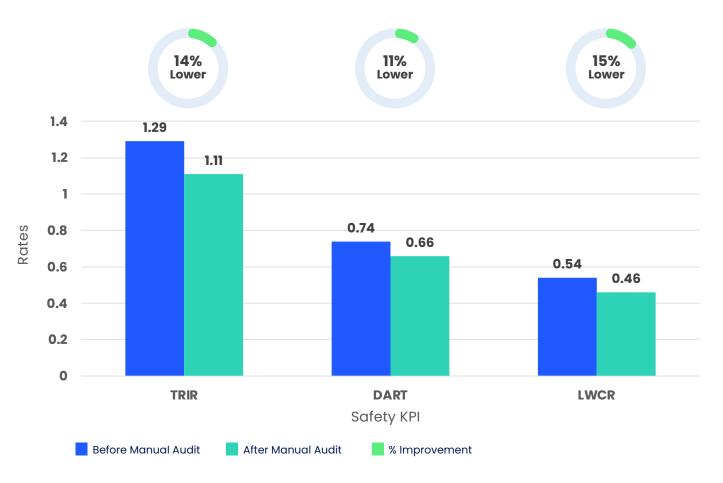


## The Role of Safety Manual Audits in Improving Safety Metrics

Safety manual audits are a critical tool for identifying gaps in contractors' safety policies and procedures, ensuring alignment with the latest safety guidelines. These audits provide comprehensive reviews of contractors' safety manuals and systems, enabling clients to quickly identify important deficiencies and foster continuous improvement. By addressing these gaps and ensuring robust safety policies, manual audits contribute significantly to better safety outcomes.

Our data demonstrates this impact clearly. For TRIR, suppliers experienced an average reduction from 1.29 before the manual audit to 1.11 after, reflecting a 14% improvement. Similarly, DART improved by 11%, dropping from 0.74 to 0.66. LWCR followed the same trend, decreasing from 0.54 to 0.46, an approximately 15% reduction.

#### Safety KPI Comparison: Before and After Manual Audit with Improvement Percentages



The benefits of manual audits become even more pronounced when considering manual audit tenure, or the length of time suppliers have been engaged in these audits.

Avetta suppliers with more than three years of manual audit experience consistently outperform those with less than three years, highlighting the long-term value of sustained audit participation in improving safety outcomes.

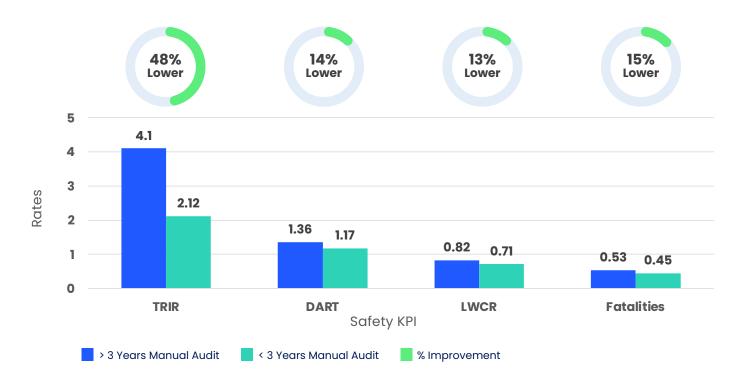
For TRIR, suppliers with more than three years of manual audit tenure had a rate of 2.12, compared to 4.1 for those with less than three years — a 48% improvement. Similarly, DART rates were 14% lower for those with longer audit tenure (1.17 vs. 1.36), and LWCR followed the same pattern, with long-term manual audit participants reporting a rate of 0.71, compared to 0.82 for newer participants — an improvement of 13%.

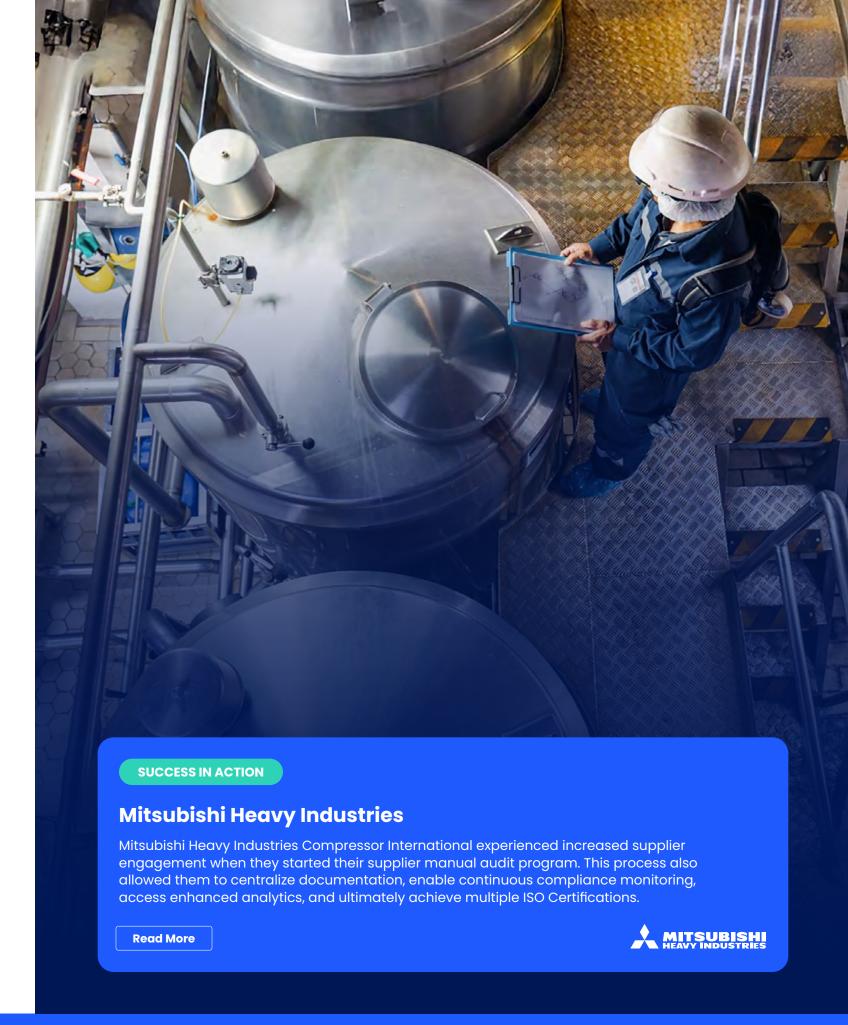
The most impactful improvement for protecting worker lives, however, appears in fatalities. Suppliers with more than three years of manual audit experience had a fatality rate of 0.45, compared to 0.53 for those with less than three years — a 15% improvement.

Overall, the above data shows that sustained engagement in manual audits correlates with tangible reductions in workplace risks, possibly by strengthening safety cultures and reinforcing best practices.

By continuously identifying and addressing gaps in safety policies, manual audits not only help suppliers maintain compliance but also foster ongoing improvements in workplace safety performance.

### Safety KPI Comparison: Long-Term vs. Short-Term Manual Audit Engagement with Improvement Percentages







Our data highlights a clear correlation between supplier tenure and safety performance.

Suppliers with a longer presence in Avetta's network consistently achieve better safety outcomes, with improvements becoming more pronounced over time.

For TRIR, suppliers with 2–3 years of tenure reported a rate of 1.38, which dropped to 1.34 for those with 4–5 years, decreased to 1.28 for those with 6–9 years, and further dropped to 1.18 for those with more than 10 years — a 14% improvement from early tenure to long-term participation. DART rates followed a similar trend, decreasing from 0.83 for suppliers in the 2–3 year range to 0.81 at 4–5 years, 0.76 at 6–9 years, and further dropping to 0.7 for those in the 10 plus years category — an overall 16% reduction. LWCR showed even greater progress, moving from 0.55 for suppliers with 2–3 years to 0.54 at 4–5 years, 0.5 at 6–9 years, and finally dropping to 0.43 for those with more than 10 years of tenure — representing a 22% decrease.

#### Safety Performance Improvement by Supplier Tenure: Early Tenure vs. Long-Term Participation







The most impactful difference for protecting worker lives appears in fatality rates, which saw the most significant reduction over time. Suppliers with 2–3 years of tenure reported a rate of 3.7, which declined to 2.84 for those in the 4–5 year range, 2.5 for those in the 6–9 year range, and finally dropped to 2.04 for those with more than 10 years of tenure — a 45% improvement from early tenure to long-term suppliers.



#### Safety Performance Improvement by Supplier Tenure

(Longer tenure = Better outcomes, Lower rates = Improved safety)



These findings underscore the importance of tenure in improving safety performance.

Longer-tenured suppliers benefit from accumulated experience, stronger safety cultures, and sustained collaboration with clients, all of which contribute to better safety outcomes.



## Intriguing Link Between Credit Trends and Safety Performance

While our data on credit score trends is limited to a one-year period since the launch of our supplier credit tracking solution in 2023, early insights suggest a correlation between financial health and workplace safety. Even within this short timeframe, we observe that companies with downward-trending credit scores tend to have worse safety metrics, while those with upward-trending credit scores show improved safety performance.

For TRIR, companies experiencing a decline in their credit scores reported a rate of 1.24, whereas those with an improving credit score had a slightly lower rate of 1.22 — a 1.6% improvement. A similar pattern emerges in DART, where companies with a downward credit trend reported a rate of 0.75, compared to 0.73 for those with upward-trending credit scores — reflecting a 2.7% reduction. LWCR followed this trend as well, with 0.46 for companies with declining credit scores and 0.44 for those whose scores improved — an improvement of 4.3%.

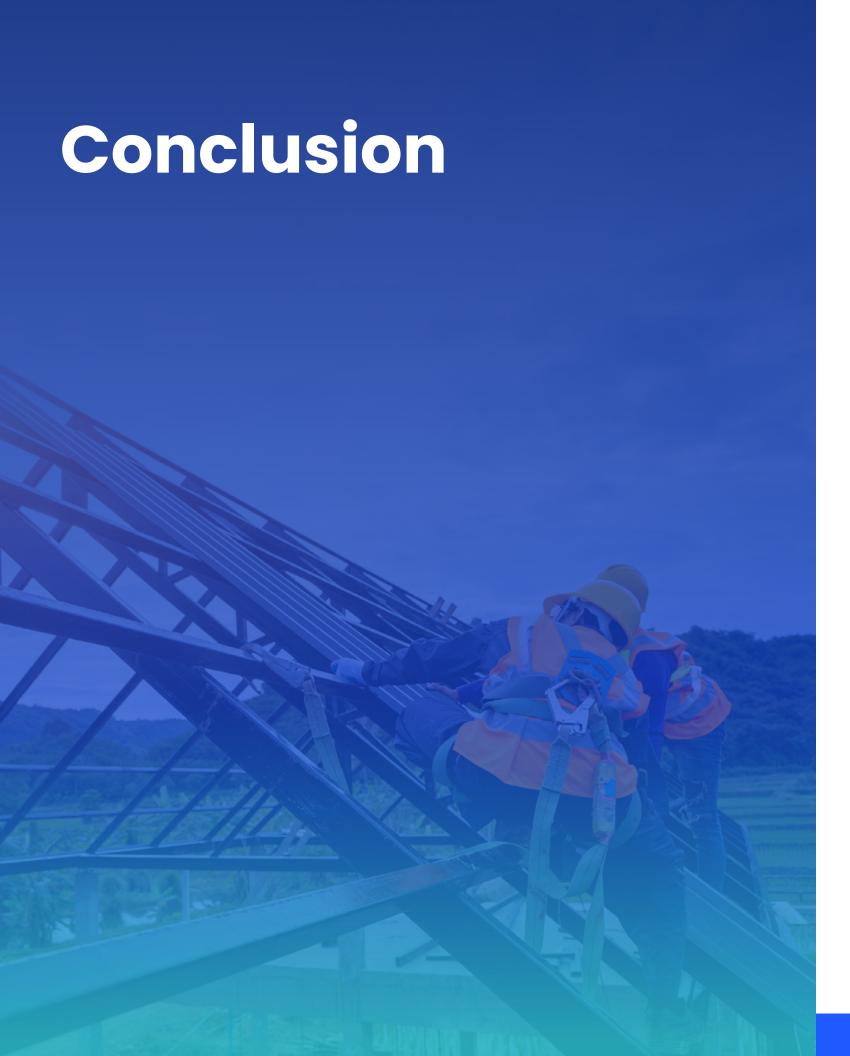
#### Safety Performance by Credit Score Trend



While these early findings suggest a correlation between financial stability and improved safety outcomes, more years of financial data are needed to confirm these trends. That said, assuming this correlation continues as we collect more data, organizations with improving credit scores may have better access to resources, training, and safety programs.

Those experiencing financial pressure, meanwhile, could be at greater risk of cutting corners on safety programs, reducing training, performing less preventive maintenance, engaging in creative hiring practices, and more. Using business metrics such as credit scores could, therefore, be an important strategy for providing insight into a supplier's future safety performance alongside other safety metrics.





The findings in this report support the two theses outlined in the Executive Summary:

**THESIS ONE** 

## Prequalification and Compliance are Foundational for Improved Safety Performance

Similar to the positive effect compliance has had on national workplace safety trends, data from Avetta's network of tens of thousands of U.S. suppliers confirms that participating in prequalification and compliance programs significantly improves safety performance:

1 In comparison to U.S. industry averages, suppliers in Avetta's network who simply participated in prequalification (whether or not they achieved compliance) saw:

#### Safety Performance Comparison: Avetta Participants vs. U.S. Industry Averages



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- 2 Companies in Avetta's network that completed prequalification achieved better results, with TRIR, DART, and LWCR improving by 16-17% over those Avetta customers who did not complete the process.
- 3 Fully compliant suppliers in Avetta's network demonstrated dramatic improvements, showing:

#### Safety Outcomes: Fully Compliant vs. Non-Compliant **Suppliers in Avetta Network**



Combined with national safety statistics, the above data shows that prequalification and compliance processes do indeed significantly reduce workplace injuries and fatalities. They therefore establish a foundational baseline for improving safety performance while driving cost savings and operational efficiency.



## System Drivers Beyond Prequalification and Compliance Correlate with Further Improvement in Safety Metrics

Our report has uncovered five examples of drivers beyond prequalification that correlate with further improvements in safety outcomes. These results demonstrate that systems enablement beyond prequalification and compliance serve to build capacity for safe work in today's complex, joint-employer workforce.



#### First Time Prequalification Completion:

Suppliers that completed prequalification processes on their first attempt outperformed those requiring resubmission in TRIR (-3%), DART (-6%), and LWCR (-6%), possibly due to initial preparedness and alignment with client safety expectations.



#### **Variances:**

Suppliers granted variances experienced significant reductions in **TRIR** (-19%), **DART** (-15%), and **LWCR** (-10%), suggesting that increased scrutiny and corrective action play a vital role in risk mitigation.



#### **Manual Safety Audits:**

Manual safety audits correlated with a 14% drop in TRIR, 11% reduction in DART, and a 15% reduction in LWCR, supporting the value of proactive safety assessments.



#### **Tenure:**

Suppliers with more than ten years of tenure in Avetta's network showed a 14% lower TRIR, 16% lower DART, 22% lower LWCR, and an astounding 45% lower fatality rate compared to those with 2-3 years of tenure, underlining the importance of safety program maturity.



#### **Improved Financial Health:**

Organizations with increased financial stability saw slightly better safety performances, indicating a possible link between financial health and a company's safety performance.

The data supporting these two theses makes it clear that:



Prequalification and compliance are extremely effective critical first steps for improving safety performance.



It is important to identify additional drivers that can be integrated into safety systems for further progress in safety performance.



#### **Recommendations**

Based on the above findings, we recommend the following strategies for improving both the safety performance and safety maturity of your supply chain:

#### **STRATEGY ONE**

## Create a strong safety foundation through prequalification and compliance programs

Prequalification and compliance provide the groundwork to launch basic and future elements of safety systems by establishing a baseline of contractor performance, creating line-of-sight visibility specific to your work systems, and enabling operational efficiency.

Here are some key features of a strong supply chain prequalification and compliance program:



#### **Clear Safety Standards:**

Clients must define and require minimum safety requirements for contractors and subcontractors. This includes regulatory compliance, safety policies, and key performance metrics.



#### **Data-Driven Insights:**

Strong compliance programs take advantage of the capabilities of modern safety platforms for providing critical visibility and insights into high-risk areas, contractor safety records, and subcontractor activity.



#### **Compliance Monitoring:**

Prequalification is not just a one-time activity. Make sure your compliance program conducts ongoing monitoring of suppliers to ensure they continue to meet required standards throughout their engagement.

#### **STRATEGY TWO**

## Establish a Comprehensive Safety Maturity Framework for Identifying System Drivers and Opportunities for Safety Improvement

In order to build upon compliance and drive sustained improvements in safety performance, organizations must implement a structured method for identifying system drivers beyond prequalification that influence safety outcomes for their suppliers.

A comprehensive safety maturity framework provides a roadmap for evaluating a supplier's current safety practices and identifying key drivers and opportunities.

Such a framework needs to evaluate safety effectiveness across multiple dimensions including:



Safety Leadership and Structure



**Hazard Identification and Controls** 



Worker Training and Competency



**Incident Management and Response** 



Improvements and Communication

This enables clients to identify where their suppliers stand on the safety maturity curve and pinpoint critical drivers and areas for growth.

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By implementing a structured and data-driven method for identifying system drivers, clients can break through the safety performance plateau, identify precursors to focus on serious injury and fatality (SIF) reduction, and achieve higher levels of safety maturity in their supply chain. This approach not only transforms safety from a regulatory requirement into a strategic advantage, driving operational excellence, but transitions from a punitive to a progressive maturity model, enabling organizational learning, promoting workforce well-being and long-term resilience.

In partnership with the NSC, Avetta has developed a formalized, systems-driven process for assessing the safety maturity of suppliers and contractors called the Safety Maturity Index (SMI). The SMI assesses the above five primary elements of an effective safety management system (SMS) in order to identify, refine, and enhance every aspect of safety within a client's contractors and suppliers.

Next year's Insights and Impact Report will include insights from the implementation of Avetta's SMI by clients and their suppliers. If you would like to learn more about The Safety Maturity Index and how it can help your organization and supply chain, click here.



#### **STRATEGY THREE**

## Apply Systems Thinking and Structure to Your Process

Rather than waiting for performance outcomes to plateau before making changes, clients should implement a systems-driven cycle of continual improvement for their supply chain as soon as possible.

The Plan-Do-Check-Act (PDCA) continual improvement model is grounded in globally recognized, sound elements of safety management systems. It will allow you to create such a process for implementing learnings about safety drivers and opportunities.



This framework enables organizations to:

Plan	Assess risks, establish safety goals, and identify system drivers and opportunities for improving safety performance.
Do	Implement targeted safety improvements as well as proactive and leading interventions.
Check	Continuously monitor risk and measure performance using tools such as audits and advanced analytics.
<b>A</b>	Adjust strategies based on findings, strengthening and refining the safety system through defined

coupling points between stakeholders to drive

This structured approach ensures that safety is never static and that organizations involved in work are continually connected in advancing ideas for improvement and evolving alongside new risks, workforce dynamics, and operational demands. This model is a proven and important step toward elevating expectations and performance improvement in today's modern world of work.

organizational learning.

#### A FINAL WORD

## Transitioning to Performance-Driven, Systems-Based HSE Approaches

Breaking past the safety improvement plateau and reducing preventable workplace injuries and deaths requires organizations to transition from compliance-driven safety to a performance-driven, systems-based approach. This means integrating well-known elements of safety management systems consistent with today's higher expectations for safety and assurance within daily operations.

Safety cannot remain just a slogan — it must be demonstrated through these types of systems-based approaches that integrate assurance, risk monitoring, and meaningful safety metrics. To truly make safety a "core value," organizations must adopt a Plan-Do-Check-Act framework that embeds safety into every level of operations, leadership, and workforce engagement. This will enable cross-functional collaboration, where safety performance is not siloed but actively supported by procurement, operations, IT, and HR to ensure a holistic approach to risk management. Leaders play a critical role in driving this transformation by leveraging both leading and lagging indicators to create accountability, enhance decision-making, and embed safety as an operational reality rather than an abstract value.

This shift to a collaborative, systems-based approach not only ensures organizational resilience and adaptability but also establishes a clear pathway to meet the rising expectations for improved health and safety outcomes. By aligning these higher standards with a structured process that both delivers results and provides measurable proof of safety's value, organizations can move beyond aspiration — creating workplaces where zero fatalities and continuous improvement become a reality.

Compliance is the beginning, not the end, of workplace safety. By committing to continuous improvement and systems-based safety management, businesses can protect their workers, enhance operational performance, and drive the next generation of workplace safety.



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## Thank You to Our Contributors

Scott DeBow, Director, Health & Safety Advisory

Andy Tonge, Content Writer

Azad Arcane, Content Marketing Manager

**Hind Manou**, Manager, Strategic Analytics

Chad Frost, Director, QHSE & Audit Services

Nicole Osborn, Manager, QHSE Operational Excellence

**Jaskiran Saini**, Analytics Consultant

**Junaid Munir**, Analytics Consultant

**Sam Park**, Sr. Analytics Consultant

**Exon Smith**, Product Marketing Manager

**Megan Chilman**, Marketing Design Manager

Collin Nash, Creative Marketing Specialist



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