

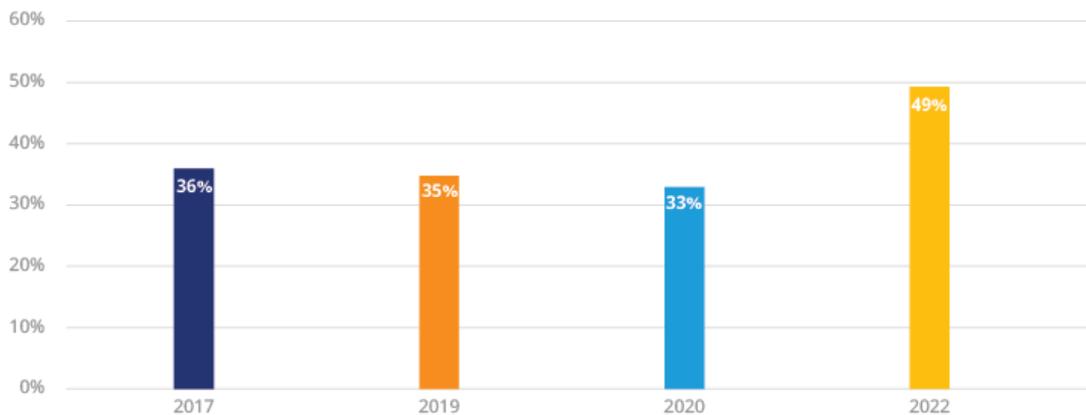
## Restaurants should refocus their efforts on formal hazard assessments



As they strived to adapt and remain operational during the COVID-19 pandemic, many restaurants have not been conducting all-important formal hazard assessments, which seek to identify risk exposures in multiple processes and could help reduce restaurant companies' total cost of risk.

Close to half of respondents to Marsh's *2022 Restaurant Risk Management Survey* said they had not conducted and documented a formal hazard assessment in the past two years, a significant increase from 2020 (see Figure 1).

**011 A formal hazard assessment of exposures (for example, ergonomics, material handling, cut, burn, slip/fall exposure) has not been conducted and documented in the past two years.**



*Source: 2017, 2019, 2020, and 2022 Restaurant Risk Management Surveys*

As the data shows, it is not unusual for a portion of restaurants not to have recently conducted a formal hazard assessment. The pandemic’s disruptive effect, together with more recent inflation, supply chain challenges, and staffing shortages, created a new layer of difficulty, probably leading to the significant increase in respondents that had not carried such assessments in the past two years. Most restaurants, and the risk managers who would typically be conducting the assessments, were laser-focused on addressing these evolving risks. And, during the peak of the pandemic, restaurants were reluctant to bring in external professionals to conduct the surveys.

## **Formal hazard assessments should be a priority**

While the industry is still facing challenges, it is critical for restaurants to prioritize the resumption of formal hazard assessments, especially as they start setting their goals and strategies for 2023. Aside from the critical role of

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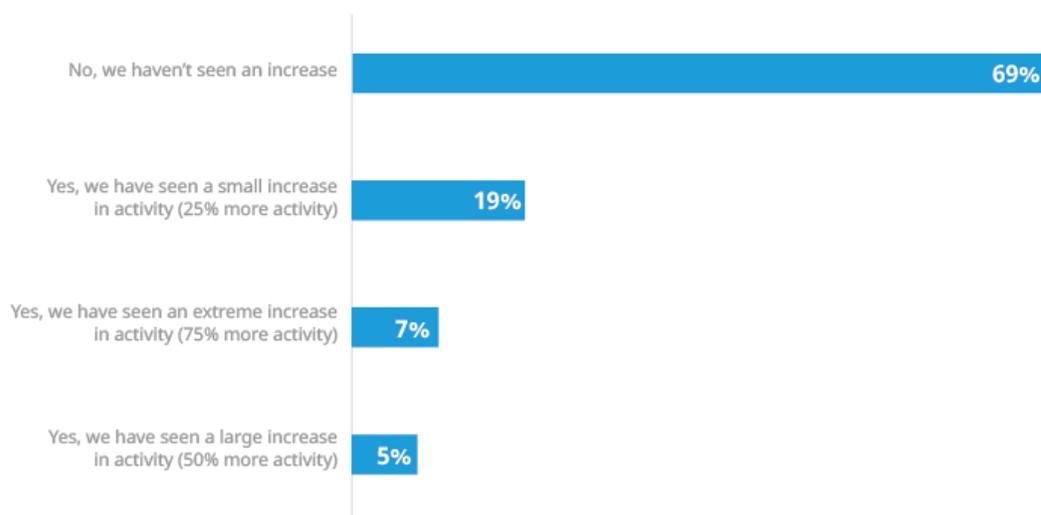
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Although the majority of this year’s restaurant survey respondents — 69% — said they have not seen more OSHA activity in the past year (see Figure 2), an [increase](#) in the number of OSHA inspectors is expected to lead to more in-person inspections, underscoring the need for restaurant companies to start the process of conducting formal hazard assessments that can help them reduce their risks.

## 02 | Most restaurants have not seen increase in OSHA activity

Have your locations seen an increase in OSHA activity (inspections, queries, calls) in the last 12 months?



Source: 2022 Restaurant Risk Management Survey

## Operational changes introduce new hazards

While many restaurants have returned to normal operations and are currently gearing up to the busy holiday period, some practices adopted during the pandemic have been retained. For example, 15% of respondents to the restaurant survey said they have more focus on outdoor dining and/or drive through service (see Figure 3).

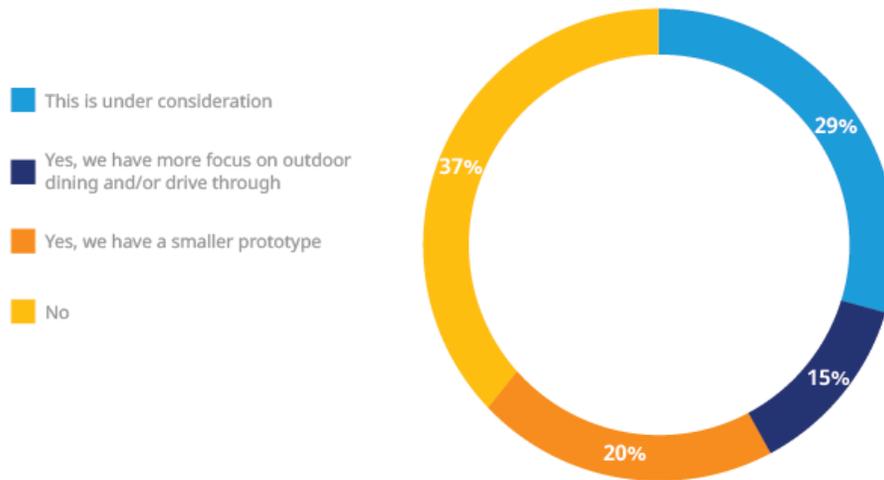
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### 03 | COVID-19 pandemic led to operational changes

Have you reimagined your restaurant new builds due to less demand for on-premises dining?



Source: 2022 Restaurant Risk Management Survey

New processes or tasks, or even new ways to carry out existing tasks, may bring new risks. It is critical for restaurant organizations to carry out formal hazard assessments that review these new processes, identify any associated risks, and recommend ways to address them. For example, a curbside pickup service could mean that a member of staff is regularly going out to the parking lot to drop off food and has an increased risk of tripping over a curb. Increased deliveries could mean more exposure to auto collisions while outdoor seating could lead to arm strain as servers carry orders to tables that are farther away from the kitchen.

But it is not only new processes that require regular evaluation. Formal hazard assessments will typically look at all tasks that various employees will perform — from taking orders, to cutting ingredients, to cleaning floors, to taking out the trash — and identify risks. Since most brands have established processes for carrying out tasks, formal hazard assessments are typically conducted at a

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reviewed. Policies, such as the use of cut gloves, will also be carefully looked at.

## **Location-specific reviews remain important, but do not replace formal hazard assessments**

Most restaurant locations will carry out ad-hoc assessments to identify risks. While these are valuable, they should not take the place of formal assessments that provide a more in-depth look at tasks.

Further, formal hazard assessments are carefully documented, reducing the risk that information is lost, for example if a restaurant manager leaves the company.

Since formal assessments identify hazards and recommend actions to cut risk, they can help reduce worker injuries and therefore lead to a decrease in claims. Not only will this help improve a restaurant's total cost of risk, but injury reductions can be shared with underwriters during renewal meetings to show how the restaurant brand is taking action to reduce its exposures.

**Get more data on key risks and emerging trends affecting the restaurant industry by downloading the *2022 Restaurant Risk Management Survey* below.**

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