# Accidents Team Workshop Presentation

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## Data

- → The data being used for this research project is from the Occupational Safety and Health Administration (OSHA).
- → OSHA collects data across different firms each year in hopes to measure workplace safety.
- → This data is cross sectional that has more than 20 variables across approximately 340,000 establishments.
- → Our data was sourced from Professor Singleton's work on workplace safety and violations.

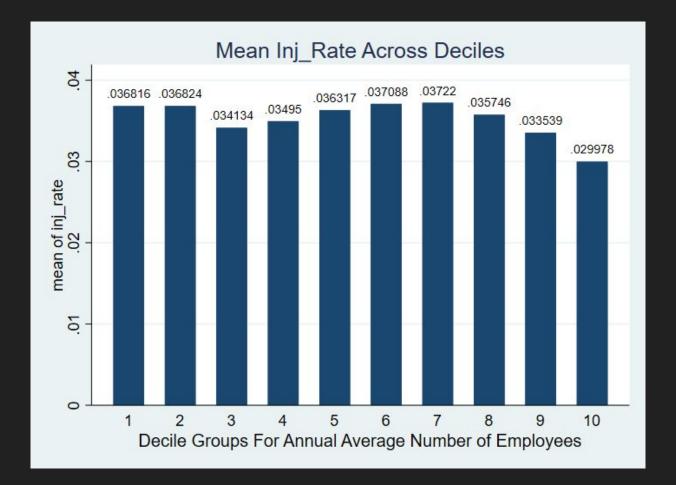
# Hypothesis and Theory

- → Larger establishments will experience less injuries per worker than smaller establishments.
- → Larger establishments will be more subject to economies of scale in terms of OSHA inspections and the costs of implementing/improving safety practices, than when compared to smaller establishments, which would nudge them towards practices that encourage worker safety.

## Mechanism

- After completing the data fix, we generated variables that allowed us to view our key variables at a per capita level. We generated a new variable entitled Inj\_Rate which calculated the quotient of total\_injuries over the annual\_average\_employees.
- → We replicated this process across all the different injury types: skin disorders, respiratory issues, and poisonings. We also created a new variable called decile which separates the variable annual\_average\_employees ten groups.
- → Professor Singleton used a similar method in his paper "The Effect of Workplace Inspections on Worker Safety", and due to the origin of our data and guidance, we proceeded with a similar route.

Figure 1:



#### → Correlation Testing:

- ♦ We found a correlation coefficient of -0.0136 which suggests an extremely weak negative correlation.
- ◆ The small magnitude implies that the relationship is not practically significant. In other words, the variables have little linear association.

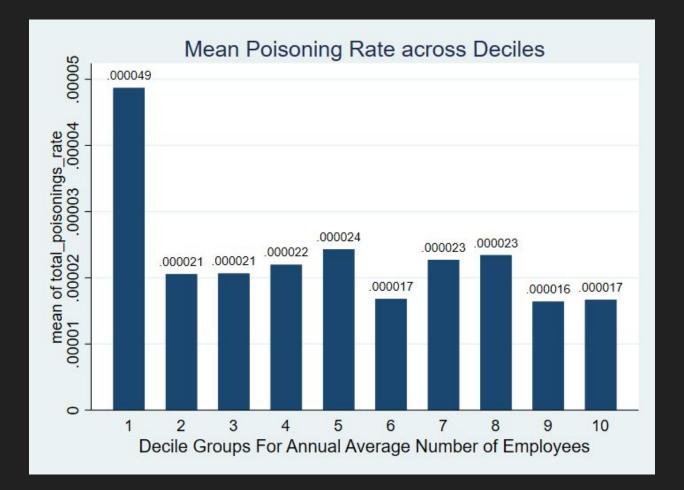
#### → Summary Statistics:

- Mean Injury Rate of .0352, Standard Deviation of .0882, Median of .0171
- Based on this information a substantial number of the observations is between 0 and 0.3.

#### → Outliers:

- ◆ This variable had substantial outliers, 7.5, 9.37, 10.76, and 28.
- ◆ These data points also imply that a firm with 1 worker is getting injured 7 to 28 times.
- The median is considerably lower than the mean which could indicate some skewness in the distribution of injury rates, i.e pointing to issues with outliers.

Figure 2:



#### Correlation Testing:

◆ We found a correlation coefficient of -.0025 which does not support our hypothesis however it is not a strong correlation and could have been caused by outliers in the data.

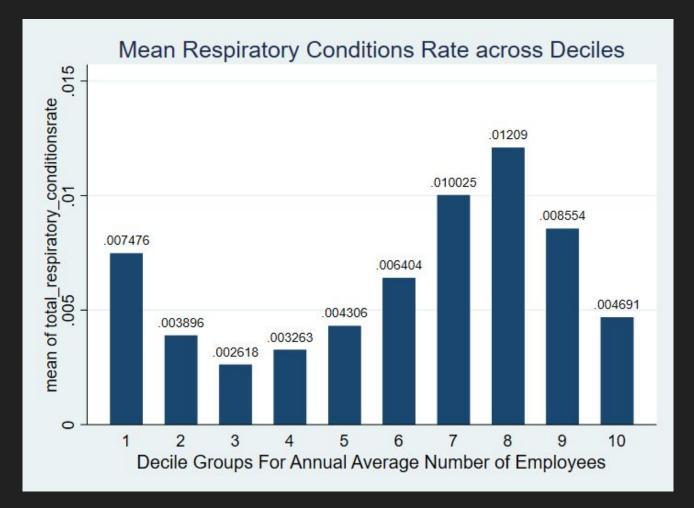
#### → Summary Statistics:

- ◆ The mean poisoning rate was .0000231, the standard deviation was .0021069, and the median was 0.
- We then used tabulate and codebook to look through the data for possible outliers causing the smallest decile group to have the highest rate.

#### → Outliers:

- We found that one observation had a Skin Disorder rate of exactly 1, implying that every person at that firm had a skin disorder.
- ◆ This and the difference between the mean and median explain the issues with outliers in our data and explain the difference between decile 1 and the remaining deciles.

Figure 3:



#### → Correlation Testing:

- ◆ The bar chart shows a clear negative correlation between respiratory conditions and decile groups.
- To confirm this, we ran a correlation test and found a correlation coefficient of .0286, indicating a weak positive correlation.

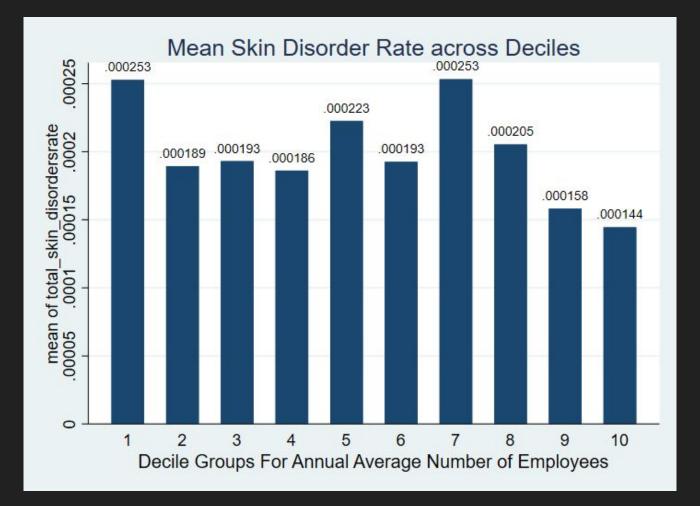
#### → Summary Statistics:

- ◆ The mean for this variable is .00633, the standard deviation is .04745, and the median is 0.
- We found a distribution with a range from 0 to 4.625, implying that this variable may have more outliers impacting its analysis.

#### → Outliers:

◆ The information about the range and the higher standard deviation implies that there are outliers impacting the distribution and with a maximum of 4.625, one data point where each worker is being impacted by respiratory conditions 4 plus times per year.

Figure 4:



#### → Correlation Testing:

- It is hard to see if there is a correlation between the two variables, so we ran a correlation test and found a correlation coefficient of .0031.
- ◆ A correlation coefficient of 0.0031 suggests a very weak positive correlation between the two variables and it's important to note that correlation does not imply causation.

#### → Summary Statistics:

- We found a mean skin disorder rate of .00019, a standard deviation of .005423, a median of 0, and a range of 0 to 1.
- Compared to the overall injury rate and the other types of injuries within our data this variable has a much smaller distribution and is very uncommon.

#### → Outliers:

Outliers were not an issue for this variable.

### Conclusion/Discussion

#### **→** Data Collection Considerations:

 Recognition of potential issues within the data, such as incorrect reporting or replication of data points.

#### **→** Future Research Direction:

 Interest in determining if correlations between firm size and injury rates are unique to certain sectors.

#### → Reflections on the Research Process:

- Specific focus on gaining more insights into data collection processes and addressing data-related issues for a more comprehensive analysis.
- New data sources?