

The Pie Insurance 2025 State of Workplace Safety Report



Methodology

Pie Insurance commissioned YouGov PLC to conduct a 15-minute online survey. All figures, unless otherwise stated, are from this survey. Total sample size was n=1,018 US small businesses, as defined by 2-500 employees. Business owners and/or decision-makers regarding commercial insurance and/or workers' compensation insurance were interviewed. The survey was fielded January 9 – January 18, 2025.

From AI to Mental Health: Trends Defining Workplace Safety in 2025

Please note: the following content was developed for educational purposes only and covers a wide variety of general workplace safety concerns and considerations, some not relevant to workers' compensation or commercial auto coverage.

Workplace safety isn't just a compliance requirement—it's a business imperative. Small businesses, the backbone of the economy, often operate on razor-thin margins, where a single workplace injury can have severe financial and operational consequences. Beyond rising medical costs, workplace accidents result in lost productivity and other hidden expenses that can significantly impact a company's bottom line.

Pie Insurance's 2025 State of Workplace Safety Report explores key risks, emerging trends, and strategies businesses are adopting to protect both their employees and their financial health. With 75% of small businesses reporting workplace injuries in the past year and nearly half (49%) admitting to improvising safety measures due to a lack of proper equipment, preventable injuries remain a persistent and costly challenge.

This report provides data-driven insights and actionable best practices to help small businesses reduce risks, enhance safety protocols, and mitigate financial losses. Whether leveraging AI for predictive safety monitoring, addressing the growing impact of mental health-related injuries, or implementing smarter workplace policies, the findings in this report can help businesses transition from reactive safety measures to a proactive advantage.





By the Numbers: Workplace Safety in 2025

75% of small businesses experienced workplace injuries in the past year.

Most common injuries:

Mental health-related injuries **(22%)**

Slips, trips, and falls **(20%)**

Cuts, lacerations, and punctures **(18%)**

Overexertion and repetitive strain injuries **(13%)**



50% of injuries were reported as preventable.

Based on survey findings, if small businesses could prevent half of workplace injuries, the average annual out of pocket savings (workers' compensation, medical expenses, and/or legal costs) could reach up to \$10,000 or more.

46% of small businesses view mental health as the greatest safety risk.

42% cite employee resistance as a major barrier to safety improvements.

81% are open to AI adoption, with **44%** actively using it.

62% of small businesses with commercial vehicles use GPS tracking or telematics.

\$5,725 is the average out of pocket cost per commercial auto accident.

32% of small businesses reported annual costs¹ of over **\$20,000** on injury-related expenses.

¹ Any mention of cost throughout the report is based on answers from respondents being asked how much their business spent on workers' compensation or commercial auto insurance, medical expenses, and/or legal costs related to workplace or commercial vehicle accidents in the past year.



Top Trends Shaping Workplace Safety in 2025

1. The Preventable Nature of Many Injuries

Workplace injuries continue to be a significant challenge for small businesses, with **75%** reporting incidents in the past year. These injuries not only impact employee well-being but also impose financial burdens and operational disruptions. The most common incidents include **mental health-related injuries (22%)**, **slips, trips, and falls (20%)**, **cuts, lacerations, and punctures (18%)**, and **overexertion and repetitive strain injuries (13%)**. This data underscores the need for comprehensive safety strategies that go beyond physical hazards to address mental health and overall employee wellness.

One of the most concerning findings is that **50% of these injuries** were reported as preventable. The most preventable incidents were **slips, trips, and falls (59%)**, followed by **cuts and lacerations (47%)**, **overexertion and repetitive strain injuries (42%)**, and **even mental health-related injuries (31%)**. This highlights that with the right precautions and proactive measures, many of these incidents could have been avoided. Based on survey findings, if small businesses could prevent half of workplace injuries, the average annual out of pocket savings (workers' compensation, medical expenses, and/or legal costs) could reach up to \$10,000 or more. In addition, costly operational downtime expenses could be reduced by preventing lost business and employee work days.





However, **49% of businesses** admitted to improvising safety measures due to a lack of proper equipment, increasing the risk of accidents and revealing a critical gap in workplace safety preparedness. Interestingly, a correlation was found that those improvising more frequently also reported higher average lost workdays (both business and employee days) and higher annual out of pocket costs overall.

49%
of businesses admitted to improvising safety measures due to a lack of proper equipment

Opportunities for Preventing Workplace Injuries:



Enforce proper equipment use and provide adequate PPE.



Conduct frequent and engaging safety training sessions.



Establish accountability and encourage employees to report safety concerns.



Perform regular workplace safety audits and risk assessments.



2. Technology Transforming Safety: The Rise of AI in the Small Business

As workplace safety challenges continue to evolve, small businesses are increasingly turning to technology for innovative solutions. The adoption of artificial intelligence (AI) is at the forefront of this transformation. In fact, **81% of small businesses** noted they are open to incorporating AI into their daily operations, recognizing its potential to enhance productivity and safety alike. Currently, **44% of businesses** actively use AI, with remarkable results: **97% report increased operational efficiency, and 73% have experienced improved workplace safety.** These statistics underscore the growing confidence in AI's ability to not only streamline processes but also proactively address safety risks.

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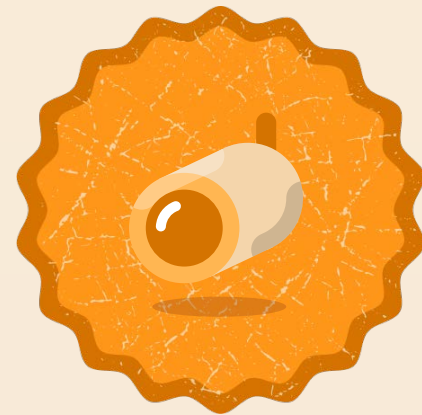


The reliance on AI for safety is set to grow even further. **64% of small business leaders** believe that AI will play a crucial role in worker safety over the next five years. This optimism is fueled by the expanding capabilities of AI technologies, which are increasingly able to predict and prevent workplace hazards before they occur. From predictive analytics that anticipate risks to AI-powered wearables and surveillance systems that detect unsafe behaviors in real time, AI is revolutionizing how businesses safeguard their employees. Additionally, automated safety training and virtual safety assistants are enhancing learning experiences, while AI-driven telematics are helping businesses monitor and improve driver safety.

How AI Can Potentially Enhance Workplace Safety:



Predictive analytics to anticipate hazards before they occur.



AI-powered surveillance to detect unsafe behaviors in real time.



Automated safety training and virtual safety assistants.



AI-driven telematics to monitor and improve driver safety.

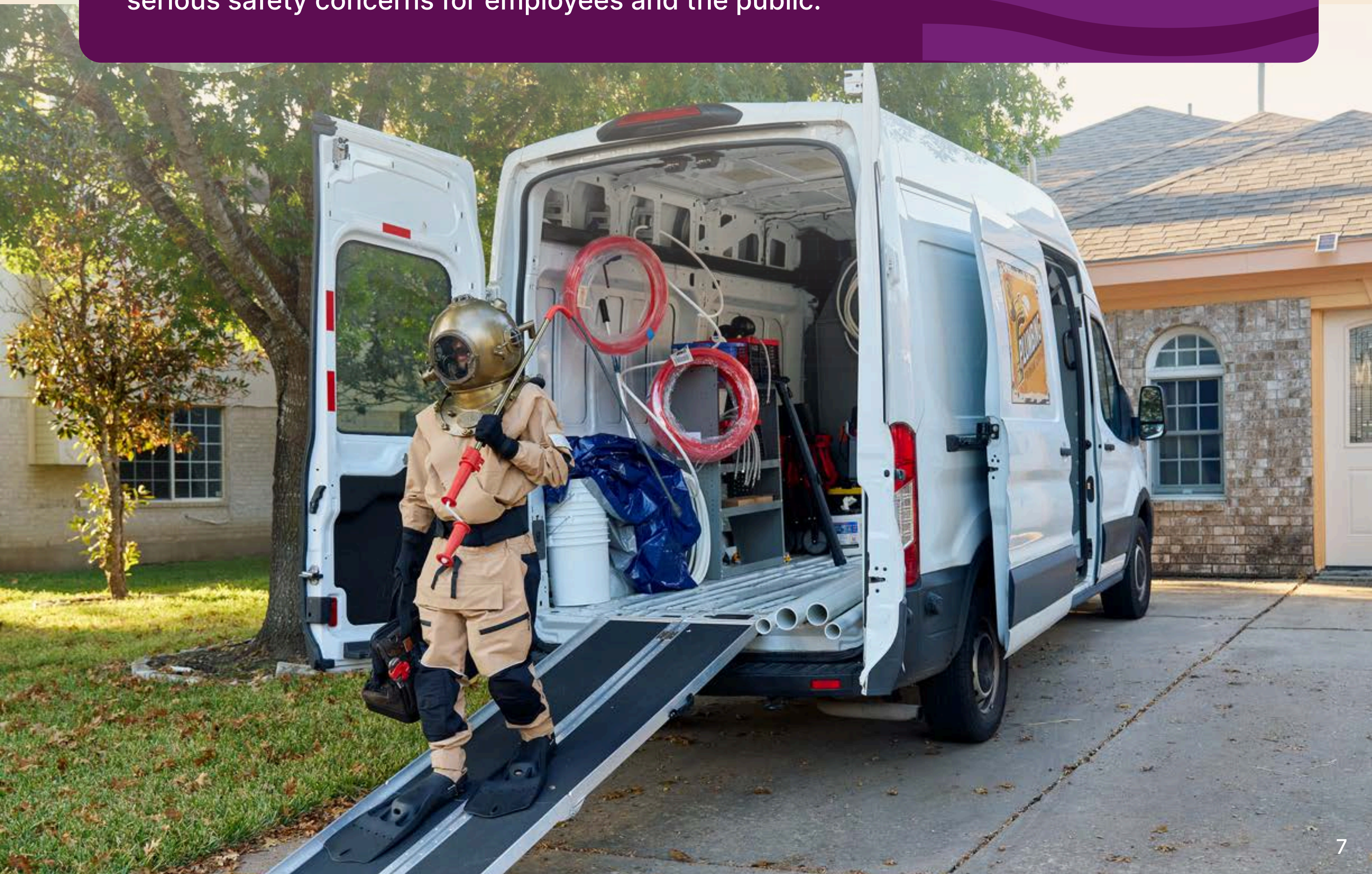


3. Driving Safety Forward: Reducing Commercial Vehicle Risks

For many businesses, commercial vehicles are vital to daily operations. In fact, **67% of businesses** rely on them to deliver goods, provide services, or transport employees. However, with this reliance comes significant risk. **42% of businesses** with commercial vehicles reported auto-related incidents in the past year, at an average out of pocket costs of \$5,725 per accident. Average annual expenses to the business owner jump to nearly \$16,000 when you add in fees for insurance and legal costs to accident repairs. These accidents not only impact finances but also pose serious safety concerns for employees and the public.

42%

of businesses with commercial vehicles reported auto-related incidents in the past year





To mitigate these risks, **92% of businesses with commercial vehicles** said they conduct vehicle inspections, with **64% requiring daily checks** to ensure vehicle safety and reliability. However, preventive measures don't stop there. **62% of businesses** with commercial vehicles are leveraging **GPS tracking and telematics** to monitor driver behavior, reduce accidents, and lower costs. Despite these advances, **20% of businesses** still don't monitor driver behavior at all, even though **36% identified risky behaviors**—like speeding, distractions, and fatigue—as significant safety concerns

Possible Ways to Improve Commercial Vehicle Safety:



Consider implementing driver monitoring through GPS tracking and telematics.

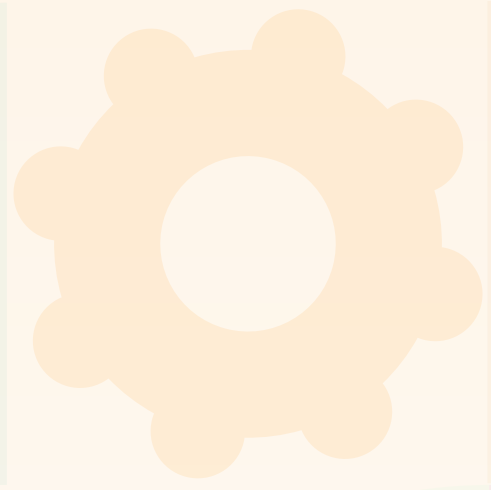


Conduct regular vehicle maintenance and safety inspections.



Require defensive driving training and enforce strict distracted driving policies.





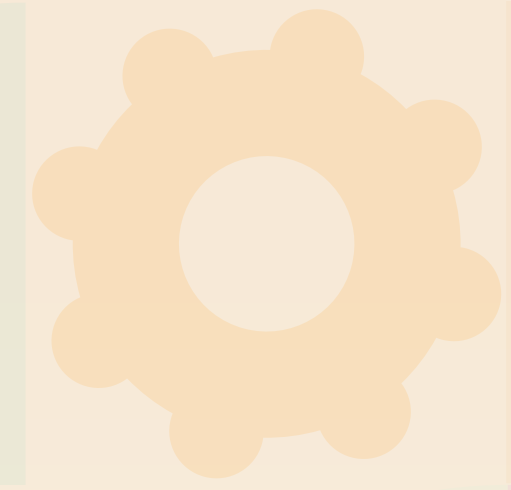
4. Rising Awareness of Mental Health: The Greatest (and Most Overlooked) Risk

Mental health is emerging as a critical concern for workplace safety, with an increasing number of businesses recognizing its profound impact on employee well-being and productivity. **46% of small businesses** identified mental health as the greatest workplace safety risk. This represents a significant shift in perspective as employers increasingly acknowledge the complex challenges posed by stress, burnout, and mental health-related injuries. In fact, **22% of workplace injuries** were attributed to mental health and stress-related issues, marking a **9% increase from 2024*²** and surpassing more traditional hazards such as slips, trips, and falls (**20%**).

Despite this growing awareness, a significant gap remains between perceived capability and actual preparedness. While **91% of businesses** expressed confidence in their ability to address mental health risks, only **52%** have formal mental health safety protocols in place. This discrepancy highlights a concerning trend: many organizations may be underestimating the complexities involved in effectively managing mental health in the workplace. **39% of respondents** identified underestimating mental health risks as the most dangerous safety trend impacting businesses today.

² *Note, 2024's survey only cited Mental Stress as a category. 2025 expanded its definition to mental health and mental stress related injuries.





Efforts to bridge this gap are already in motion, with larger businesses (51-500 employees) leading the way—**60% report having mental health safety protocols in place, compared to 45% of businesses with 11-50 employees and just 40% of those with 2-10 employees.** This suggests that resource availability and organizational infrastructure play key roles in the successful implementation of mental health initiatives. **Additionally, 71% of companies plan to introduce or expand mental health safety measures,** highlighting growing recognition of mental health as a workplace risk.

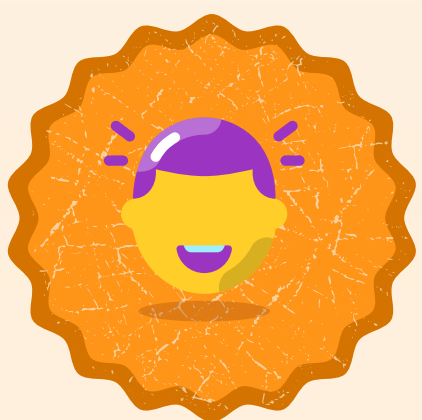
Possible Ways to Improve Mental health Safety:



Establish formal mental health and stress protocols and training for managers.



Offer Employee Assistance Programs (EAPs) with access to mental health resources.



Foster an open culture where employees feel comfortable discussing mental health.



Provide stress management resources, flexible work arrangements, and wellness.



"Addressing mental health in the workplace isn't just about offering resources—it's about creating a culture where employees feel safe and supported. Our data shows a significant gap between perceived readiness and actual preparedness, highlighting possible demand for more structured mental health safety protocols. By taking proactive measures, businesses can not only reduce risks but also foster a more engaged and productive workforce."

— Carla Woodard, SVP of Claims at Pie Insurance



5. Employee Resistance: A Barrier to Safety Improvements

Employee resistance remains one of the most significant challenges to improving workplace safety. In fact, **42% of businesses cite it as their biggest obstacle.**

The consequences are clear: organizations facing high levels of resistance not only report higher injury rates but also exhibit lower confidence in the effectiveness of their safety training programs. This resistance isn't merely about stubbornness; it often stems from a lack of perceived necessity. According to the data, businesses say the most common reason employees give for not following safety protocols is because **they don't think it's necessary (36%) or they forget (32%).** This mindset highlights a critical gap between safety policies and employee buy-in.

Ways to Overcome Employee Resistance to Safety Measures:



Engage employees in safety discussions and decision-making.



Use more interactive, scenario-based training rather than repetitive safety sessions.



Recognize and reward employees who actively follow safety protocols.



Foster a "safety-first" culture with leadership setting the example.



6. The Financial Toll of Workplace Injuries on Small Businesses

Workplace injuries take a significant toll on small businesses, not only affecting employee well-being but also impacting productivity and financial performance. **On average, small businesses lose four employee workdays and three full business days each year** due to workplace accidents.

This lost time can disrupt operations, delay projects, and impact customer satisfaction.

The financial consequences are even more striking. **64% of businesses report that workplace and vehicle accidents negatively impact their financial performance.** For some, the financial strain can be substantial: **32% of small businesses incurred annual costs of over \$20,000 related to workplace accidents**, placing tension on budgets, especially for smaller organizations operating on tighter margins. **38% of businesses say the impact of workplace injuries to financial performance is very significant to moderate.**

This potential financial burden underscores the critical role of workers' compensation insurance in safeguarding businesses against the high costs of workplace injuries. **Surveyed businesses rated the importance of workers' compensation insurance at 6.9 out of 10, with this figure rising to 7.3 among mid-sized businesses with 11-500 employees.** This trend suggests that as companies grow and take on more risk, they increasingly recognize the value of protecting their workforce—and their bottom line—through comprehensive insurance coverage.

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3

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32%

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Unique and Unexpected Workplace Injuries:

No matter how prepared business owners and their teams are when it comes to workplace safety, sometimes the most unexpected accidents occur. These incidents often highlight the unpredictable nature of work environments, where the most unusual injuries can arise from the simplest or most unexpected situations. Below are some of the most unique and surprising workplace injuries shared by business owners:



An employee refused to stop hitting golf balls, causing another worker to be knocked out after being hit in the head.



An employee choked on a bone at a Christmas party, resulting in a trip to the emergency room.



A worker forgot to turn off the lights, leading to a blown fuse that caused burns to another employee the following day.



Flower pots falling from a height injured some employees.



A jackhammer spike punctured an employee's shoulder after bouncing 20 feet in the air.



An employee reached into a fryer, forgetting the oil was over 500°F, resulting in serious burns.



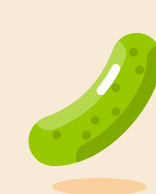
A bizarre injury occurred when an employee broke his hip while sitting in a chair positioned too low.



An employee suffered third-degree burns after sitting on a freshly cleaned, hot office chair.



A housekeeping worker accidentally sprayed chemicals in her eyes because the bottle was facing her.



Someone slipped on a pickle in the lunchroom and cracked their spine.



An employee was knocked unconscious by a frozen fish propelled by a malfunctioning conveyor belt.



A worker stapled their hand instead of the document they were working on.

These surprising incidents remind us that, despite our best efforts, workplace safety can sometimes be affected by the most unexpected circumstances.



Unusual Safety Policies:

Workplace safety policies typically focus on preventing accidents and ensuring a secure environment. However, some companies have had to implement unique or unconventional safety rules in response to unexpected challenges. From preventing injuries caused by seemingly harmless activities to addressing unusual workplace behavior, these policies demonstrate how safety can take many forms. Below are a few of the most unusual workplace safety policies that were either implemented or wished for in various organizations:



A tech company instituted a "no high heels" rule to reduce foot and ankle injuries from long hours of walking on hard floors.



Employees at one business are required to have their pupils checked before using ladders to ensure they're not under the influence of substances.



A ban on chewing gum after an incident where improperly disposed gum caused an injury.



Encouraging employees to take breaks by dancing, playing video games, or taking walks—while still being on the clock.



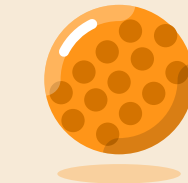
A "no-scented-candles-at-desks" rule to reduce fire hazards and allergic reactions.



A restriction on employees making their own coffee to prevent burns, with managers being the only ones allowed to operate the coffee machines.



A "no drone zone" policy was put in place after an employee's drone hobby became a safety hazard.



A "no hitting golf balls" policy to prevent accidental injuries in the workplace.

These policies highlight how companies are willing to think creatively and sometimes take unusual steps to ensure the safety and well-being of their employees.



Turning Safety into a Competitive Advantage

This report highlights a crucial reality: **workplace safety is not just a regulatory requirement—it's a business strategy.** From AI-powered safety solutions to addressing employee resistance and mental health risks, small businesses have a unique opportunity to **take control of workplace safety before accidents happen.**

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