

“WHAT SAFETY EXCELLENCE MANAGERS DO”

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One of the most commonly cited reasons (read excuses) for under performance in safety is: ‘lack of management commitment’...a common allegation: “They just don’t care!”

The truth of the matter is: senior managers care deeply, about many things...most importantly, delivering results to shareholders, meeting stakeholder expectations ...and ‘keeping their jobs’! And, as extremely intelligent individuals, they clearly recognize that the key to their success (and longevity) is their ability to: deliver products and services: at quota, within specification, under budget, on time...and NOT INJURE ANYONE IN THE PROCESS!”

Executives of high performing organizations have a clear understanding of Peter Drucker’s contention that: “The first duty of business is to survive, and the guiding principle of business economics is not the maximization of profit, it is the avoidance of loss. (Drucker) Consequently, they recognize that ‘loss, cost, and expense’ (the middle lines) are the only things a manager can truly manipulate (read ‘manage’); and by effectively doing so, transform top dollars (revenue) to bottom dollars (margin)...the ultimate objective of every manager!

James Champy, author of ‘Re-engineering Management’ observes: “Much of American management doesn’t seem willing or equipped to address directly what is often the real core of operational problems...MINDSET. And, in safety, it is ‘traditional safety mindset’ concerning accident causation, and correct strategy that impedes most organizations from attaining safety excellence results.

It keeps Going and Going and Going...

In the 1930’s, H.W. Heinrich set the safety discipline on a course it has not yet been able to correct. From his original ‘theory of causation’, has evolved an embedded managerial belief that workplace accidents are primarily caused by but one thing: ‘PDDT’ - *People Doing Dumb Things!* more commonly referred to as ‘Unsafe Acts’. Based on this belief, (people are the problem), traditional strategies have evolved to focus on *Education* (Orientation and Training), *Enforcement* (Rules and Regulations), and since workers are really ‘sly and cunning’...*Engineering* (Safeguards) to ‘idiot-proof’ equipment and the processes. But, as Karl Albrecht, Quality Consultant has observed: “You work hard to idiot proof a process, and sure enough, someone goes ahead and develops a smarter idiot!”

Today, in the year of the Dog...not much has changed!

A recent survey of the profession indicates that the majority of US companies continue to employ traditional safety strategies: Training – 81%, Compliance – 74% and Technical controls – 75%. (ISHN) Bottom line; ‘what we believe about accident causation’ and as a consequence, ‘what we do about safety’ has changed very little over the past 50 years.

And, results?...they have (and continue) to change rapidly...for the worse!

According to National Council of Compensation Insurers data, although total Workers’ Compensation cases filed over the past 10 years have been reduced significantly (over 34%), THE COST OF WORKPLACE ACCIDENTS CONTINUE TO ESCALATE, with annual Indemnity and Medical costs increasing 7.4% and 9.0% respectively (NCCI).

No ‘Quick Fixes, BUT...

ACCIDENTS, INJURIES, and their financial consequences—called "L.O.S.S." - Lack Of Safety Strategy (the middle lines), all have a common trigger, (at-risk behavior), and multiple common causes (performance drivers). The *Professional Safety* May 2000 article “The Architecture of Safety Excellence” identifies these performance drivers as the ‘Strategies of Excellence’, specifically organizational: Culture (values), Leadership (actions), Structure (relationships) and Process (performance systems). These variables interact to produce organizational performance (safe or unsafe), and ultimately determine outcomes and results, (profitability and sustainability). Although, there are no ‘quick fixes’ in business (or safety), companies that forge strong values, lead people, align roles and relationships, and effectively manage human performance can reap ‘rapid returns’ and dramatic reductions in accidents, injuries, and loss costs!

In an organizational safety context, there are three types/levels of change, each of which addresses a different target, and correspondingly, has an increasingly greater impact on performance and results, these are:

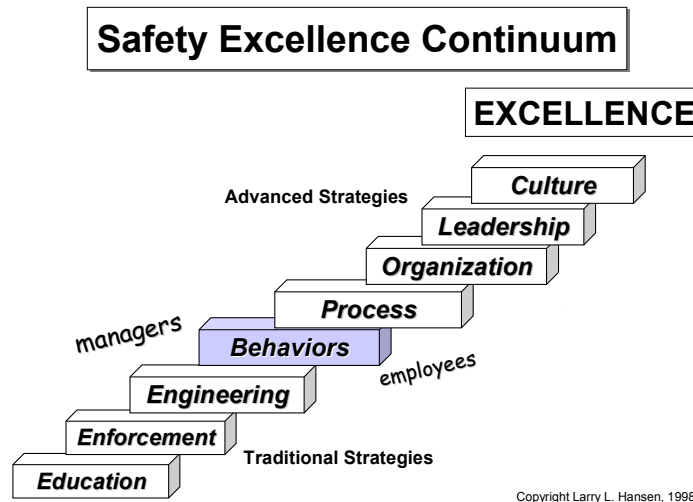
- **Level I: Transitional (minor) Change**: Initiatives to change working conditions and behaviors, a/k/a - Safety Programs.
- **Level II: Transactional (moderate) Change**: Initiatives to change organization (roles), process (systems), and management (practices)...a/k/a Safety Management and,
- **Level III: Transformational (major) Change**: Initiatives to change organizational culture (values) and executive (actions), a/k/a - Safety Leadership.

To significantly impact results, an organization must advance beyond Level I traditional thinking in safety, (programs), and target Level II (process), and Level

III (culture) change, as these are headwater cause of (and controls over) loss in an organization...these are the ‘Excellence Strategies’ that drive human behavior.

THE ARCHITECTURE OF SAFETY EXCELLENCE

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To achieve high performance, leaders must ultimately face the two core questions of safety excellence:

1. How many *'want to be'* a safety excellence organization? and
2. How many *'are willing to DO'* safety excellence?

What many senior managers openly confess about their role is: "They don't know what to do!" They ask: "What 'strategies' should I develop?" "What tactics should I employ?" and "What 'actions' should I take to improve safety performance and bottom line results in my organization?"

This article responds to these questions with best practice citations that identify: 'What high performance managers 'DO': to establish their *values*, demonstrate their *leadership*, align their *organizations*, *communicate* their expectations, *motivate* behavior, *measure* performance, and *reward* results in safety. These are the targets of safety excellence managers:

VALUES – Employees perform 'safely' when they believe 'safety' is important to the success of the business

"Understand that what we believe, precedes policy, procedure and practice."

-Max DePree, Past CEO,
Herman Miller Co., Inc.

Excellence Mangers 'Manage by Values'.

- **Saint GoBain** – In order to 'manage by values', you first must have values. Bob Scherer, GM of Saint Gobain's Granville, New York Performance Materials plant

has documented 19 personal values that he believes will guide his organization to 'safety success' (and they have). He personally meets with and discusses these core values with each new employee during orientation, and then continually reinforces these by conducting on going 'values affirmation' meetings with various plant departments and employee groups. (Scherer)

- **Bechtel Group, Inc.** Does NOT make safety a 'priority' ... said Kevin Berg, Principle VP of Safety for Bechtel, Inc. at the first ASSE Symposium on World Class Safety. Safety had always been espoused as a priority at Bechtel, but in recent years it has been changed from a priority to a corporate 'Value'. "When you prioritize something, that means it's not always going to be at the top of your list. A core value is woven into everything you do, every business decision you make." At Bechtel, Involvement, not commitment, drives excellence in safety. (ASSE)
- **Alcoa** – At Alcoa, 'True North' refers to its core values, and in safety that means more than zero injuries. The "True North" concept, means forward thinking -- "thinking as far ahead as you can think, and then thinking further". Paul O'Neill, past CEO believed: "The absence of accidents does not in any way assure the presence of safe". According to William O'Rourke, VP of Safety, his job is to find out how the company can improve further. "We have to go past zero," he says, "We have to send employees home healthier than when they came into work". (Atkinson and Smith)

LEADERSHIP – Employees perform 'safely' when leader actions demonstrate that 'safety' is important.

"If you haven't got any skin in the game; you're not in the game."

-Aussie Football Saying
(Thanks Kelvin Blackney)

Excellence managers are 'Safety VIPs'...Visible – Involved – Participative!

- **Chevron Chemical** – At Chevron, 'how' a manager gets results, counts as much as the results they get. At a Behavioral Safety Conference in Las Vegas, Jack Beers, Managing Consultant identified 12 specific leadership behaviors, which the company believes supports performance excellence. Employees rate their immediate supervisor on these key leadership behaviors via a confidential 1-800 call in number, and these ratings form part of the supervisors overall performance rating. (Beers)
- **NYS Power Authority**. – At the NYS Power Authority, the President shows up at safety meetings...all of them! Eugene Zeltman, President of NYPA, observes: " We recognize that safety requires a concerted effort by everyone, from union and nonunion workers to management...and most of all me." Zeltman attends all

the quarterly corporate safety committee meetings, which can last as long as two days. In fact, he has not missed one of those quarterly meetings since coming on board as CEO in 1997. "Word has filtered down to employees that if the president attends the meetings, then safety must be important," says Noel P. DesChamps, Director of Power Generation Support Services at NYPA. (Atkinson and Smith)

ORGANIZATION – Employees perform ‘safely’ when roles, responsibilities, and relationships are well defined and aligned in an organization.

“Every organization is uniquely designed to exactly produce the results it achieves”
-Stephen Covey

Excellence managers integrate ‘safety’ into the business process...safe is ‘how work is done’, not a program.

- **DuPont** - DuPont credits its safety success to a philosophy that makes line management - not their 750 environmental, health and safety professionals - personally accountable and responsible for safety, health and environmental. (Smith a)

Line managers are responsible for the incident investigation process, for making employees clear on what is expected in terms of safety performance, for conducting safety training and for integrating safety, health and environmental expectations into the fabric of how work is carried out daily.

- **Delta Airlines** - Safety is incorporated into every single job description and leadership performance evaluation at Delta, representing the company's requirement for safety in every job function. "Employee involvement in any safety process is critical to achieving success in Delta's operation," says James E. Swartz, director, Corporate Safety. "Safety is a fundamental element in the Competency Modeling process, which describes the characteristics, skills and abilities of people that are related to success. (Smith b)

PROCESS – Safety excellence is but one outcome of an organization’s core’ performance management process, key components of which are: Communication, Measurement and Consequence Delivery systems.

“People, however different, when placed in the same system, tend to produce similar results.”
- Peter Senge

COMMUNICATIONS – Employees perform ‘safely’ when communication systems and practices establish clear expectations, provide timely information, and allow undistorted feedback on ‘safety’

“Employees are in the best position to prevent loss, but they need open channels to share their ideas.”
-Tillinghast – Towers Perrin WC Study

Excellence managers communicate effectively.

- **Steelcase Corp.** – of Grand Rapids MI, sends a very clear message that safety is not a ‘competitive advantage’ for their organization...it is a ‘collaborative advantage’. Steelcase believes that health and safety is so important to their organization that they dedicate a full day each year to a safety conference for ‘all managers’. In 2004, realizing that additional ‘teaching and learning’ opportunities existed, Steelcase expanded invitation to include their vendors, service providers, members of the local business community, and their competitors--but ‘no cameras’ please. Steelcase knows safety is a ‘win – win’ proposition for all.
- **Hemerich & Payne** - ‘H&P’ a drilling company in Oklahoma City, doesn’t wait for ‘near misses’ to react to potential safety problems. Warren Hubler, VP Safety of HP has implemented a corporate wide ‘*Good Catch*’ program that incentivizes employees for identifying and communicating ‘situations’ that can generate potential injuries and incidents. These situations are analyzed, corrected, written up and distributed throughout the organization for learning purposes. Talk about the payback of ‘effective communications; the process ‘caught and prevented’ a very real potential rig loss valued at a ‘one half million dollars from occurring!

MEASUREMENT - Employees perform ‘safely’ when the metrics upon which they are measured make ‘safety’ an important measure of their performance.

*“What gets measured gets done, however what gets done,
may defeat the purpose what is measured.”*

- Dan Zahlis, President
Active Agenda, Inc.

Excellence managers, measure the right things, and pay attention to what really counts.

- **Foamex Inc.** – Foamex Safety Director, John McLaverty, established a Safety Measurement Improvement Team (SMIT) tasked with combining ‘leading edge’ safety (activity) indicators with ‘lagging’ (results) incidents measures to create a composite metric which would incentivize facility managers to accomplish safety goals, and to provide a scorecard of their efforts. At Foamex, a good safety performance is achieved when managers...’do more safety’ and ‘have fewer incidents’. At Foamex ‘SMIT Happens’!
- **MeadWestvaco** – *“I hate to use a reactive measures like the total case incident rate as the primary measure of the safety process,”* says Finn Schefstad VP Safety Management.

Instead, safety excellence process reviews are performed at business units that focus on proactive and preventive safety measures. The objective of the reviews are to: determine where a site is relative to implementing the safety excellence process; evaluate the level of understanding and application of the principles

associated with the program's key elements; identify opportunities for performance improvement; and leave the business unit with a blueprint that will move them to the next level of safety excellence and produce sustainable results. (Smith a)

- **Active Agenda, Inc.** - Dan Zahlis (now President of Active Agenda, Inc.) in a past life as the Western Region Risk Manager for the Häagen-Daz Company, developed what he refers to as ‘the ultimate metric of safety’. Faced with corporate pressures to improve Workers' Comp results in the highly volatile California environment, Dan took radical steps to address the real cost driver that plagued operations...he replaced OSHA Incident rates with ‘Truth’!

Instead of measuring ‘lower recordable rates’ (which created an atmosphere of fear and underreporting), he incentivized, measured, and rewarded ‘reporting of ALL incidents’—yes folks ALL: Near Hits, First Aid, Medical Only, and Lost Time & Restricted.

The metric used to track performance was ‘Total Cost per Incident’ – calculated as: “Total injury costs - divided by - the total of ALL incidents. By design of this metric, the only way the operation could truly improve performance was to either drive down injury costs (by managing people better), or drive up incidents (to learn more about risks previously not reported) in the operation. Encouraging ‘Truth’, built trust, removed the ‘veil of fear’ that had discouraged past incident reporting, and dramatically reduced the Division’s total Injury Costs. (Zahlis)

Note: The Active Agenda is an open source ‘FREE’ Risk Management technology project. Visit www.ActiveAgenda.net to learn more about this powerful Risk Management Operating system.

CONSEQUENCE DELIVERY – Employees perform ‘safely’ when significant consequences (positive & negative) are attached to their ‘safety’ performance.

“You simply can not manage yourself out of problems you behave yourself into.”
- Stephen Covey

Excellence managers manage by...(and are managed by) performance consequences.

- **Potlatch Corp.** – At the Potlatch Plywood Mill in St. Maries Quebec, safety performance ‘rates high’ in importance...for a good reason. A supervisor’s overall rating can be no higher than their rating for safety performance, regardless of how well they do in meeting other goals. This practice helped this facility reduce their LT injury rate by 76% and number of lost workdays by 90%.
- **Alcoa** - In the company's 2001 annual report, CEO Alain Belda noted, that Alcoa had intensified efforts to raise safety performance at locations, and had undertaken a company-wide effort to eliminate fatalities. As part of that effort, managers of facilities that are under performing in safety should expect a phone

call from a member of upper management, as should the managers of facilities where injuries have been reported. Sometimes, he adds, calls go out to facilities when upper management learns safety has improved. "They talk about what the facility is doing well, and what needs improvement."

MOTIVATION – Employees perform ‘safely’, when they are recognized and rewarded’ for their performance in ‘safety’.

“If you talk about change, but don’t change the recognition and reward systems, nothing changes.”

-Paul Allaire, Past CEO, Xerox Corp.

Excellence managers use positive reinforcement, recognition and rewards to move ‘safety’ from ‘gotta to wanna’.

- **Georgia Pacific Corp.** –GP facilities regularly host what the company calls "Revival Tent Meetings," which are designed to re-energize employees about safety. Facility employees are recognized for safety improvements they initiated and often are asked to speak to the group. Employees from other facilities attend the meetings to share best practices. Lunch or dinner is served outdoors in a large tent, and plant managers often serve as the "chefs" for the meal. (Atkinson and Smith)
- **Bronson Healthcare** - Asks all managers to write 12 thank-you notes per quarter, and to show them to their own managers as proof that they were indeed recognizing their employees. Additionally, human resources does random spot-checks on managers, asking to see copies of thank-you notes, and if a manager doesn't have them, he or she is asked to schedule a "little talk" with the senior leader of the group. They've never had to schedule more than one talk before managers quickly got the message that the organization was serious about this activity. (Nelson)

Jerry Garcia inspired ‘deadheads’ around the globe with two unique contributions...great music, and his conviction that: “Someone has to do something, and it’s just incredibly pathetic that it has to be us.” An unfortunate reality concerning safety in business is that far too many managers follow Coderre’s Law of Least Resistance: ”Given the opportunity to do nothing, most will.”

This Law does not apply in Safety Excellence organizations!

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