

Advancing Your Career: From Safety Manager to Business Partner

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Introduction

Today's most successful companies look for their leaders to be Business Partners. But moving beyond a focus on your area of expertise to a more comprehensive business leadership role can be daunting.

When it comes to careers, people never plan to fail, but many fail to plan. This interactive presentation will guide the attendees through the process of planning for and becoming a Safety Business Partner.

Although instructional to all levels, this paper will focus on the professional who is already in a role that is responsible for the entirety of a Safety or EHS function on a site, region or corporate level and is seeking to move their career to a full business impact position. We will cover: Why do companies seek Business Partners over Managers for leadership roles? What makes a Business Partner different than a Manager/Director? Do you want to be a Business Leader or Safety Leader? If so, How can you get there?

Why do companies seek Business Partners over Managers for leadership roles?

Efficiency, Accountability and Profitability

Large, successful organizations have learned one lesson from small business success and that is that the right partner will make or break you. A Business Partner is someone who is heavily invested in the business, both financially and emotionally. They do not consider themselves an employee, but a partner.

Bringing key functions and key employees into this level of commitment at a large organization can be challenging. However, when done properly, the effect on shareholder value is increased far and above that of their competitors.

The “Business Partner” concept was pushed forward by leading Human Resource professionals in the 1990’s, most notably by David Ulrich in his book *Human Resource Champions: The Next Agenda for Adding Value and Delivering Results*. Initiatives such as this led to the recognition of HR to be a core, strategic partner in many organizations. This role change has led to several Human Resource professionals rising to positions previously reserved for Operations and Finance, COO and CEO. One, for example is Anne Mulcahy, former Chairman and CEO of Xerox.

But just what is a Business Partner? A Business partner is someone who has intimate knowledge of all aspects of the business and is willing to invest their time, expertise and will to ensure its success. This is a step far and beyond the view of being an employee with an expertise you exchange for a paycheck. The Business partner is involved with establishing strategic plans *and then* the tactical operations to achieve the strategic goals.

Business oriented EHS professionals can help design a strategic plan that balances the needs of the organization, its employees, and other stakeholders. It can help align the efforts of the various functions in the organization with the plan's strategic goals. The key phrase at the beginning is “business oriented.” “Business oriented” in its most basic definition, means that you see beyond the confines of your fiefdom and are focused on the success of the business.

In best-practice organizations, the ability to deliver the results outlined in the strategic plan is critical. Values and competencies are the foundation of leadership development. Best practice organizations begin the process of developing leaders with a foundation of key corporate values and then focus on key competencies that grow out of the value base and the strategic mission.

Business Partner Models are more cost effective because they focus on direct resources that add value to the business. i.e. they identify areas where costs can be saved and simultaneously, where best to invest direct resources for the benefit of the organization as a whole. Often, they started out as a cost-saving initiative responding to a business directive, but as the model was developed, the other positives results were realized.

What makes a Business Partner different than a Manager or Director?

A Business Partner is expected to understand how the business is run, how to read the company financials, and, most importantly, how their specific expertise, in our case the role of EHS, could improve profitability and cash flow.

The EHSBP’s (EHS Business Partner) role in the organization is not easy. It is primarily about building a safe working environment with internal clients (i.e. employees, outside contractors, line and top managers, other key stakeholders) and regulators while simultaneously focused on ensuring organizational efficiency is fully reached. The EHSBP is not a Cop whose job it is to enforce EHS rules and regulations. The EHSBP shares the responsibility with the internal client(s) for establishing and reaching organizational goals and then designing the EHS initiatives to help the business achieve those goals.

The role of the EHSBP is about shared responsibility for the overall results of the business unit in all areas. Coincidentally, the internal clients share the responsibility for achieving the EHS goals as well and they should not forget about it. When the internal client wants EHS to share his or her goals, he or she has to accept the EHS goals as a part of the managerial goals in his or her area.

The role of the EHSBP is about balancing the interests of EHS and the company as a whole to achieve the strategic goals. Many times EHS represents the interests of other stakeholders inside and outside the organization including government regulators and shareholders. The role of EHSBP is in balancing the EHS goals and the long term stability and sustainable profitability of the organization.

The role of the EHSBP is in building the independent EHS opinion about “the situation” in the internal client’s area and providing advice to the management team how to improve “the situation”, which results in a net positive result on profit and/or productivity.

The EHSBP has to challenge the internal client to perform at the best level they can. Line managers tend to hide issues in the misplaced thought that EHS programs hinder productivity. A major interpersonal skill of the EHSBP is in the ability to earn the trust of the internal client and in discovering the problems and challenging the leader of the unit to run the agreed upon EHS initiatives to improve competencies and productivity.

The role of the EHSBP is about discovering, designing, instructing and implementing EHS Best Practices in the organization and providing the platform to exchange the EHS Best Practice approaches across the organization and from the external market.

The EHSBP has to find the best method of how to report the status of the managed area and translate that report to dollars, the only language the CEO understands. The internal client should receive regular EHS Reports and the EHSBP’s role is in finding the proper interpretation and finding the areas of excellence as well as the areas for the improvement with the biggest impact on the employee productivity.

The role of the EHSBP is in provoking discussions about EHS in the managed area and how to protect the environment and employees, raising competencies, skills, employee retention and loss-time avoidance

The role of the EHSBP is in leading EHS initiatives which are focused on solving the issues at the internal client’s side and bringing the desired improvement. It is not easy as the internal client has to deliver the needed resources to achieve those goals.

The following table is a simple analysis of the major differences between an EHS Manager and an EHSBP:

EHS Manager	EHS Business Partner
Designs EHS plan to meet Corporate Strategy	Participates in establishing Corporate Strategy as well as EHS's role in achieving that strategy
Supports Line/Operational in achieving productivity goals	Establishes Productivity goals with Line/Operational Management
Audits EHS functions for compliance and efficiency	participates in the audit of the business process in achieving strategic goals

Table 1. EHS Manager vs. EHS Business Partner

What do companies require to be considered for Business Partner roles?

Simply put, Business Knowledge, Communication and Measurement and finally Leadership

The EHSBP must be seen as an integral part of the strategy assessment process. So much so that other Business Partners would not even think to alter plans or strategy without the input from their EHSBP.

Critical to EHS's function as a business partner is their role in the strategic process. Not only is it important for EHS to participate in the corporate strategic planning process to further its understanding of business needs for the upcoming year, it is also important to align its own calendar and focus with the corporate agenda to support EHS's position as a strategic partner.

The next, and arguably most critical, skill needed is the ability to COMMUNICATE.

President Reagan was known as the "Great Communicator" because of his ability to grasp what the American public was feeling and then speak to the American public in a manner that was insightful, intelligent and respectful.

Communication is not just about our ability to present a clear thought or position. Communication is defined as a PROCESS by which we assign and convey meaning in an attempt to create shared understanding. This process requires a vast repertoire of skills in intrapersonal and interpersonal processing, listening, observing, speaking, questioning, analyzing, and evaluating.

The human brain has difficulty seeing two opposed pictures, views and concepts simultaneously. It can, when trained properly, move between the two. However seeing them at the same time remains a challenge. For example, in Rubin's Vase, Exhibit 1, you will see either the vase or the two faces. You may have the ability to see both of the images of the vase or the two faces, however, you cannot see both at the same time, but rather jump from one image to the other.

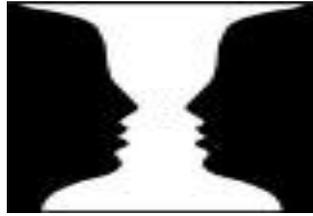


Exhibit 1, Rubin's Vase

Safety and productivity can fall into this same picture. Most people believe they are at odds with each other rather than two parts of the same picture. These people believe that in order to increase productivity you must sacrifice safety, or, in order to increase safety, you must compromise productivity. A core challenge for the EHSBP is to bridge this issue demonstrating to employees and management alike that both can, and must be, achieved together. This is primarily done by always addressing both factors in any presentation. Rather than maintaining a focus on the EHS goal you must always include the effect on productivity and meeting both goals.

Nothing reinforces strategic objectives more than measurement and tying results to incentive compensation.

Measurements are compared historically, internally, and externally. High performing firms want to show progress from year to year in their key performance measures. Comparing current and past scores on concepts such as reduction in lost time, near misses, TIR etc. are common ways of determining if progress is being made. While these are the foundation of a company's internal EHS performance measures, many firms also want to see how they are doing on these measures relative to comparison firms.

But it is not sufficient to simply know the EHS numbers. These measures must then be translated into dollars and their positive or negative impact on cash flow, productivity and profits. Did EHS incidents decrease but injury costs increase or not change at all? Did profits increase while EHS stats declined or vice versa? If so, what value is placed on gains in profits at the expense of a rise in injuries or accidents? Did EHS stats improve while the overall profitability declined? If so, are the EHS procedures so strict that the business cannot turn a viable profit or is there no correlation between the two?

Having the ability to see beyond our specific sphere of influence and realize the interrelated impact that our function has on all areas of the organization is the end goal of the Business Partner.

Do you want to be a Business Partner?

The EHSBP is a role that on one hand is highest and most independent role to be filled by an EHS professional, while on the other hand is advancing beyond the function to be a "business professional."

To fulfill a strategic business partner role, EHS leaders must be ready and willing to understand the organization's business. Additionally, they must understand the environment in which it operates, the competition, and the circumstances that could influence the progress of the organization. They must see that EHS can no longer focus on its own internal tasks. It must be responsible for ensuring that EHS strategy, goals and priorities are driven by and aligned with the overall business needs. It must establish key business partnerships with senior management, as well as key figures in other functions within the organization. Although the operational role of EHS, the day-to-day tasks required to run an organization are not strategic in nature, the responsibilities must mirror the goals of the organization. There needs to be a more integrated global company-wide process that considers how each of the EHS programs can help move the entire organization in the right direction.

In addition to EHS increasing its own knowledge of the organization and creating solid partnerships through collaborative communication efforts, increasing its knowledge in other areas is extremely important to being a successful strategic business partner. EHS must increase its knowledge of Finance and Accounting, Marketing and Sales, Operations, and Information Technology and hone in on key business skills. Almost every activity in an organization can be referred to as a project. That is why it is important for EHS professionals to improve their project management skills. In addition to project management skills, the EHSBP must fully understand the strategic planning process. EHS must be able to manage change, perform environmental scanning, and understand the importance of outsourcing and the process associated with outsourcing. Being able to manage technology and measure the effectiveness of all company-wide programs and efforts are equally important.

To summarize, EHS professionals touch every level and every department in the organization. With the exception of Human Resources, they are more involved with individual employees in all areas of the company than any other function. Due to the involvement across the company, employees at all levels get to know and trust the members of the EHS team.

Is this a role you wish to take on?

If yes, how do you get there?

Here is my advice for truly delivering as a strategic business partner:

Interview the current business leaders about what they expect EHS to deliver in terms of business success. When interviewing with a new company for an EHS role, observe how EHS is treated. Are they sitting near the rest of the executive team? Did you interview with only the hiring manager and other EHS people, or do others in the business (e.g., operations, marketing and finance manager) also want a say in who gets hired into the position? Ask what major business initiatives EHS has been involved with recently and, more importantly, what role EHS played. What is your assessment of the strategic capabilities of the EHS people with whom you are interviewing? Are they able to articulate what is going on in the business?

Educate yourself. This means educating yourself on new trends in EHS so that you stay current. Obviously being here at Safety 2013 is an indication that you choose to do this within the traditional confines of EHS information. Beyond that, it means educating yourself on a broader

functional skill level so that you are comfortable reading a P&L statement or a balance sheet or understanding the latest technology. It means educating yourself on your business, your industry, and your competitors so that you are able to add meaningful dialogue.

Be pushy. If you find yourself in a company that doesn't value the role of EHS, seek ways to add value outside of those typically expected from your role. Align yourself as a value-added partner by virtue of your contribution to the bigger picture. Ask insightful questions, make comments, and contribute on a broader level. While some people may initially brush this off as being "none of your business," this silo-thinking will soon crumble if the result is greater contributions from someone considered "just the safety guy."

Too often EHS still receives a bad rap in organizations as simply being overhead or being the necessary evil rather than a Business Partner. Who is responsible for ending this perception, Senior Management or EHS? That is like asking which came first, the chicken or the egg.

I once had the pleasure of hearing Jim Rohn speak and his message still resonates with me, "if you want to change your world, change yourself and the world will change around you."

Staying positive, recognizing the value of your contributions, and, more importantly, being a role model for how EHS should contribute are integral if the function is to truly make the shift to being accepted as a strategic business partner role—no clichés.

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