Removing the Barriers to Achieve Excellence in Global Safety Performance

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Introduction

The global economy continues to expand and influence how business operates in an increasingly competitive marketplace. As companies seek to expand into new markets, operations can face new challenges and pressures to keep costs from rising out of control. An effective safety and loss control program not only enables an organization to meet its moral and legal obligations to provide a safe and healthy workplace, but also enables an organization to deliver shareholder value and achieve financial objectives by preventing losses from occurring.

This paper will focus on identifying the barriers which prevent a global organization from achieving its strategic safety objectives and provide some practical solutions to remove these barriers and achieve excellence in safety performance.

Identifying the Barriers for Achieving Excellence

Achieving operational excellence and operating at a "world class" level of safety performance is not easy. Maintaining operational excellence requires a commitment to continuous improvement. Before excellence can be achieved, it is necessary to identify the barriers which need to be removed to achieve the organizations' goals and objectives.

Webster's Dictionary defines barrier as: (a) "something material that blocks or is intended to block passage; (b) "something immaterial that impedes or separates". In the context of safety performance, a barrier can be defined as anything, whether material or immaterial, that impedes or prevents the achievement of the organizations' strategic goals and objectives. In the global environment, the common barriers which need to be removed to achieve operational excellence in safety performance are:

- Leadership commitment
- Variation in regulatory requirements
- Regional diversity or the "not created here syndrome"

Obtaining Leadership Commitment

Successful process improvement initiatives which deliver sustainable business results all have one common fundamental element – Leadership Commitment. Companies which have been successful with integrating Total Quality Management (TQM) systems, LEAN Manufacturing programs, Six Sigma quality process control systems and other business improvement processes into the culture of the organization had to begin the process by engaging leadership early in the process to buy in to the changes required to drive step change improvement.

Engaging leadership to obtain buy in is also the first step in any safety improvement process. Leadership demonstrates their commitment by removing the real (time and resources) and perceived (attitudes come from the top down) barriers that impede performance. An effective way to engage leadership is to establish "The What", which is a vision for the future state of safety within the organization. The vision statement establishes the safety values of the organization and serves and the framework for building a culture of "this is the way we operate". Refer to Exhibit 1 below for an example of a safety vision statement.

Once leadership has bought into "The What", a roadmap for "How" the vision will be achieved requires leadership endorsement. "The How" is generally an organization's safety policy statement which establishes the framework for development of an effective safety management system (SMS) to deliver sustainable performance improvements. The safety policy in Exhibit 2 above establishes a minimum performance standard to comply with regulatory requirements, provides for a monitoring and measurement system, requires the engagement of employees at all levels of the organization, sets the expectation for transfer of best practices and provides for a reward and recognition system.

By establishing a vision for safety within the organization and providing a roadmap for the processes and controls necessary to achieve the vision, it is now possible to generate a strategic plan to deliver improvement in safety performance which is endorsed and supported by leadership.

"The What" – Safety Vision	"The How" – Safety Policy
Zero Harm Charter	CHEP Safety Policy
 At Brambles we are committed to achieving Zero Harm. This means zero injuries and zero environmental damage. We commit and contribute. We value everyone equally. We respect ourselves. We think first of Zero Harm. We continuously improve. We share. We respect the environment. 	 CHEP is committed to providing and maintaining a safe and healthy work environment and to preventing injuries or illness to our employees, customers, suppliers, contractors and community - safety everywhere. Everyday. Continuously improve safety systems. Monitor and measure performance. Sustain regulatory compliant processes. Provide training programs. Consultative and proactive approach to risk management. Minimize waste, conserve resources and protect the environment. Apply best practices. Recognize excellence in performance.

Exhibit 1. The What.

Exhibit 2. The How.

Overcoming Variation in Regulatory Requirements

In the global environment, variation in regulatory requirements relative to safety is the norm. This can be a major barrier to delivering continuous improvement in safety performance. For example, there is significant variation in how injury statistics are calculated and reported throughout the world. In the US, OSHA calculates injury statistics per 100 employees, using 200,000 work hours as the multiplier to calculate the injury rate per 100 employees. In Australia and many other parts of the world, injury statistics are calculated as number of injuries per million hours worked, using 1,000,000 work hours as the multiplier to calculate the injury rate.

Why does it matter how injury statistics are calculated? In order to baseline the current state of performance, consistently measure performance and perform comparative analysis, metrics for safety must be standardized. For injury statistics, this requires a consensus driven exercise to agree on common definitions and how the metrics will be calculated. It is also necessary to test standardized metrics using actual data to identify potential challenges such as maintaining two sets of injury statistics and to perform a baseline analysis of the current state. Once performance metrics are agreed and understood, a common language exists for measuring improvement.

Another challenge to overcome when dealing with variation in regulatory requirements is to understand the differences between regions and identify where commonalities exist. Exhibit 3

below shows how the critical few elements of an effective injury management were identified and which improvements needed to be implemented in the various regions of one company to enhance and improve the injury management system. This enabled injured workers to receive appropriate medical treatment for workplace injuries and enabled injured workers to return to work in a controlled manner to prevent the possibility of recurrence of the injury.

Critical System Elements	USA	EUR	LAT	AME	AP	CAN
Injury Management Policy Approved by Senior Management						
Policy aligned with Country, State or Provincial Regulations						
Policy & Procedure translated into country/region specific lanquage						
Policy& Procedure available on the Intranet/Internet						
Injury Investigation Team Includes Employee Committee Members						
Injury Management Plan (IMP) done with Medical Consultation						
Modified Duty Program includes Physical Demands Analysis						
Modified Duty Days Monitored Weekly for Staff/Non-staff						
Claims Management Responsibilities defined at location level						
Claims Management Consultant (TPA) support provided						
Workman's Compensation Cost of Claims Database		UK only				
Injury Mgmt. Goals Aligned with HR, Operations, and Risk Mgmt.						
Responsibility for Long Term WCB Claims Mgmt Assigned						

Exhibit 3. Critical Elements of Injury Management System Baseline

Focusing on the identification of commonalities in existing systems ensures the critical few elements for an effective safety management system are implemented in every region and enhance or improve the regulatory control environment. This approach enables best practices to be easily transferred between regions and allows step change improvement in safety performance to be achieved.

Recognizing Regional Diversity

Regional diversity, also known as the "not created here" or "we're different" syndrome can be a major barrier to achieving excellence in safety performance. While the common language for business in the global environment is English, it is important to recognize everyone does not speak the same English therefore increasing the opportunity for misunderstanding to occur. Additionally, a lack of knowledge or awareness of the cultural differences between countries can be cause for misunderstanding and reinforcement of individuals' perceptions and reactions to change management processes.

So, what can be done to address the "not created here" or "we're different" syndrome? The best approach is to apply Habit 5 of Stephen R. Covey's "The 7 Habits of Highly Effective People" – "Seek first to understand, then to be understood". This requires active listening, reprocessing key points in your own words to ensure alignment on ideas and methods, and total consensus or the resolution strategy and forward progress steps.

Several years ago, one company mandated that every region was required to have a behavior based safety system. One of the initial approaches was to benchmark internally and implement the same behavior based safety system across the globe. After a day of debate about which region had the best behavior based safety system and why they would not be able to change to a new global system, the consensus was to develop a list of the common elements of the existing behavior based safety systems and enhance the existing regional systems by ensuring the common elements identified were incorporated in each region.

	AM	IE	Asia	-Pac	Can	ada	Euro	оре	Lat	Am	U	SA	
(place an X for your answer in the appropriate box)	Y	Ν	Y	Ν	Υ	Ν	Y	Ν	Y	Ν	Y	Ν	
Does the region have a Behavior Safety System?	х		х		х		х		х		Х		100%
Does the Behavior Safety System Included the following elements:													
Employee run safety committees?	х		х		х		х		х		Х		100%
Employee input/involvement to identify solutions?	х		х		Х		х		х		Х		100%
Recognition & positive reinforcement?	х		Х		Х		x		х		х		100%
Education / training on the process for all employees?	х		х		х		х		х		х		100%
Communication process at the site level?	х		х		х		х		х		х		100%
Documented observations using job specific checklists?		х	х		х		х		х		х		83%
Employee conducted observations?		х	х		х		х		х		х		83%
Performance measurement process at the site level?		х	х		х		x		х		х		83%
Results (lag indicators) measurement process?		х	х		х		x			х	х		83%
Communication process at the regional level to share results?		х	х		х		х			х	х		67%
Management conducted observations?	х		х			х	х			х		х	50%

Exhibit 4. Common Elements of Behavior Safety System.

Exhibit 4 above shows a sample of how the benchmarking of common elements of an effective behavior safety system was conducted and the surprising results that while each region was using a different behavior based safety system, there was a high level of compliance to the identified common elements of an effective system across the regions.

This is an excellent example of how important it is to recognize that regional diversity exists and can be utilized to identify and transfer best practices to achieve step change improvements. It is also an example of how regional diversity can be positively defined as "think globally and act locally".

Summary

To deliver excellence in safety performance requires understanding what cultural, technical, and organizational barriers exist which are driving the current performance. Once the barriers of leadership commitment, variation in regulatory requirements and regional diversity have been identified, a baseline assessment of existing processes and systems can be conducted, and a

strategic plan can be developed to systematically deliver shareholder value and achieve financial objectives by preventing losses from occurring.

Bibliography

Covey, Stephen R. *The 7 Habits of Highly Effective People*. Fireside ed. New York, NY: Simon & Schuster, 1990.