



Safety Management Leadership

Essential Characteristics of Safety Excellence

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Objectives

- Identify key reasons and benefits of managing a safety process
- Recognize four essential characteristics of safety Excellence.
 1. Management Leadership and Commitment
 2. Meaningful Employee Involvement
 3. Measurement Systems
 4. Continuous Improvement Process
- Identify 9 Elements of an safety management system.
- Identify your role in achieving safety excellence



Managing Safety and Health Efforts

- Motivators for improving safety/health performance
 - Finance
 - Humanist
 - Regulatory
 - Public Relations
 - Employee/Labor Relations



Business Case for a Safety Management System

- Improved employee relations
- Improved productivity and reduced costs
- Improved quality
- Enhanced public image

US Enrichment Profile



Company

- **Clients in 16 countries**
- **4,500-person workforce**

Facility

- **Puducuh, Kentucky**
- **1,600 employees**
- **Gaseous diffusion**
- **Low level enrichment**

Products & Services

Uranium Fuel Enrichment

- **For commercial nuclear power plants**
- **Only U.S. uranium enrichment facility**

Evaluate Advanced Enrichment Technologies





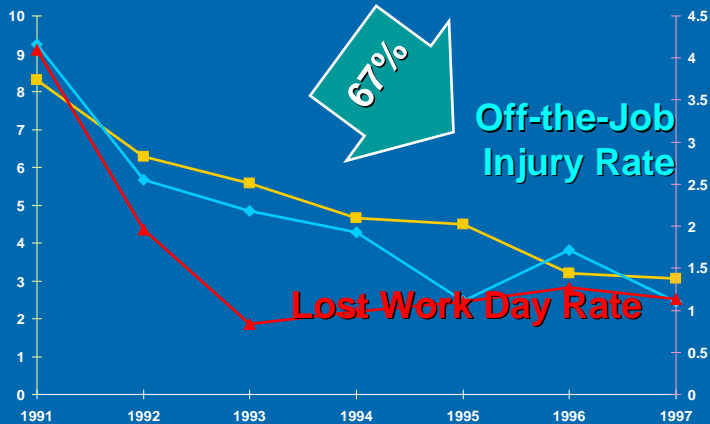
Effect on Productivity

- Industrial safety improvements
“overflow” to other aspects of operation
- More efficient operations
- Reached all-time production records
- 100% on-time delivery of product
- 20% cost reduction in 5 years

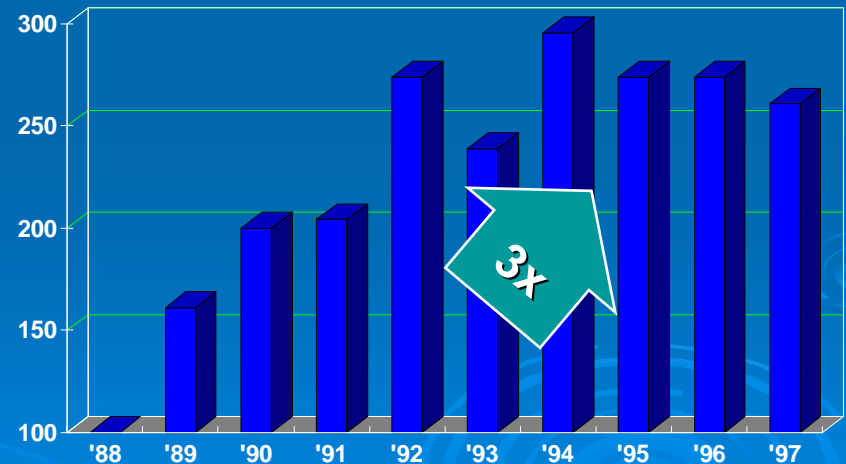
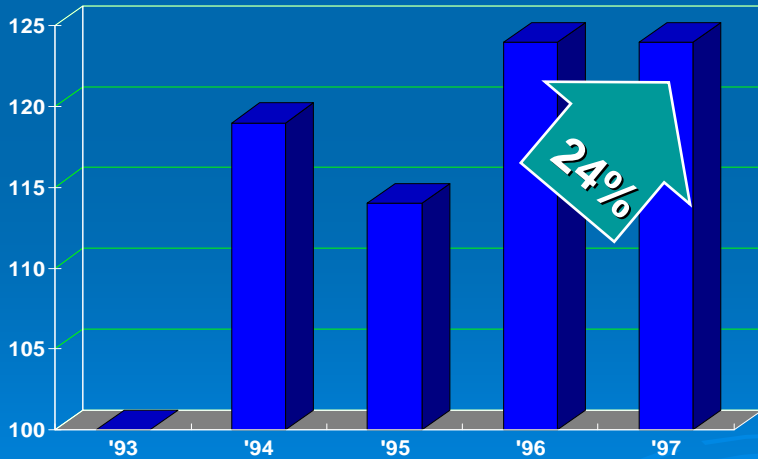


Workplace Trends

Injury / Illness Rate



- ☞ Safety
- ☞ Productivity
- ☞ Quality



Kerry Profile



Company

- **Facilities in 16 countries**

Facility

- **Covington, Ohio**
50 employees
- **Spray drying**
- **Production -**
40 million pounds
per year

Products

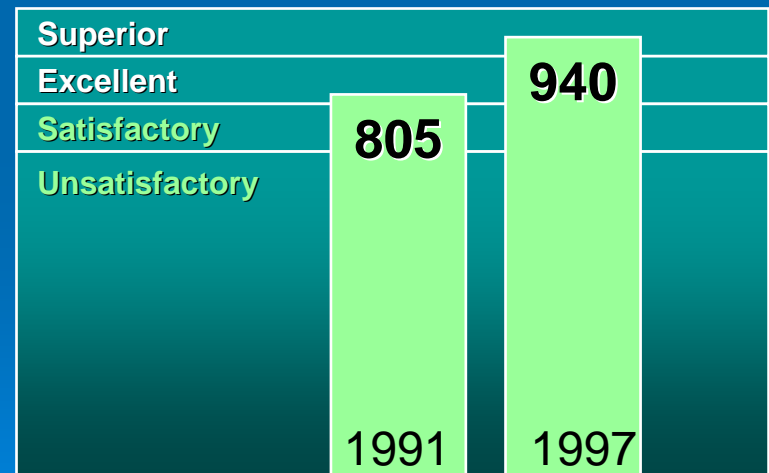
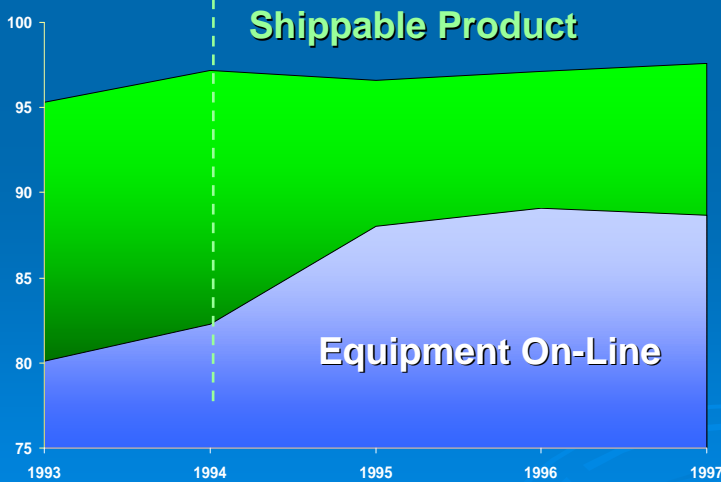
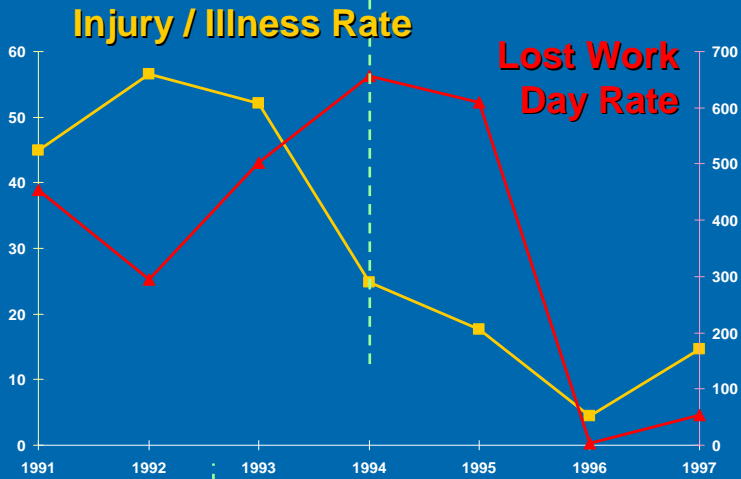
- Specialty Food Ingredients**
- **Seasonings**
- **Breadings**
- **Milk replacement**
- **Cheese & dairy flavors**





Workplace Trends

- ☞ Safety
- ☞ Productivity
- ☞ Quality



Matsushita Profile



Company

- **Founded 1935**
- **Operates 222 companies in 44 countries outside Japan**

Facility

- **Tsuyama Factory**
- **Founded in 1968**
- **720 current employees**

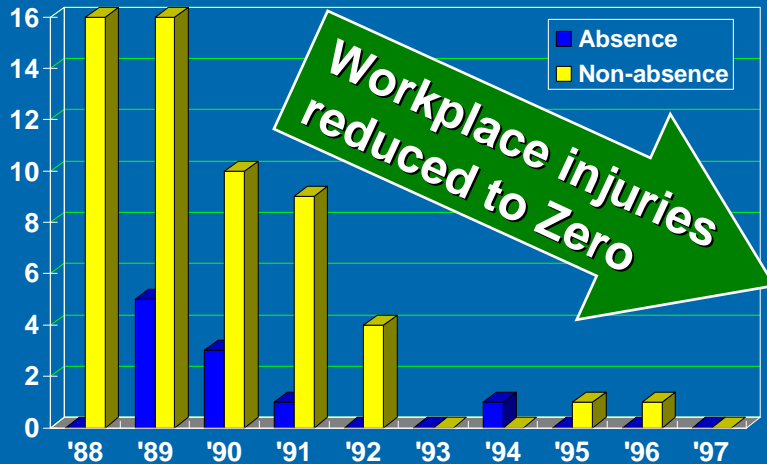
Company Products

- ### Electric & Electronic Products
- **Consumer products**
 - **Video & audio equipment**
 - **Home appliances**
 - **Industrial products**
 - **Information & communications equipment**
 - **Industrial equipment & components**

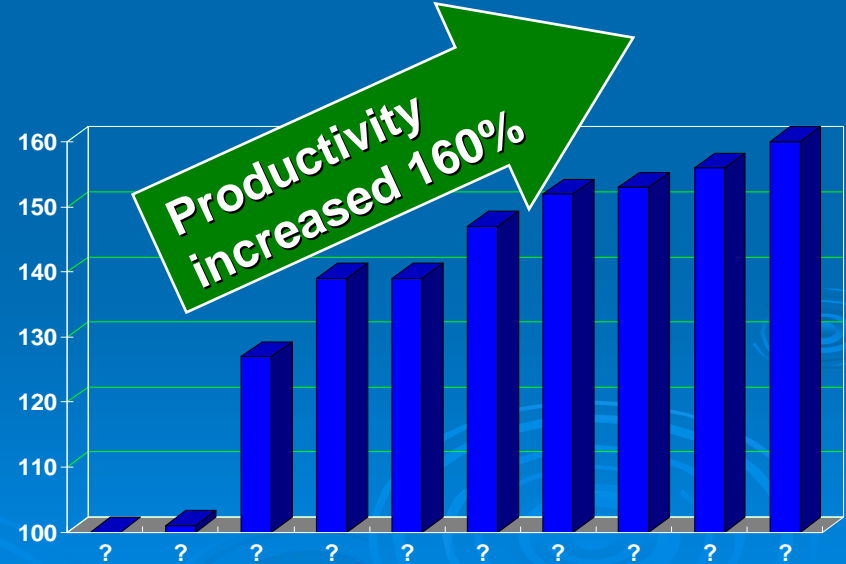
Name Brands

- **Panasonic**
- **National**
- **Technics**

Workplace Trends



- ☞ Safety
- ☞ Quality
- ☞ Productivity



The Economic Burden



Impact of WC Costs on Profits and Sales

You are the President of a company doing \$5 million in sales. Your profit was 5%.

$$\begin{array}{r} \$5,000,000 \\ \times \quad .05 \\ \hline \$ 250,000 \end{array}$$

Profit=

Last year your company had accident costs of:	Direct Costs	\$20,000
	Indirect Costs	<u>+ 80,000</u>
	Total Accident Costs	\$100,000

Accident costs reduced your profits to:

Initial Profits	\$250,000
Accident Costs (lost profits)	<u>- 100,000</u>
Remaining Profits	\$150,000

To recover those lost profits your company must generate an additional **\$2,000,000** in sales!

Lost Profits	\$100,000
Profit Margin	<u>÷ 5%</u>
Sales Required=	\$2,000,000



Essential Characteristics of Safety Excellence

1. Management Leadership & Commitment
2. Meaningful Employee Involvement
3. Measuring Safety Performance
4. Continuous Improvement



1. Management Leadership

- Communicate a vision
- Integrate safety/health into organization
- Define roles and responsibilities
- Require accountability from all
- Allocate resources
- Conduct assessments to support change
- Take proactive measures



Key Leadership Practices

- Making the Case for Change
- Shared Vision
- Building Trust
- Developing Capability



2. Meaningful Employee Involvement

- Involve employees from **ALL** levels
- Proactive activities
- Focus on recognition, evaluation, and control or elimination of workplace hazards





Definition of Employee Involvement

Employee involvement is the act of having employees participate in the planning, problem solving, and decision making processes that will identify and reduce or eliminate safety and health hazards.





Conditions for Employee Involvement

- Management must be visible and consistently talking with employees about safety.
- Employees need to be encouraged to give their opinions and suggestions about safety.
- Leaders need to act on employee suggestions.



Conditions for Employee Involvement (continued)

- There must be constant communication about safety and how to improve it.
- Employees must be empowered to make decisions about safety.





3. Measuring Safety Performance

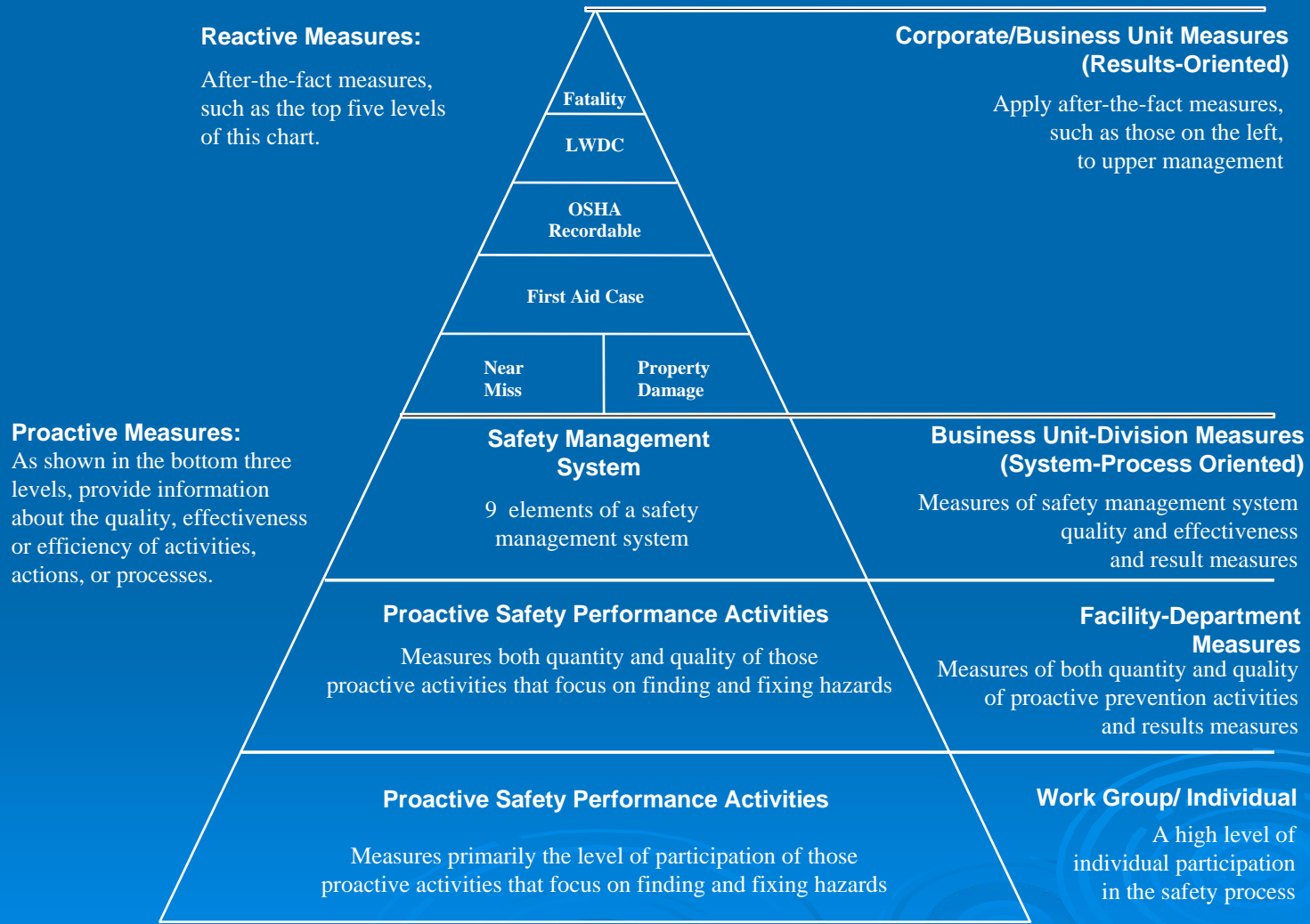
- A safety program's effectiveness is often measured solely on the basis of its failures.
- The ultimate goal of any safety program is to find and fix hazards before illness or injury occurs.
- Focus on activities that are:
 - Positive
 - Proactive
 - Targeting underlying causes



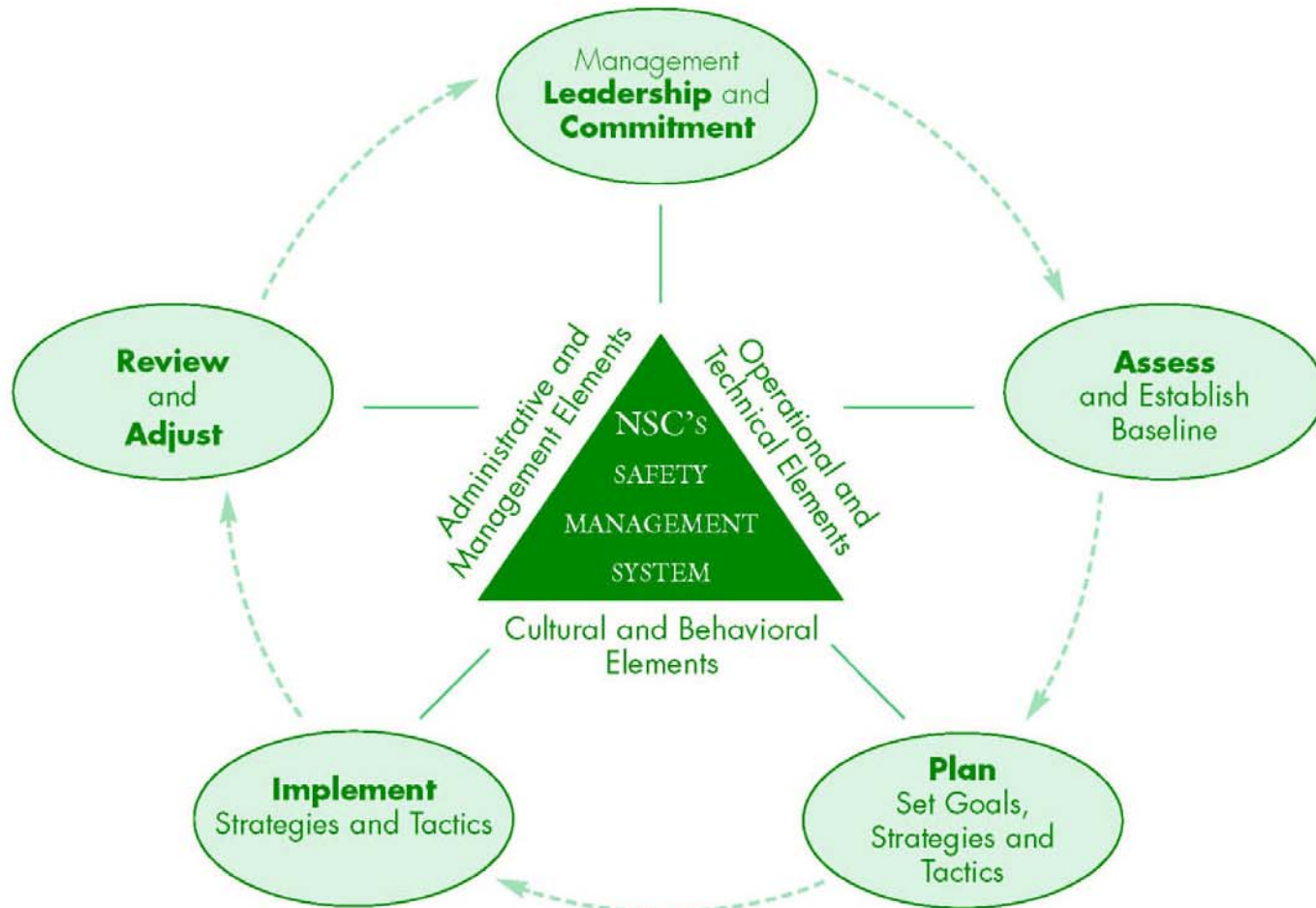
Measurements

<i>Dept</i>	<i>JSA</i>	<i>Hazard Insp</i>	<i>Safety Trng</i>	<i>Safety Mtgs</i>	<i>JBO</i>	<i>TOTAL</i>
<i>Ship / Receive</i>	<i>1</i>	<i>4</i>	<i>1</i>	<i>2</i>	<i>4</i>	<i>12</i>
<i>Prod.A</i>	<i>2</i>	<i>4</i>	<i>1</i>	<i>4</i>	<i>6</i>	<i>17</i>
<i>Prod.B</i>	<i>1</i>	<i>6</i>	<i>1</i>	<i>4</i>	<i>8</i>	<i>20</i>
<i>Prod.C</i>	<i>4</i>	<i>4</i>	<i>1</i>	<i>2</i>	<i>6</i>	<i>17</i>
<i>TOTAL</i>	<i>8</i>	<i>18</i>	<i>4</i>	<i>12</i>	<i>24</i>	<i>66</i>

Hierarchy of Safety Measures



4. Continuous Improvement Process



Safety Management System Considerations



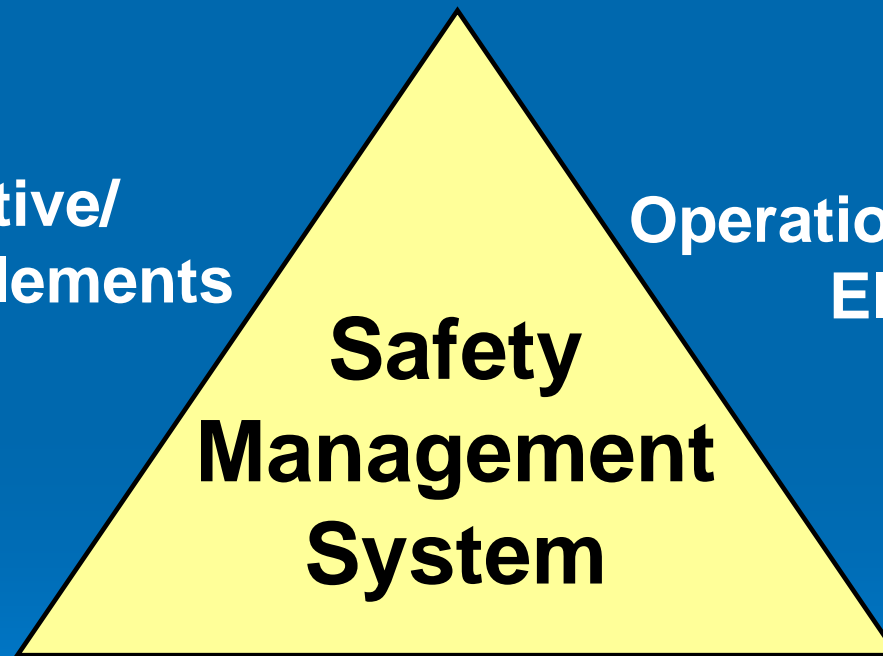
- Organized, structured, managed process that:
 - Defines roles for each individual
 - Sets performance measures and accountabilities
 - Integrates safety into business planning processes
 - Emphasizes continuous improvement of safety management system

Comprehensive System Balanced Approach



**Administrative/
Management Elements**

**Operational/Technical
Elements**



**Cultural/Behavioral
Elements**

Components of a Safety Management System



Administrative & Management	<ul style="list-style-type: none">➤ Management leadership & commitment➤ Organizational communications & system documentation➤ Assessments, audits, evaluations, & continuous improvement
Operational & Technical	<ul style="list-style-type: none">➤ Hazard recognition, evaluation, & control➤ Facility design & engineering➤ Operational safety programs
Cultural & Behavioral	<ul style="list-style-type: none">➤ Employee involvement➤ Motivation, behavior, & attitude➤ Training & orientation

Safety Culture

A dynamic organizational environment in which the collective positive and/or negative values, attitudes, knowledge, or behavior regarding safety are both defined and exhibited.



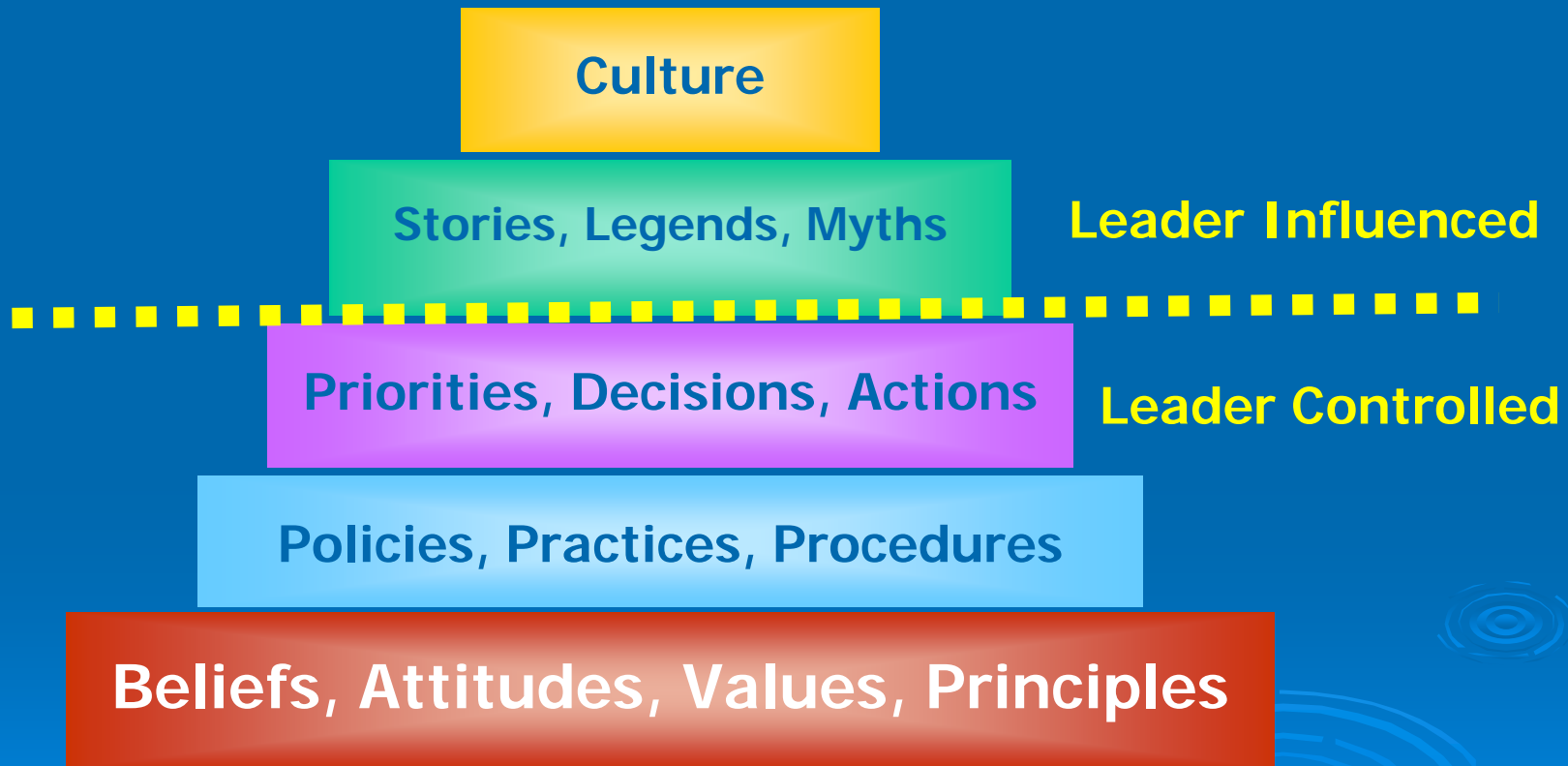


When you have a positive safety culture, you are saying . . .

I care!



Organizational Culture Model





Leadership Roles for... Beliefs, Attitudes, Values, and Principles

- Create the safety and health vision.
- Communicate the safety and health vision.
- Communicate the important safety and health values and principles.
- Share attitudes toward safety and health.
- Create a “*We Care About Safety*” philosophy.



Leadership Roles for... Policies, Practices, and Procedures

- Create policies and procedures that support the safety and health vision.
- Support practices that lead to a safe and healthy workplace.
- Ensure that safety and health policies and procedures are implemented.



Leadership Roles for...

Priorities, Decisions, and Actions

- Allocate resources to support the safety and health vision.
- Set priorities and measurements that are consistent with the safety and health vision.
- Make decisions that are consistent with the safety and health vision.
- Get involved with safety and health efforts.
- Follow all safety and health rules.



Six Phases of Safety Excellence

Phase 0

Phase 1

Phase 2

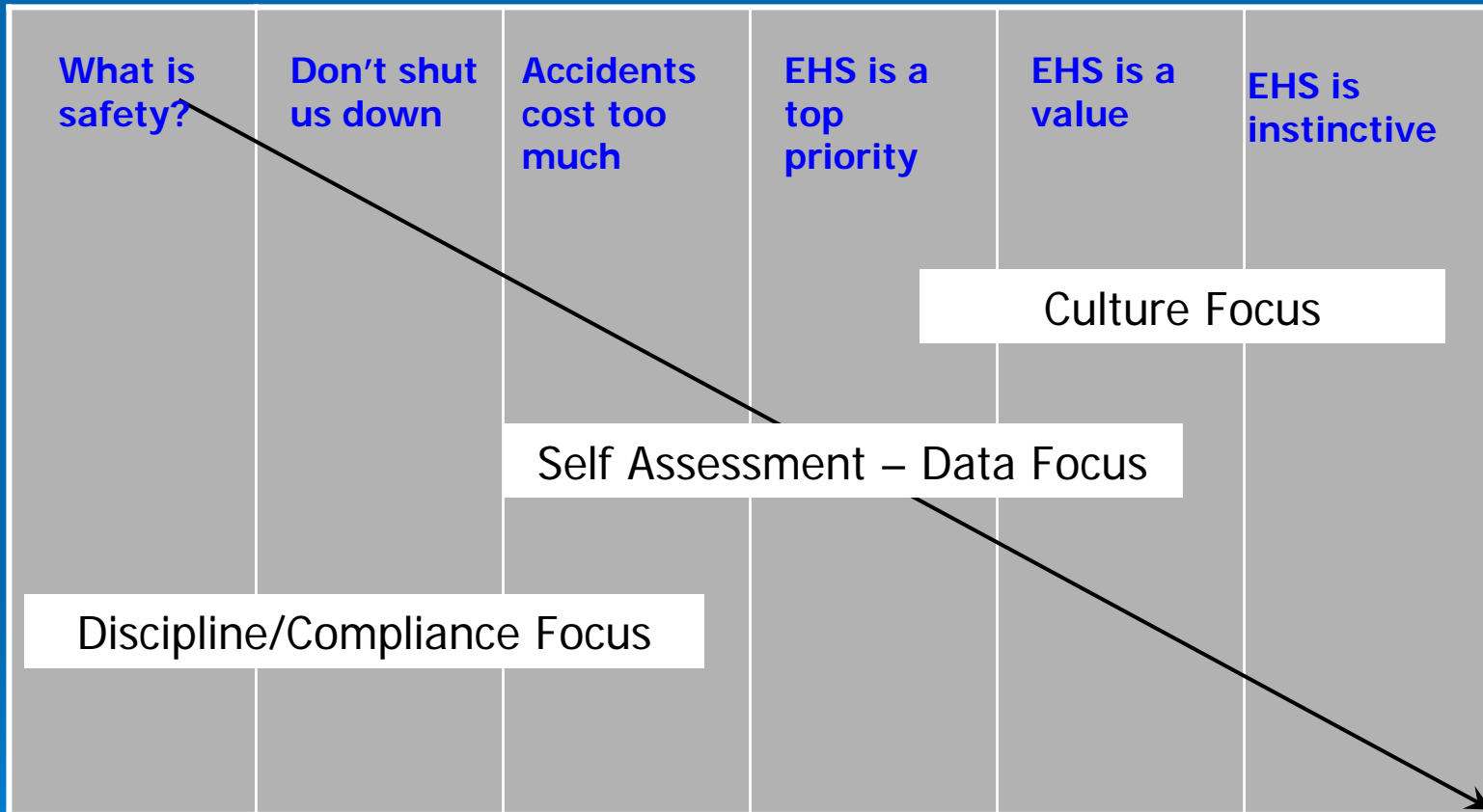
Phase 3

Phase 4

Phase 5

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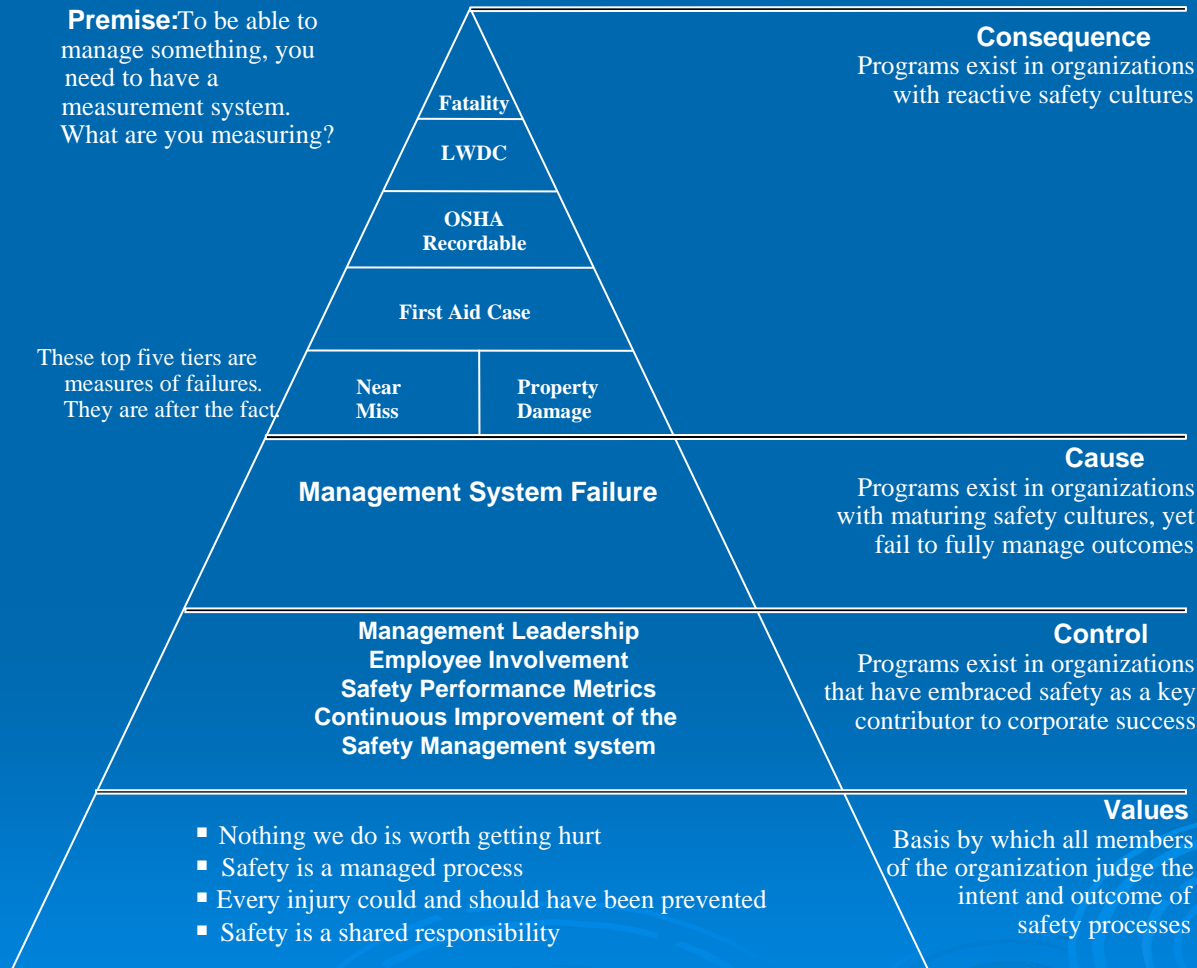
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T I M E



Foundation for Excellence



Your Role in Achieving Safety Excellence



- Gain management's attention
 - Provide factual information
 - Help create a vision – lead by example
 - Serve as a resource for advising management
 - Speak the language that motivates management
 - “Sell” safety by shifting from cost to value
 - Communicate effectively with management and employees
- Conduct gap analysis, analyze results and communicate the findings and offer solutions

Thank You!



"Well, I see my time is about up..."