

Using Safety as a business driver

By Max Lloyd-Jones

Sustainable performance, contained cost



Truly successful companies have optimised production to deliver the highest return on investment to shareholders. They have a culture that does not tolerate waste, loss or injuries.

These organisations have a very well defined culture that is shared by everyone from the Chief Executive to the most junior member of staff. And safety is the best vehicle to achieve a zero waste culture.

Corporate shareholders and salary earning workers employed by these corporations seldom have identical interests. However, making safety a core value, a core capability and a core business process is a rare example of a true win-win situation

The place of safety

Traditionally organisations focus on their key business activities, be it manufacturing, smelting or mining. While no one sets out to get injured or to create an environment where anyone can be hurt, incidents do occur and people do get hurt, sometimes seriously or worse.

Safety tends to sit on the side, its importance recognised, but its potential as a business driver ignored. While safety performance figures may be talked about around the executive table, responsibility for safety is delegated to middle ranking line managers and / or safety professionals.

The cost of workers compensation and safety systems may be a headache but it is regarded in much the same light as taxes – unavoidable.

Safety is seen as a program that needs some attention beside the main game – production.

Safety can also become an industrial battleground with unions using safety as a battering ram for a multitude of demands, forcing management into a defensive position.

Yet, safety can be used in a very different way, to drive profitability through a combination of savings and efficient production, effective industrial relations and a highly motivated workforce.

Safety as a core value

Organisations that adopt safety as a core value understand that their success depends on the ability of their people to achieve the targets set by the board and management. Accordingly, they care for their employees, understand their employees' issues in the workplace and deal with them. They are rewarded with initiative, cooperation, loyalty and commitment.

The cost of safety

Economic modelling can easily demonstrate how significant amounts can be added to the bottom line simply by not spending the money on medical bills, insurance premiums, compensation and lawyers' fees.

Benefits of safety as a core business process

However, the less direct benefits of safety are far greater. Those come in the form of organisational effectiveness, motivation and initiative.

Safety as a core competency

Most organisations understand what safety is all about, they know what they need to do to comply with legislation, they have safety management systems, they employ safety professionals who help line managers meet requirements.

Few organisations have built real competency in safety. The ones that have, understand how safety can be used as a strategic tool to achieve competitive advantage. They understand how to use sophisticated safety tools to turn safety into a business driver. They develop supervisors and managers who view safety as one of their primary day-to-day responsibilities. They use safety to manage the employees in company programs.

Safety as a core business process

Safety integrated into business processes is a powerful way to ensure consistently high performance and business standards.

Safety thinking starts with the business strategy and design. Equipment is purchased or built in a way that no retrofitting is necessary.

Employees whose risk profile fits the organisation's needs are engaged. Safety is integrated into everything that the organisation does. People are trained in the standards expected of them, and leaders engage with the people to make sure that the standards are not allowed to slip, on the contrary, improve continuously.

Consistent and persistent engagement with operational employees ensures an intense focus on safety, and an intense focus on efficiency resulting in a seamless, environmentally responsive high quality production process.

In an environment where managers demonstrate to employees that they genuinely care about them, morale is high, and industrial trouble highly unlikely.

Safety as a cultural change agent

We are all throwing around the phrase "cultural change". We want to change the culture of our organisations to overcome difficulties. What we really mean is that we have identified business problems and we need to find solutions that go beyond the paradigm of systems and processes. So we want to change the culture. What we need to do is to identify and articulate the business problems that have brought us to a cultural impasse.

Then we can change the business processes and systems, including the people management processes.

Even in the most safety conscious, best managed organisations people make mistakes. A set of circumstances come together and

control over a hazard is lost. A behavioural approach to safety management focuses on controlling hazards by understanding and influencing employee behaviours.

An organisation that has fully adopted behavioural safety will have an interdependent, team-based culture. The key words that describe the way

such organisations operate are: safety is a value; empowered employees; team commitment; leadership at all levels; systems thinking; safety for others as well as for myself and effective communication and continuous improvement.

With such an approach to safety management we can indeed achieve a culture that encourages, develops, empowers, and

supports the people in the business to reach the peaks and get the prizes.

How to get there?

Historically many organisations have been striving to achieve profitability by increasing uptime. Best practice companies are turning the concept upside down and focus on reducing downtime.

They have adopted the zero waste concept and regard any injury, equipment or property damage or near miss incident as waste that has come about by loss of control in the system.

No company can achieve a zero incident operation overnight. The journey takes a long time and it requires relentless commitment, tireless focus and a lot of hard slogging.

The journey starts with the careful setting of standards and the creation of robust systems. At the same time safety needs to be integrated into all processes and the behavioural

Lloyd-Jones Meakin Group is a specialist consultancy positioning clients for success using safety as vehicle.

It is led by people who passionately believe that solid safety performance is a benchmark of global competitiveness.



approach adopted to engage people. Features of the journey include ambitious targets for everyone, especially managers. The CEO and senior leadership are personally engaged in the safety process and lead by example. There is a heavy focus on educating, coaching and training people. Operational employees have a full franchise to shape safety and their views are taken seriously. Systems and processes are interlinked and there is only one direction, that of continuous improvement.

What's the next step?

Through safety there is a window of opportunity to achieve a dramatic step change in business performance. The organisation can jump up to a much higher platform and use continuous improvement to make the position sustainable. To seize this opportunity the same analytical and strategic approach is needed as is accorded to financial planning or structural modelling.

The first step is a clear understanding of the current state based on an independent analysis. The analysis will yield the inputs for constructing a tailor made strategy to make safety a sustainable driver.

The critical success factor of implementation is the genuine, heartfelt and passionate commitment of the leadership team. It is up to them to drive the commitment, be involved, stay engaged and make it possible to create safety as a core value.

There is a catch though – without that leadership commitment safety will not become the catalyst for continuous improvement. It will be, as it is in many organisations, a program that may be integrated into some business processes but does not have the traction of a deeply embedded value.

The time is right. The choice is yours.