The Road to World Class Safety

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Michael Bellaman
Associated Builders and Contractors
Agenda

• The Road Map
  – Dissatisfaction with Current Performance
  – Leadership Commitment
  – Cultural Transformation
  – World Class Systems and Processes
  – World Class Results

• Q&A
The Road Map to World Class Safety

- Leadership Commitment to World Class Safety
- Cultural Transformation and Commitment to World Class Safety
- World Class Safety System
  - Process Introduced and Deployed
- Current Safety Performance
- Safety Academy
- World Class Safety
The Road Map to World Class Safety

World Class Safety System
Process Introduced and Deployed

Cultural Transformation and Commitment to World Class Safety

Leadership Commitment to World Class Safety

Current Safety Performance

World Class Safety

Safety Academy
STEP as a Benchmarking Tool

• ABC’s Safety Training Evaluation Process (STEP) founded in 1989 by safety professionals
  – Designed to help companies evaluate every aspect of their corporate safety & health program and identify opportunities to drive towards world class performance
  – **20 Key Components** – self-evaluation portion of STEP that provides roadmap for companies to follow on journey towards world-class
Safety Performance Report Background

• Annual report compiled from STEP data
  – Prepared using STEP data from previous calendar year’s submissions (2015 safety data year)
• Identifies six leading indicator questions from STEP application and analyzes aggregate lagging indicator safety performance based on usage
• **Goal:** determine the correlation between leading indicator implementation and lagging indicator performance

**Leading Indicator:** system/process used by a contractor to identify hazards/hazardous behaviors and eliminate/minimize the condition to prevent injury

**Lagging Indicator:** statistic that represents incidents/conditions that have already occurred and measures performance based on industry-recognized calculations
Definitions

• **TRIR = Total Recordable Incident Rate**
  - Measures the number of cases per 100 full-time employees where an injury or illness caused a loss of life, situation where an employee is unable to work (days away), is restricted or transferred based on inability to perform normal job functions or any other injury that falls under the OSHA definition of a recordable incident.

• **DART – Days Away, Restricted or Transferred rate**
  - Measures the number of cases per 100 full-time employees where an injury or illness causes an employee to be restricted or transferred based on inability to perform normal job functions.
Enables Companies to Benchmark Safety Performance vs. ABC STEP vs. BLS Industry Averages - TRIR

<table>
<thead>
<tr>
<th>Year</th>
<th>STEP Diamond</th>
<th>STEP Platinum</th>
<th>STEP</th>
<th>Industry Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>4.0</td>
<td>2.5</td>
<td>1.1</td>
<td>0.7</td>
</tr>
<tr>
<td>2012</td>
<td>3.9</td>
<td>2.2</td>
<td>1.0</td>
<td>0.3</td>
</tr>
<tr>
<td>2013</td>
<td>3.8</td>
<td>2.0</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td>2014</td>
<td>3.7</td>
<td>1.8</td>
<td>1.5</td>
<td>0.5</td>
</tr>
<tr>
<td>2015</td>
<td>3.6</td>
<td>1.8</td>
<td>1.0</td>
<td>0.5</td>
</tr>
</tbody>
</table>

720% Safer
The Reality

• Every work day in the Construction Industry, statistics show on average ~3 people are fatally injured
The Road Map to World Class Safety

World Class Safety System Process Introduced and Deployed

Cultural Transformation and Commitment to World Class Safety

World Class Safety

Leadership Commitment to World Class Safety

Safety Academy

Current Safety Performance
Leadership is the authentic expression of who you are in such a way that creates the conditions for others to achieve.

Alan Medville **
Safety leadership is the authentic expression of who you are in such a way that creates the conditions for others all to achieve do their work without incident and go home safely every day.

Alan Medville **
Uncompromising Leaders

• Have courage
• Are comfortable being out in front while everyone else is behind them
• Take a stand when no one else will
• Get their energy from transforming and challenging the status quo
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Safety Academy
“Culture eats Strategy for breakfast!”

Peter Drucker
A Culture Where Everyone

• Believes all incidents are preventable
• Is unwilling to compromise someone’s safety for ________
• Is in passionate pursuit of new ways (world class process) to be safer and eliminate incident
What is Culture? The Character of a Corporation

- Rob Goffee and Gareth Jones define
  - Solidarity as a measure of mutual interest and shared goals among members of a community (company, project)
  - Sociability as a measure of friendliness among members of a community (company, project)

- The delicate dance of “Managing Performance to Achieve Desired Results vs Maintaining Friendly Relationships”
Culture – the Leader Effect

“The Culture of any organization is shaped by the worst behavior the leader is willing to tolerate.”

Steve Gruenert and Todd Whitaker
The Road Map to World Class Safety

1. Leadership Commitment to World Class Safety
2. Cultural Transformation and Commitment to World Class Safety
3. Current Safety Performance
4. World Class Safety System Process Introduced and Deployed
5. Safety Academy
6. Leadership Commitment to World Class Safety
Leading Indicators Used in the Safety Performance Report

• **New-hire safety orientation** – length of time spent on safety awareness & education during orientation training for newly-hired employees

• **Site-specific safety orientation** - safety orientations/briefings for employees that are specific to each jobsite and are separate from the safety portion of new-hire orientations

• **Toolbox talks** – brief, single-topic training sessions (15-30 mins.) conducted on the jobsite for all employees
Leading Indicators Used in the Safety Performance Report

• **Near miss/near-hit** – incidents that did not cause injury but, had circumstances or conditions been different, would have resulted in injuries/fatalities and/or an OSHA citation.

• **Weekly Jobsite Inspections and Action** - a systematic approach to jobsite inspections which includes documentation, and actions taken to improve conditions.

• **Substance abuse program** - a written substance abuse program/policy with provisions for drug/alcohol testing where permitted.
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### World Class Process Effect on Safety Performance

<table>
<thead>
<tr>
<th>Those Companies who Deploy...</th>
<th>Those Companies who Deploy...</th>
<th>% Safer</th>
</tr>
</thead>
<tbody>
<tr>
<td>VS.</td>
<td></td>
<td>DART</td>
</tr>
<tr>
<td>New Hire Orientation &gt; 195 min</td>
<td>New Hire Orientation &lt; 75 min</td>
<td>1195%</td>
</tr>
<tr>
<td>Site Specific Orientations</td>
<td>No Site Specific Orientations</td>
<td>290%</td>
</tr>
<tr>
<td>Daily Tool Box Talks</td>
<td>Monthly Tool Box Talks</td>
<td>449%</td>
</tr>
<tr>
<td>Daily Tool Box Talks</td>
<td>Weekly Tool Box Talks</td>
<td>330%</td>
</tr>
<tr>
<td>Track Near Misses</td>
<td>Do not Track Near Misses</td>
<td>219%</td>
</tr>
<tr>
<td>Weekly Inspections w/Follow-up</td>
<td>Monthly Inspections no Follow-up</td>
<td>221%</td>
</tr>
<tr>
<td>Substance Abuse Program</td>
<td>No Substance Abuse Program</td>
<td>489%</td>
</tr>
<tr>
<td>All the World Class Process</td>
<td>3 World Class Processes</td>
<td>--</td>
</tr>
</tbody>
</table>

Results published in 2016 ABC Annual Safety Performance Report
Safety Performance

ABC STEP Participants vs. BLS Industry Averages - TRIR

86% Reduction
% Comparison 2015 STEP vs BLS - TRIR

<table>
<thead>
<tr>
<th>Step Level</th>
<th>Reduce Rates BLS AVG by</th>
<th>% Safer than BLS AVG</th>
</tr>
</thead>
<tbody>
<tr>
<td>STEP Participant AVG</td>
<td>53%</td>
<td>212%</td>
</tr>
<tr>
<td>STEP Platinum AVG</td>
<td>71%</td>
<td>360%</td>
</tr>
<tr>
<td>STEP Diamond AVG</td>
<td>86%</td>
<td>720%</td>
</tr>
</tbody>
</table>

In other words... If your company currently performs at BLS averages in Safety and you as a leader

• commit to taking the STEP journey,
• transform your culture, deploy world class process and
• become STEP Diamond ...

you can reduce your TRIR by 86% and be 720% better than the Industry Average Safety Performance per BLS
This is great progress but...

• We won’t relax until...
The Future of STEP and the Safety Performance Report

• Drive the construction industry towards safety cultures where eliminating the hazard before it becomes an incident is the expectation, not the desire

• Increase the data-gathering potential within the owner/GC/CM community

• Adding new leading indicator questions and deeper dives into existing data to identify trends on a micro scale
  – By state/region, # of employees, work type, % of work self-performed, etc.

• Promote STEP and the Safety Performance Report throughout the Industry
  – EG ABC Users Summit, CURT, Construction Executive, ABC Chapter Events
The Future of STEP and the Safety Performance Report

• Use STEP levels as a safety pre-qualification tool
  – Evolving STEP to ask questions tailored to owner/user-influenced criteria
• Continue to promote and conduct the ABC Safety Academy
  – A comprehensive course on The Roadmap to World Class Safety
  – Helps our members lay out a multi-year plan get to World Class
  – Can be presented in modules
  – Micro modules on Leading and Lagging Indicators
• Promote www.drugfreeconstruction.org
  – Take the Pledge Today
Additional Acknowledgments

- ABC Annual STEP Safety Performance Report – Published 2015, 2016
- ABC Safety Training and Evaluation Process (STEP) Program
- Alan Medville – Medville Consulting
- Bureau of Labor and Statistics
- CNA
- Construction Coalition for a Drug and Alcohol Free Workplace
- DuPont Safety Services
- Grant Ackerman – Faculty at Columbia School of Business - Executive Education
- Jack Welch - Winning
- JMJ – Uncompromising Leadership
- Kotter’s 8 Step Change Model
- Lend Lease Corp
- Peter Drucker – Author and Leadership Guru
- Rapport Safety Leadership
- Steve Gruenert- Department Chair of the Educational Leadership department at Indiana State University
  - Todd Whitaker _professor of educational leadership at Indiana State University.
- The Character of a Corporation - Rob Goffee and Gareth Jones
Questions?

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