

# **8 Silent Killers Of Companies with Outdated Safety Culture: *could these be destroying your company from the inside out??***

## **8 FACTORS THAT INFLUENCE WORKPLACE SAFETY CULTURE**

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### **1. Clean Kitchen, Clean Safety Record**

According to a study by Dave DeJoy and Todd Smith from the University of Georgia's College of Public Health, they found **a well-kept site means safety is a priority.**

*DeJoy says "If you talk to people who do safety inspections, they will often tell you that the first impression they get when they walk into a factory or construction site - how neat it is and whether employees seem to be actively engaged. Tells them whether or not a workplace is safe or not he says. Now, we have the numbers that back this up across a wide range of settings".*

Companies that look after the seemingly little things, such as ensuring everyone is wearing PPE without tears and holes, equipment is safe and operational and that working areas are clean and tidy, send out subtle messages that the workplace is important and so are the people working in it.

An ordered, clean space signifies that only careful and efficient behaviour is tolerated.

Carelessness is contagious. So is not caring about where you work and the safety of your workmates. Organisations that allow untidiness and broken equipment are subconsciously saying that safety and equipment aren't important. **By fixing up the little things in your environment (eg: broken/unsafe machinery, PPE that needs replacing), you fix up the safety culture.**

While keeping clean workplace premises, is one proven sign that great safety performance is expected; there are also other signs that indicate a poor safety culture:

## **2. Work/Life Balance**

The same research study by DeJoy also found that when work interfered with family life or family demands - job performance was affected. **In fact, the risk for injury increased by 37 percent.**

You can hear evidence of this by listening to staff complaining about being tired because of their working hours and not spending enough personal time with their family.

## **3. Safety not integrated into the Business**

Progressive companies with a best in class safety records include safety in all of their decisions. Safety is tabled as a topic for every board meeting and all departments consider safety in their projects.

Traditionally, HR and safety have worked separately. According to DeJoy *"A lot of organisations including progressive, organisations, are set up so there's a wall between HR and occupational health and safety", he says "But the two can no longer afford to work in silos - they need to break down those walls"*. HR has an important contribution to make when it comes to creating a culture that values safety, ranging from selecting the right people to putting in place the right work/life programs.

While Jonathan Thomas, manager of survey research services at the National Safety Council, agrees that greater collaboration between HR and occupational health and safety professionals is crucial.

*"It's apparent that the things HR leaders are most concerned about are also the building blocks for building a safe workplace,"* he says.

But it's not just HR and Safety that operate in silos to the detriment of the company. Compartmentalizing risk along business function lines such as "operational risk", "safety risk" and "IT risk" is also an issue.

According to "Managing Risks: A New Framework" by Robert S. Kaplan and Anette Mikes in the June 2012 Harvard Business Review magazine, one of the flaws in human thinking is that we tend to label predictable and familiar risk.

By doing this, companies effectively dissolve both information and responsibility for effective risk management. It inhibits discussion of how the different risks interact with one another.

**All risks need to be looked at holistically rather than put into silos.** Good risk discussions must be confrontational, but lead to all risks being integrated. Physical evidence of this is when safety and HR don't talk to each other in corridors or communicate very rarely. Organisational risks are also categorised by department, with each department responsible for their own risk domain.

#### **4. The Importance of Supervisors**

In the book "First, Break all the Rules" by Marcus Buckingham, his research found the relationship between an employee and their supervisor determined how long an employee will stay in a company and their level of productivity.

Staff that has a good relationship with their supervisor or manager enjoyed their job more and stayed at the company longer. One of the key criteria for being a great manager was they performed highly for communication.

So is there a link between good supervisors and good safety?

The answer is a resounding, **yes**.

Various research studies have shown that **positive communication relations between supervisors and employees improve safety performance.**

Importantly, where employees are able to more freely raise safety concerns because their supervisor encourages communication, fewer accidents occur, provided that management takes action on the safety issues.

A good supervisor fosters positive safety attitudes and encourages sharing important safety-related information.

They are also an important doorway between senior and frontline staff. Great supervisors need the skills to facilitate open and equal communications with both levels.

Evidence of a great supervisor is that everyone, at all levels, can communicate with them and things get done. It also means that accurate injury reporting is being undertaken.

## **5. Us versus Them**

We see ourselves in terms of other people and groups. Evolution has taught us that it is beneficial to live in tribes, where we can share out the work of daily survival.

At the workplace, staff want to feel like their part of a group. After all, it's important that they feel like they're part of a team. And a successful one (just think about how passionately people feel about their football club).

In the book, "Drive", by Daniel Pink, he mentioned that former US labour secretary Robert B. Reich developed a simple diagnostic tool to assess the health of any company. When Reich talks to employees, he listens carefully for the pronouns they use. Do staff refer to their company as "we" or "they"?

"They" suggests disengagement and at its worst, alienation. While "we" suggests that employees feel as if they are part of something meaningful and significant.

If you walk around any factory or construction site and hear workers talking about "they" when referring to the company, you know that both morale and safety are issues. Again, this is when a good supervisor can smooth out any bumps between management and the workforce.

## **6. Poor performing toolbox talks.**

A further sign of cultural issues is when staff avoids attending toolbox talks or being involved in the conversation.

In "Candour, Criticism, Teamwork" written by Keith Ferrazzi for Harvard Business Review in January 2012, his research found that high performance teams have high levels of candour among team members. High candour workplaces have colleagues speaking honestly about the risks involved and other issues, rather than talking behind people's backs. While it is understandable that people prefer to avoid conflict, it's debilitating for organisations. Lack of candour contributes to slow decision making and longer cycle times. The higher the candour, the better the business performance.

But a high candour workplace needs the right organisational culture to allow it to flourish. In fact, low candour workplaces signify a highly politicized workplace where people do what they told and do not question anything.

A high performance workplace allows for two way communication between frontline staff and management. In fact, a study by Christine Boedker from the Australian School of Business reported in BOSS magazine (October 2012) has found that the difference between high performing and low performing workplaces are that staff, at all levels of the company, welcome feedback and criticism.

In the same study, it was found that if leadership skills of front-line managers were improved from the bottom 10%, to reach the top-performing 10%, that would have a positive impact on EBIT (Earnings Before Interest and Tax) of 8.2%.

Companies with a positive culture have engaging toolbox meetings where everyone feels safe to talk about their issues and changes get made. Supervisors also freely share safety information.

## **7. Lack of responsibility.**

Humans tend to blame external factors for their failures and internalize the causes of their successes.

But to be a truly responsible and mature adult – we need to take personal responsibility for all of our actions. Both good and bad. Yet, very few people are able to do this (in fact, those that do tend to be in the top 5% of income earners).

At workplaces, the majority of staff believe that safety isn't their responsibility – it's their safety managers. In *The Change Management Handbook: A Road Map to Corporate Transformation*, Lance Berger and Martin Sikora declare: *"Human behaviour in the workplace is conditioned by a number of factors. It not only is governed by corporate imperatives, but also is conditioned by the employee's own values. Thus, the success of the enterprise depends in large measure on the extent to which these two value systems...the corporate and the personal...are in harmony. Behaviour and values must be viewed in this context"*.

Good safety behaviour means an individual will take responsibility for their own safety, look out for their workmates and cooperate at meetings to let safety leaders know about important safety issues.

According to the Study, "Change in attitude fosters responsibility for safety", by Topf, Michael D; Petrino, Richard A. Professional Safety

40. 12 (Dec 1995): 24, a value system that places importance on safety will manifest itself in these kinds of behaviours.

In addition, employees are more likely to proactively discuss safety issues and voice concerns without prompting. Such proactive behaviour only occurs when employees are aligned into preventive safety efforts. Without attitudinal changes and a strong sense of personal accountability, people will remain unaccountable for safety. Instead, they will return to unsafe behaviour or inaction once the observer is removed.

Companies need to constantly communicate to employees the importance of personal responsibility of safety.

### **8. Safety is not a priority**

As mentioned previously, companies that are great at safety include safety in all their decisions and make it a priority. Every-one in the company knows that safety is important.

Poor-performing companies tend to bury their head in the sand about safety. Senior leaders avoid helping safety professionals promote new safety initiatives and seem disinterested in safety matters. The board also omits having regular safety discussions, seeing it as an annoying operational expense.

Yet, the irony is, that highly successful companies have great safety records and include safety in all their plans.

## WHAT HAPPENS WHEN SAFETY IS FIRST?

### Alcoa Put Safety First



Paul O'Neill, CEO Alcoa 1987-2000

On a windy day in October 1987, the new CEO of Alcoa, Paul O'Neill, gave his maiden speech to shareholders. Most CEO's would use this opportunity to get shareholders excited that they were going to focus the company on increasing sales and reducing costs, for improved shareholder return. But O'Neill was different.

*"I want to talk to you about worker safety."* In an instant, shareholders wondered why he had omitted to talk about improving profits. After all, Alcoa was in a mess.

"Every year, numerous Alcoa workers are injured so badly that they miss a day of work. Our safety record is better than the general workforce, especially considering that our employees work with metals that are 1500 degrees and we have machines that can rip a man's arm off. But it's not good enough. I intend to make Alcoa the safest company in America. I intend to go for zero injuries."

As quoted in the *Power of Habits* by Charles Duhigg, the audience was confused. Why wasn't O'Neill making them feel warm and fuzzy? How were they going to make money by focusing on safety?

Eventually, someone raised a hand and asked about inventories in the aerospace division, while another person asked about the company's capital ratios.

O'Neill held firm, *"I'm not certain you heard me. If you want to understand how Alcoa is doing, you need to look at our workplace safety figures. If we bring our injury rates down, it won't be because of*



cheerleading or the nonsense you sometimes hear from other CEOs. It will be because the individuals at this company have agreed to become part of something important: They've devoted themselves to creating a habit of excellence. Safety will be an indicator that we're making progress in changing our habits across the entire institution. That's how we should be judged."

At the end of his speech, the crowd ran out the door as if there was a fire. All in a panic stricken rush to sell their Alcoa stock as fast as they could.

Those who held onto their Alcoa stock were handsomely rewarded. Within a year of O'Neill's speech, Alcoa's profits hit a record high. By the year 2000, when O'Neill retired, Alcoa's market capitalisation was 5 times more than what it was in 1987.



What makes Paul O'Neill's, speech so striking is that he used the power of the public to put much needed pressure on the company to improve safety.

Yet, at the same time he increased his own reputational risk and responsibilities.

If there is one thing that makes staff distrust the company they work for, it's when their needs are always being ignored. But the real genius behind O'Neil's speech was that he let staff know, subtly, without telling them directly, was that he was a CEO they could trust to keep them safe. He also let the world know, that safety was a priority at Alcoa, which it is still to this day.



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