Managing Safety Culture

June 15, 2011
Starting Point

• Absolute commitment by senior managers and executives.
  – No organization will progress, or remain, ahead of senior management’s vision.

• Manage safety performance the same way they manage the rest of the business.

• Absolutely no conflict between safety, productivity, product quality, customer service, or employee morale.

• Acquisitions, mergers, divestments, and other structural changes create composite cultures.
Safety Professionals

- Each must be a change agent.
- Mixture of career safety professionals and mid-career transition professionals.
- Each background brings something vital to the overall team.
- Each background has something missing – and has a lot of learning to catch-up.
- Each MUST become a valuable resource to line management.
You Cannot Jump To The Front

- No safety culture
- Ownership
- Root Cause Analysis
- Redesign Job Functions
- Behavior Modification by Managers
- Fully Functioning Safety Management System
How do you know you’re working safely?

As safety culture improves, organizations measure further down the pyramid.

- 300,000 Unsafe Acts/At Risk Behaviors
- 30,000 Near-Miss/First Aid
- 300 Recordable Injuries
- 30 Lost Time
- 1 Death

Near miss reporting
Safety Audits and SMS
Bonuses for Trailing Indicators (time milestones).

• Good:
  – Helps with awareness and ownership.
  – Group awards motivate interaction.
  – Reduces inconsequential and trivial incident reporting.

• Bad:
  – Can lead to under-reporting injuries or leading indicators.
  – Does nothing beyond awareness and ownership.
  – Becomes entitlement.
  – Weighting against production goals can send wrong message.
  – May reward luck instead of active participation.
Common Mistakes

• Believing that compliance = safety.
• Training, by itself, will change culture.
• We can change culture without training.
• Taking safety performance measurement shortcuts.
• Lack of discipline or enforcement. Systems that exist only on paper.
Mistake #1: **Believing that Compliance = Safety**

- Regulation focuses on conditions and records – NOT BEHAVIORS.
- Compliance records do not match real safety performance.
- Leads organization to embrace the minimum acceptable standards, ignore non-regulated hazards, and ignore employee behavior.
- Bureaucracies and mining companies have different goals.
Mistake #2: **Training Alone Will Change Our Culture**

- Must be appropriate and effective training.
- Must be followed immediately by opportunity and expectation to apply. Sometimes coaching is also required.
- Must match developmental stage.
Mistake #3: **We can change our culture without training**

- Advancement requires new skills, new ways of thinking.
- Can be necessary to overcome 30+ years of experience.
- Forces managers into multi-disciplinary approaches to problems.
- Training not limited to health and safety.
Mistake #4: Taking safety measurement shortcuts.

• Taking advantage of administrative loopholes:
  – Light duty to reclassify lost time injuries.
  – Subcontracting.

• Using soft or self-reported measures.
  – Quantity v. quality in near miss or observation reporting.

• Ignoring incomplete, inaccurate, or meaningless data.
Thank you.
Discussion/Back-up Slides
# CEMEX East Region Aggregates 2009

<table>
<thead>
<tr>
<th>Tons per Citation</th>
<th>Injury Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>188,810 Best</td>
<td>3.70 Worst</td>
</tr>
<tr>
<td>155,710 Median</td>
<td>2.10 Median</td>
</tr>
<tr>
<td>140,019 Worst</td>
<td>0.60 Best</td>
</tr>
</tbody>
</table>

- **Division A**: Best Cost Performance – 8.4% DECREASE in cost/ton
FATality RATE VS. FINE RATE – MTL/NON

Fatalities Per 100,000 Miners  Fines Per Miner

Year 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010
Fatalities 12.9 19.3 12.1 12.3 15.3 10.8 12.9 8.9 7.3 10.3
Fines $53 $82 $160 $172 $161

Y-axis: $0, $20, $40, $60, $80, $100, $120, $140, $160, $180, $200
TOP 20 CITATIONS – SURFACE S&G

- Moving Machine Parts
- Electrical Conductors
- Equipment Defects
- Backup Alarms
- MSHA Form 7000
- Berms
- Guard Maintenance
- Safe Access
- Cover Plates
- Wire Insolation
- Housekeeping
- Brakes
FATALITY RATES (ACC. TO MSHA, BLS, NSC)

Fatalities Per 100,000 Active Employees
A Different Relationship

ALJ
Commission
COA

Inspectors

Mine Operator
Edwin W. Egee, V
Minority Staff Director

Subcommittee on
Employment and Workplace Safety
Senator Johnny Isakson, Ranking Member

202-224-3643
edwin_egee@help.senate.gov
Low (Green) ASS

• Celebrate safety culture success.
• Managers provide safety recognition – picnics, hard hat decals, etc.
• Region Presidents compose a congratulatory message to employees.
Guarded (Blue) ASS

• Normal business and safety related activities.

• Safety recognition lunches allowed for exceptional circumstances.
  – Limited to box pizza from franchise suppliers.

• Senior managers required to show concern by frowning and shaking their heads whenever discussing safety.
Elevated (Yellow) ASS

- All safety meetings and discussions extended by 30 minutes.
- District Managers must publicly discipline at least one employee for a safety issue.
  - Preferably in the presence of employees prone to gossip and exaggeration.
High (Orange) ASS

• Safety Department issues a list of known safety violators:
  – Employees with unsafe work habits.
  – Managers who are unresponsive to requests from safety professionals.

• Safety Department monitors all employee communications – phone, email, mobile phone, radio, etc.
  – Informants recruited to monitor break rooms and smoking areas.
Severe (Red) ASS

• Managers establish TSA styled PPE checkpoints at entrance to all work areas.
  – Employees screened for proper PPE and industrial hygiene.

• Employees failing to meet checkpoint standards or on the watch list are detained and transported to a designated safety re-education center.