SafetySmart™

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How Do You Sell Safety to Management?

Practical Guidance and Solutions for Safety Managers and Supervisors

SafetySmart™

Investing In Safety

Safety Begins with Management: Lead By Example

One would think that selling safety within an organization would be a simple task – a return on investment that any company would embrace with open arms. But it's not that easy when a safety culture is a mere afterthought or doesn't even exist.

The hard part is convincing management that it needs a regimen of safety training and that, quite frankly, it cannot afford a lax attitude towards it.

The trick is having everyone from the new hires up to the president of the company buy into this culture that will save the corporation a lot of money and legal headaches, and show everyone that it is doing the right thing to protect its employees. At the end of the day, it's all about the safety of your workers, not how much the company

Cost of Risk Example

Donald J Eckenfelder presented the following model on the ROI of safety training in his book, Values-Driven Safety.

Take a manufacturing company with an annual revenue of $100M, earning an Industry average operating profit of 5-10%.

According to OSHA statistics, the average cost of safety risk hovers between a low of 0.25% of total revenue for a company with 10 years of a solid safety record to upwards of 1.5% for a company with a poor safety record. The average cost of safety risk in North America is 0.75%.

What does that mean in dollars and cents? For our $100M company, the annual cost of insurance and accidents is $750K. If it had a solid track record of safety, it could save $500k each year.

But this excludes all the hidden costs such as low employee morale, poor productivity, and poor company reputation. So in reality, our $100M company could conservatively save upwards of $1M by improving its safety culture and safety record.

If 1% of total revenue isn't that compelling, look at the numbers from the bottom up.

Our $100M company earns an annual operating profit of 5-10% - let's say an average of $7.5M. If the average tax rate is 35%, the net profit (ignoring any and all after the line deductions that EVERY company in North America has) is actually $4.875M. The shareholders are probably happy! Now our $1M savings from a better safety record is actually equivalent to over 20% of net profits... that's pretty compelling to any businessman!

In other words, loss and accident prevention through better safety training is an easy way to enhance profits.

made. Think about it . . . without safe workers, you don't really have a company, or one that will see long-term success.

The fact is corporations are legally obligated to keep their employees safe. Those who don't are saddled with workers' compensation nightmares that are hard to wake up from. But knowing that a worker died because a hazard was overlooked is a far greater weight to carry.

Selling safety in your organization starts with demonstrating why it is so important. This takes research and talking to safety professionals about developing a culture that everyone can support. Once you do that, the foundation for effective safety training is set, and management (and employees) will be less resistant to change.

There are many ways you can sell safety. One of the best is outlining the return on investment. This is what senior managers want to hear.

A hard-hitting way to sell safety training is to introduce your managers to someone who suffered a serious injury on the job.

James worked for a small construction company that didn't have the proper fall-arrest equipment for one particular job that was overdue for completion. The supervisor approved a make-shift rope harness that came loose while James was using it. He fell 20 feet to

the ground and ended up in a body cast for six months. He was paralyzed and not expected to work again. His family sued the company and won. It was an open and shut case that clearly showed the company's lack of due diligence.

Too often we see workers take shortcuts because they are under pressure by their supervisors to get the job done – a dangerous trend that puts profit ahead of safety with devastating results.

A safety culture cannot thrive without resources, disciplined safety programs and a management system to make it work. Managers and supervisors must be good salesmen in selling safety to their employees. They must demonstrate by example. When workers see their own bosses ignoring safety protocols on the job site, this safety culture begins to unravel and everyone becomes complacent to the hazards.

How do your employees perceive safety on the job? Using anonymous questionnaires is a good start. It also shows that the company values workers' opinions, which can pave the way for buy-in. Do they feel adequately trained to do the job safely? Do they feel confident in identifying hazards without repercussions?

Developing a safety culture is one thing, but getting the budget to keep it going is another. Workplace safety doesn't improve on its own; it needs financial commitment. Senior management must be convinced that the company can increase its profits by reducing injuries. Outline the cost of risk and the associated insurance premiums. Once they see the dollars involved, they may change their tune and relax their vice-like grip on the budget.

Loss prevention is a great way to increase profits, so come prepared with examples during your next meeting with a senior manager.

Selling safety can be a real chore when you're faced with indifference or tight purse strings. But not buying it can be a much harder pill to swallow.

Investing In Safety

How Putting Productivity Ahead of Safety Hurts the Bottom Line

Many industries, particularly in the manufacturing sector, are essentially driven by production. The name of the game is to produce as many widgets as quickly and cheaply as possible using existing production resources. So it's no surprise that some companies stress productivity to the detriment of quality and worker safety. The assumption these companies make is that every dollar spent on safety instead of production reduces profits. Of course, that assumption is wrong. Stressing safety and quality can reduce the company's costs, while stressing productivity can actually increase them. So how do you convince senior management that setting aside its single-minded obsession with productivity and concentrating more of its resources on safety will improve financial performance?

A study of the relationship between "corporate climate"—that is, how values are prioritized in a particular company—and safety at four U.S. wood product manufacturers can help you. The study shows that companies with strong safety climates have fewer safety incidents and injuries and thus lower associated costs than companies with strong productivity climates that de-emphasize safety and quality. Here's a look at what the study says and how you may be able to use it if you perceive that your company isn't placing enough value on safety.

Types of Corporate Climates

Corporate climate is a reflection of workers'

attitudes or perceptions of certain aspects of their work environment. Management actions strongly influence corporate climate and set the overall tone for the workplace. Workers pick up on management's values. And workers' attitudes and perceptions about the values and climate of their workplace affect their—and the company's—performance. So once you understand what a company's corporate climate is, you can change that climate by getting management to adopt new approaches. For our purposes, there are three kinds of corporate climates:

Safety. Safety climate (sometimes also called "safety culture") is often defined as workers' attitude toward safety in the workplace. It's also been defined as workers' perception of the company's policies, procedures and practices concerning occupational safety and their sense of the priority the company gives to safety. In a strong safety climate, workers believe that the company takes safety seriously and thus they also take safety seriously. As a result, companies with strong safety climates are generally safer than companies with weak safety climates. For example, studies have shown that there's an inverse relationship between a company's safety culture and the number of safety incidents. In other words, the stronger a company's safety culture, the fewer safety incidents it experiences; conversely, the weaker the safety culture, the greater the number of incidents.

Quality. Quality climate is reflected in the workers' perception of the company's quality objectives. There hasn't been a lot of research about quality culture in general. Presumably, a greater emphasis on quality would result in decreased production as workers operated more slowly to ensure that things were made well. And because haste tends to increase risk, slower and more deliberate production would also presumably lead to fewer safety incidents. Unfortunately, no empirical research has been done on the actual effects of quality climate on workplace safety performance.

Productivity. Productivity climate is a reflection of workers' attitudes and beliefs with respect to management's emphasis on production in the workplace. It's generally believed that increased pressure to produce reduces safety performance. But no known research had been conducted on the links between productivity climate and safety.

The Study

That's where the wood manufacturers study comes in. The study is valuable because it demonstrates for the first time that companies with strong productivity climates have higher numbers of safety incidents than companies that emphasize safety or quality. The researchers focused on two furniture and two cabinet manufacturers in Pennsylvania. They collected surveys from 526 hourly production workers, asking the workers about:

Safety climate. Workers were asked to rate how much they agreed or disagreed with statements related to their perception of the company's safety climate (1 = strongly disagree and 5 = strongly agree). Sample statements: "Upper management at this company does as much as possible to make this a safe place to work" and "My supervisor does not seem to care about my safety."

Quality climate. On the same five-point scale, workers were asked to rate statements about the company's quality climate, such as "My supervisor is always willing to consider suggestions on improving product quality."

Productivity climate. Workers were also asked to rate on the same scale statements about the company's quality climate, such as "Our upper management does everything possible to make sure productivity goals are met" and "My supervisor sometimes allows employees to take shortcuts in order to meet productivity goals."

Productivity climate. Workers

were also asked to rate on the same scale statements about the company's quality climate, such as "Our upper management does everything possible to make sure productivity goals are met" and "My supervisor sometimes allows employees to take shortcuts in order to meet productivity goals." Safety-related events. To determine the number of safety incidents in the workplace, the researchers asked workers how often certain safety-related events had occurred during the last 12 months, from never to five times or more. Examples: "I tripped over something on the plant floor" and "An object got stuck in my hand while working."

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Control variables. The survey included several control variables. For example, workers were asked to rate how dangerous they felt their particular job was. The surveys also collected worker gender and information about their tenure with the company and verified that information with each company's HR department.

The Study's Results

After analyzing the survey responses, the researchers came to the following conclusions:

Strong safety climate = fewer safety incidents. This study confirmed what prior studies had found: Companies with a strong safety climate have fewer safety incidents. That is, there were fewer incidents in companies in which workers were encouraged to work safely and supervisors put considerable emphasis on safety.

Strong production climate = more safety incidents. Workers who perceived their companies as having a strong productivity climate reported higher numbers of safety incidents. So the study suggests that an emphasis on productivity can force an increase in risky behaviours that may eventually lead to safety incidents. In addition, the survey suggests that the more companies value productivity, the less they value quality.

Meaning of the Results

What do the study's results mean for your company? Citing the results of this study is one of the things a safety coordinator can do to show that safety has an impact on financial performance. The study is evidence that safety climate and productivity climate influence the occurrence of safety incidents, albeit in opposite ways. Although there are advantages to promoting productivity for manufacturing companies, management must realize the trade-offs of emphasizing productivity at the expense of safety. Over time, the costs associated with the consequences of a high-production work environment, such as increased worker injuries, absences and turnover and lower quality, can be detrimental. Conversely, fostering a climate for safety should reduce safety incidents and injuries and thus reduce the related costs.

These results have important implications for senior management and supervisors. Managers and supervisors should concentrate on fostering a strong safety climate within their company in order to decrease work-related injuries or incidents. For example, the researchers note that simply keeping the workplace clean and in good working condition can help eliminate safety problems, improve morale and increase efficiency and effectiveness. Plus, doing so will improve productivity and quality, while lowering product costs and enhancing the operation's flexibility. Other steps the researchers recommend for management:

- Establish good working relationships between production managers and safety coordinators;
- Encourage workers to report unsafe working

conditions, incidents and near misses;

- Promote open communication on safety-related issues and methods for improvement among safety coordinators, production managers and supervisors; and
- Require safety and supervisory personnel to act quickly to identify the root cause of safety problems and implement remedies.

The study's results also have implications for safety coordinators. You can directly affect your company's safety climate by effectively communicating management's safety-related values, beliefs and concerns to workers. After all, the company's safety climate is unlikely to improve if workers don't know that management does make their safety a priority.

Conclusion

If safety coordinators were running companies, we know they'd value safety above everything else. Workers would also probably give safety top priority. On the other hand, corporate officials driven by profit motives place stronger emphasis on productivity. So as a safety coordinator, you're going to have to accept the fact that your values aren't now and will never be precisely the same as management's. But what you can and must do is ensure that safety isn't sacrificed at the altar of productivity. Intuitively, it makes sense that a company that's willing to risk workers' safety to enhance productivity is making a serious mistake not of only morals and law, but also of business. After all, nothing reduces productivity more drastically than a workplace injury or illness. However, it may take more than intuition to get management to move safety up on the company's priority list so that it's reflected in the company's climate.

Because this study shows that stressing productivity above everything else negatively impacts safety and thus the company's financial performance, it can help you build your business case. It suggests that a company's climate does make a difference and that committing to a strong safety climate in your workplace will actually improve its bottom line.

Hot Topics

Take 5 Steps to Prove the ROI of Safety Training Programs

Getting sufficient funding for the OHS program, including safety training, always seems like an uphill battle. It can be especially difficult in a struggling economy when budgets are getting slashed. "Training dollars compete against other funding requests on a daily basis," said J. LeRoy Ward, Executive Vice President of ESI International, a project management training company. Ward added that, in today's environment, it's not enough to simply measure how well a training program is delivered. In other words, those responsible for training, such as safety coordinators, need to prove to senior management that their programs are having a measurable impact on the bottom line. Easier said than done, right? ESI recently released a report that explains how you can prove the value of your training program through a practical and straightforward approach to return on investment (ROI). Here's a look at that report and its step-by-step process for calculating the ROI of a training program. (Although the study speaks to training programs in general, we'll apply its lessons to safety training specifically.)

5 STEPS FOR CONDUCTING A TRAINING ROI STUDY

Proving the ROI of training means providing evidence that training is creating value. Yes, business value is generally as measured in dollars. But you can't credibly jump straight from training to dollars; you must first show where value is being created in the company, explains the ESI report. In other words, you need to prove:

- Your training program improves workers' ability to do the job and do it safely;
- That improvement has a positive impact on the company;
- That impact benefits the company financially; and
- That benefit is more than the cost of the training.

To accomplish the above, the report recommends that you take these five steps:

Step 1: Survey Workers Who Attended Training

After a training session, survey all workers who attended. The survey shouldn't be long and should be easy to complete. For example, the ESI report includes a case study that used a survey that contained 22 questions and took about seven minutes to complete. Some of the areas the questions in the survey should cover include:

- Quality and effectiveness of the training;
- Impact of the training on the workers' job performance;
- Any post-training support provided, such as resources and opportunities to apply the training; and
- Business results, such as improved productivity or fewer safety incidents.

Step 2: Re-Survey Workers 60 Days Later

Sixty days after the training session, give the workers who attended a second survey to validate their initial responses and collect additional information, such as any barriers to the use of their training they've experienced. It's important to re-survey the workers because immediately after training, they tend to be overly optimistic about how the training is going to impact their jobs.

Step 3: Analyze the Survey Results

The study recommends analyzing the results of both surveys based on "four levels of learning measurement":

Quality and effectiveness. The goal here is to determine whether attendees were satisfied with the overall program, the instructor's performance and the content and delivery, and whether they gained significant knowledge and skills from the training.

Job impact. The single most important measurement in determining the ROI for a training program is the training's contribution to performance improvement. So it's critical to determine how the training impacted workers' ability to do their jobs. For example, you want to know whether they were able to successfully apply the knowledge and skills they learned to their jobs and whether the training contributed to a significant improvement in their job performance. You should end up with a percentage by which the workers' performance improved due to the training.

Business results. When reporting ROI to senior management, it's not enough to claim that the company was impacted positively by your training program. You need to explain where it was impacted and provide quantitative evidence. You can do so by asking in the survey for specific business results that the workers' participation delivered to the workplace and measuring the extent to which training impacted each. For example, determine whether training:

- Increased quality, productivity, customer satisfaction and worker engagement; and
- Decreased safety incidents and violations, injuries, risks and costs.

Step 4: Calculate Cost of Training

Because ROI by definition is a return on investment, it can't be calculated without knowing the investment—that is, the cost of training. To calculate training ROI, the report says you should estimate:

- The per worker cost of attending training, including course materials, the instructor's fee (if applicable), venue costs (if training isn't conducted in the workplace), snacks, administrative costs, etc.;

and

- The average salary cost of the attendees. Although your estimates should be as close as possible, they're averages, so you shouldn't have to go to the HR department for specific salary information.

Step 5: Calculate ROI and Related Measures

- When it comes to measuring ROI, be as conservative as possible in your calculations. Although ROI is technically a single calculation, there are a few additional calculations you can perform around ROI to help communicate the impact of training more effectively. We explain how to calculate each below:

ROI. ROI is calculated as the return of the training (financial benefit) minus the investment in the training (cost) and then divided by the investment, resulting in a percentage. You calculated the investment component in Step #4. Calculate the return by multiplying the average percentage of performance increase by the average attendee's salary. Why salary? As the ESI report explains, your company gets more value from you than it pays you—that's how it earns a profit. So we can conclude that if a worker's productivity increases by, say, 6%, then the company would benefit by more than 6% of his salary. Thus, using salary as a basis for calculating ROI is actually conservative. Here's the math using numbers from the case study in the report to make it more concrete:

Return = $80,000 (average salary) x 5.82% (performance increase) = $4,656

Investment = $1,600 (cost of training)

ROI = ($4,656 – $1,600) / $1,600 = 191%

Monetary benefit per worker. This number shows only the return side of the ROI calculation. For example, using the figures above, the training generated $4,656 in monetary benefit for each worker attending the training session.

Benefit to cost ratio. This ratio spells out the monetary value of the training relative to its cost. For example, again using the figures above, the companies in the case study that invested in the training program received $2.91 for every dollar they invested in training ($4,656/$1,600). So the benefit to cost ratio is 2.91 to one.

Average payback period. This measure is a time-based ROI calculation, which indicates how long in months it will take to pay back the initial investment in the training. To calculate the payback period, divide the per worker monetary benefit by 12 to get the monthly benefit. Then divide the investment by the monthly benefit to get the payback period:

- $4,656 (annual benefit) / 12 (months) = $388 (monthly payback)
- $1,600 (investment) / $388 = 4.12 month to pay back the investment
- *Insider Says*: Here's an infographic that accompanies the ESI report and visually explains the process of calculating the ROI of training using the case study in the report.

BOTTOM LINE

Very simply put, if you're unable to prove beyond a reasonable doubt that your training efforts generate more value than they cost, then sooner or later you're going to lose funding for your training program. Of course, because safety training is required by the OHS laws, management can't cut it completely. But they can force you to make do with as few resources as possible. So as a safety professional, it may be up to you to not only ensure that the company provides adequate safety training for workers, but also justify the training program in financial terms.

Case Analysis

How Going Beyond Mere EHS Compliance Can Yield Financial Benefits

Cutting edge environmental health and safety (EHS) management goes beyond mere compliance with OHS and environmental laws to embrace more onerous voluntary standards, such as those from ISO and CSA, and independent initiatives. Although complying with these standards and implementing voluntary programs consume more resources, they also provide the kind of positive ROI that improves the company's financial performance. At least that's the argument. Unfortunately, specific evidence documenting the economic benefits companies actually accrue in going beyond mere legal compliance is in short supply. That's why a case study on Johnson & Johnson's award-winning efforts is so notable.

Johnson & Johnson's Approach

Johnson & Johnson is the parent company of about 200 subsidiaries that manufacture healthcare products for the consumer, pharmaceutical, medical devices and diagnostics markets in 57 countries. Its Technical Resources & Compliance Group (TRCG) provides EHS leadership, support and consulting services to all subsidiaries. In 2005, due largely to TRCG's efforts, Johnson & Johnson won the Robert W. Campbell Award from the National Safety Council for business excellence through safety, health and environmental management.

The company has a "Credo" that embodies three themes:

- **Healthy People—** Valuing all workers while promoting healthy lifestyles and safe work practices;
- **Healthy Planet—** Conserving natural resources, respecting ecosystems and reducing its environmental footprint; and
- **Healthy Futures—** Improving healthcare and supporting the well-being of people and communities.

The first two themes are primarily the responsibility of the TRCG, which uses a "beyond compliance" approach that emphasizes not just meeting regulatory requirements but also doing more. For example, under its Climate Friendly Energy Policy, Johnson & Johnson voluntarily committed itself to reducing carbon dioxide emissions by four percent by 2005 and seven percent by 2010 (using 1990 as a baseline). In addition, by the end of 2004, 97% of its facilities were certified under ISO 14001.

The beyond compliance approach has paid off financially for the company in several ways. Examples:

Wellness program leads to $9 to $10 million in annual savings. In 2003, the company launched a comprehensive wellness program that set aggressive targets for improving workers' overall health. By June 2004, the targets for reduction of smoking, high blood pressure and cholesterol were all exceeded. Nearly 20,000 people participated in the program, which produced savings of $225 per employee per year ($9 to $10 million) primarily from reduced use of medical services and lower administrative expenses.

Ergonomics program saves $50,000 a year. A subsidiary in Mexico made changes to a manual packaging line to address ergonomics risks. As a result, it:

- Cut the risk of musculoskeletal injury by 48%;
- Increased production by 20%; and
- Saved $50,000 in costs per year

SAFE Fleet program reduces vehicular accidents by 40%. The company's SAFE Fleet initiative was designed to reduce traffic accidents by sales associates. As part of the program, regional sales managers include safe driving objectives in their performance reviews of sales associates. And district sales managers ride along with sales associates at least twice a year to evaluate their driving performance. As a result, the number of accidents per million miles driven over a 10-year period was reduced by 40%, which is particularly impressive in light of the fact that the number of fleet cars increased by 139% during that same period.

The benefits Johnson & Johnson has gained from its beyond compliance approach aren't limited to the safety arena. For example, a subsidiary's use of a "Design for the Environment" tool that evaluates processes based on environmental factors, such as water usage, energy consumption, hazardous materials requirements and overall efficiency, cut raw material consumption and waste generation in half—representing $2 million in annual cost savings. And a subsidiary based in Brazil developed an innovative program for recycling industrial waste that:

- Increased the amount of waste recycled from 42% to 73%;
- Reduced the amount sent to landfills from 57% to 20%; and
- Saved the facility $1.1 million in raw material and waste disposal costs—in one year alone.

Johnson & Johnson recognizes the efforts of workers who contribute to EHS initiatives. For example, as of 2004, more than 20 EHS professionals were awarded various certifications for projects that generated over $2 million in savings or cost avoidance for Johnson & Johnson.

BOTTOM LINE

One of the reasons for the success of Johnson & Johnson's EHS initiatives is that the "beyond compliance" philosophy is what drives senior management. In fact, the company adopted this approach as a "management imperative" for all aspects of its business. Senior management not only financially supports EHS efforts but also is actively involved in communicating the EHS message and monitoring the progress of EHS projects. As an EHS coordinator, use this study to show your executives that, with their commitment, adopting a similar approach in your company can reap benefits for workers, the environment and the bottom line.

Case Study

7 Case Studies Showing that Safety Boosts Profit

The one indispensable element that every safety coordinator needs to build a successful safety program is the support of the CEO. How hard you have to work to win that support depends on what kind of CEO you work for. Hopefully, your CEO is one of the growing breed that recognizes how safety contributes to profitability. But you might work for the kind of CEO who still thinks safety is a form of charity-an act of altruism to benefit the worker-rather than a sound financial investment. Most likely, your CEO falls somewhere in-between these two extremes.

But no matter what kind of CEO you work for, you'll need to make a convincing business case for investing in safety. And you'll need ammunition to back your argument. One of the best sources: case studies demonstrating how other companies improved financial performance by investing in safety. Case studies are the CEO's meat-and-potatoes. They study them in business school; they read about them in business journals; and they present them to their own boards of directors. So using case studies to bolster your case can be a big advantage.

The good news is that there's a new set of case studies released by Britain's Health and Safety Executive (HSE) that you can use. Here's a review of the studies and how to use them to build your case.

The HSE Project

The HSE is the British government agency in charge of workplace health and safety-the UK equivalent of OSHA. Last February, the HSE began a campaign to persuade business leaders across the country that implementing a health and safety program not only protects workers but improves a company's financial performance.

As part of the project, the HSE created a new website that lists case studies illustrating how companies achieved major cost savings after investing in new health and safety programs. See http://www.hse.gov.uk/business/sme-case-studieshtm.

Highlights of the Studies

The HSE website lists seven case studies from companies representing a wide range of industries including aerospace, petroleum, plastic film, amusement park, paper, logistics and support services and public transportation. All seven companies reported that they laid out a lot of money to start new programs but quickly made back their investment by cutting injury rates, absences and insurance claims. Smaller companies reported savings of six-figures within the first year. One company, Rolls-Royce saved £11 million! Most of the companies also reported that they made significant improvements in intangible areas like worker morale and trust and safety culture.

Here are three of the more notable case studies on the HSE website:

Rolls-Royce. The aerospace and defense giant cut absences about 15 percent after adopting a new absence management policy, including early rehabilitation efforts. As a result, the company achieved savings of £11 million in just the first year!

British Polyethylene Industries (BPI). A leading manufacturer of plastic films which employs approximately 3,500 workers, BPI implemented an aggressive rehabilitation program to help victims of musculoskeletal disorders (MSDs) recover faster. Results: The average number

of days lost to MSDs fell more than 80 percent from 26 days to 4 days, saving BPI £176,000 per year.

St. Regis Paper Company. St. Regis, which produces over a million tonnes of paper per year and employs 1,950, undertook a series of health and safety action plans aimed at improving its machine guarding, training programs and management systems in 1996. Since 1997, the company has achieved a 73 percent reduction in insurance claims and an 18 percent reduction in numbers of days lost to injury, saving the company £100,000 per year.

Conclusion

In addition to all of the juicy data, the HSE case studies include statements from directors of each company singing the praises of safety and how it's helped the company's bottom line. This isn't just a bunch of fluff. Remember, that every CEO has to impress the board of directors. So don't underestimate the potential persuasive power of statements like these on your own CEO.

The graph below summarizes the results of all seven case studies.

COMPANY	DESCRIPTION	INITIATIVES	RESULTS
Associated Octel Co. Ltd.	Petroleum, 700 workers	Accident reporting & investigation overhauled, more direct worker/management communic.	0 lost-time injuries in '02, prod. costs cut 40%, absenteeism cut from 10 to 2.5%
Brit. Polyethylene Industries	Film products, 3,500 workers	Overhaul of MSD injuries rehab system	80% drop in days lost to MSDs, claims cut, £176,000 per year saved
Legoland Windsor	Children's theme park, about 1,000 workers	Created "no blame" culture, benchmarking	Cut reportable injuries 80% and minor accidents 40% in three years
Port of London Authority	Public sector port, 365 workers	Started sickness absence management program	Cut absence rates 70% in four years
Rolls-Royce plc	Aerospace, automobile, defence, 22,000 workers	Started sickness absence management program and early rehab programs	Cut absences 15% (from 2.9% to 2.4%) and average length of absence (from 6.8 to 4.2 days), saving company £11 million
St. Regis Paper	Paper, about 2,000 workers	Improved machine guarding, training and safety culture	Cut insurance claims 73% (from 833 to 222 per 100,000 workers) and premiums, reportable injuries 61% and the accident rate 64%, saving company £100,000 per year
Wilson James Ltd	Provides security and logistics support to const. companies, over 1,000 workers	Improved first aid, hired full-time nurse and opened a fully-equipped medical room	Cut accident rate, frequency and downtime, saving company over £145,000 in 10 months

Safety Stats

Selling Safety to the Suits

You're using Safety Talks! these days, so you have a good start on a safety training program. But maybe you need additional safety resources, and upper management isn't eager to spend money on them.

You'll have a better chance of persuading the company "suits" if you know how to talk their language.

Getting management to spend company money on safety isn't easy. Safety departments are at a distinct disadvantage when it comes to competing for funds. While safety may be vitally necessary to every company, it doesn't generate revenue and profits the way other parts of a business do. So it's hard to build a business case for investing in safety.

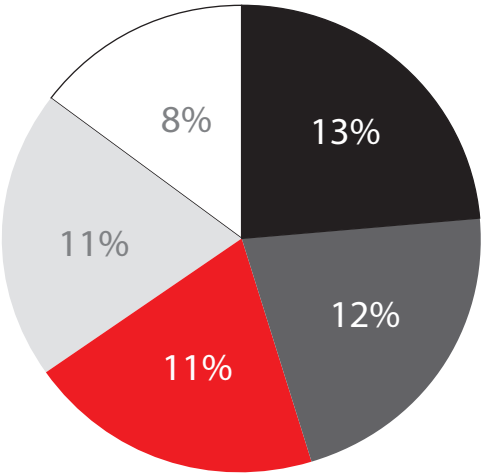
But many companies do spend lots of money on safety. In fact, many companies are spending more than ever on safety.

What got into the heads of the directors and officers of these companies? Knowing what motivated them to open their wallets may help you press the right buttons with your own directors and officers.

According to one survey, the Top 10 motives are, in order:

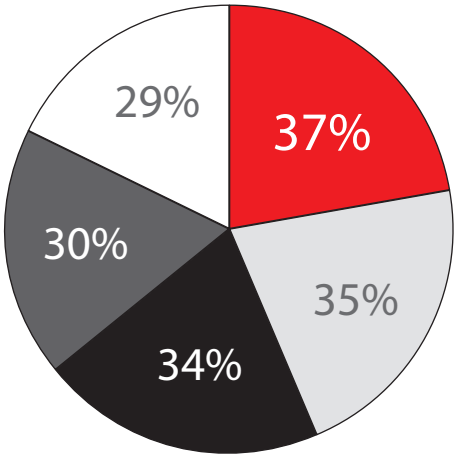
1. To cut workers' comp costs (59%);
2. The feeling that investing in safety is the "right thing to do" (51%);
3. To increase profits (33%);
4. To comply with federal/state safety rules (31%);
5. The feeling that the company has had "too many accidents" (29%);
6. To maintain or improve employee morale (26%);
7. To maintain or improve productivity (23%);
8. To avoid OSHA fines (20%);
9. Responding to the recommendations of outside experts (13%); and
10. To address employee concerns (5%).

THE 5 LEAST PERSUASIVE ARGUMENTS



13% Profitability/earnings
12% Workers' comp costs
11% Community relations
11% Need to protect brand image/equity
8% Need to protect quality

THE 5 MOST PERSUASIVE ARGUMENTS



37% The values of top leadership
25% The need to comply with OSHA
34% The need to cut injury/illness rates
30% The emphasis on consistent corporate culture
29% The importance of keeping good relations with employees

5 Arguments that Worked and 5 that Did Not

When it comes to getting the company officers to invest in the safety program, which arguments work best and which fall flat?

In a recent survey, safety directors who said they were satisfied with company spending on safety were asked to list the three biggest factors accounting for their company's willingness to invest in health and safety. The first chart shows the five factors the safety directors cited most often. Equally informative is the second chart which shows the factors they cited least often.

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