



Transformation from within
A breakthrough approach
to workplace safety

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The vast majority of Australian organisations are taking an out-dated approach to improving workplace safety performance. By doing this, they are not only endangering workers, but also impeding business growth and competitiveness for firms across the country

There are a number of factors impacting business performance ranging from production, equipment, planning, and workforce attitudes and behaviours that also have consequences for safety outcomes. It is crucial for organisations to consider all strategic decisions and operational conversations related to 'business' or 'production' and how they impact safety outcomes in order to more effectively improve safety performance. Could decisions in your boardroom or executive meetings be resulting in poor safety performance?

Despite the hundreds of millions of dollars Australian organisations spend each year on improving safety, conventional strategies and programs are not leading to a sustained reduction in workplace incidents. In fact, the number of employees who experience a work-related illness or injury remains stubbornly high at around 640,000 a year¹.

Deloitte has also found that many of its clients are experiencing a plateau in their safety performance and don't fully understand why. There is an uneasy sense that something could go seriously wrong at any moment but clients are unsure of where or when. Further, they do not know how to anticipate and prevent the future fatality or 'black swan' event.

It is clear that traditional safety methods cannot support the next leap in workplace safety improvement. A new solution is required and it may not involve a 'safety program' at all. Deloitte believes the answer is a radically different and unique approach that starts with organisation-wide strategic conversations and ends with operational transformations aimed at addressing the root causes of safety-related problems.

To enable such transformation, Deloitte has developed 45° The business of *safety*TM – a problem-solving methodology that involves all levels of an organisation, from the C-suite to front-line workers. This unique approach features a combination of qualitative and quantitative data analytics, workforce engagement and co-designed solutions. It is backed by rigorous and broad measurement of outcomes as well as ongoing guidance.

1. Work-related injuries, Australia, 2009–10, Australian Bureau of Statistics, December 2010.

Simplistic solutions don't fix complex problems. Each organisation has many unique processes, systems and goals, and the people who work within them are inherently unpredictable. This makes workplace safety complex, persistent, pervasive and ever-changing. It also means that a one-size-fits-all safety solution is seldom effective in the long term

Safety is...

○ A complex problem
But we often apply simple solutions

○ Driven by organisational and environmental factors
But it is often addressed in isolation

○ About engaging people
But it is treated like a process

○ Integral to strategic intent
But not delivering on safety outcomes can negatively affect the execution of strategy

Australia needs a significant shift in thinking when it comes to workplace safety

Few things influence overall organisational strategy, business outcomes and the mental health and wellbeing of the workforce quite as profoundly as safety. And because safety performance issues are often 'symptoms' of organisation-wide cultural and operational weaknesses, problems that lead to safety incidents often also affect operational efficiency and effectiveness.

For example, a 2012 global study of nearly 50,000 business and work units – comprising about 1.4 million employees – found that employee engagement affects nine performance outcomes, including safety. Business units that scored in the top half of their organisation in terms of employee engagement had 48% fewer safety incidents than those in the bottom half². This research is in line with numerous other employee surveys that have found that employees who are highly involved in and enthusiastic about their work are more likely to adopt safe behaviours, help create safer work practices and contribute to a strong safety culture.

Transformation, not fine-tuning

Deloitte believes it's time to shift the focus from optimising current safety measures and programs to reinventing whole businesses in order to improve safety outcomes. In turn, organisations should view addressing workplace safety as an opportunity to improve business performance and competitiveness.

Gaining deeper knowledge about operational conditions and workforce behaviours – and then addressing any issues through collaborative problem-solving – will create business benefits beyond safety metrics. Other outcomes may include better compliance, lower operating costs, greater protection against business interruption, improved employee morale, increased productivity, and greater trust from customers and other external stakeholders.

2. Engagement at work: its effect on performance continues in tough economic times, Gallup, 2013.

A new angle on workplace safety

Deloitte's 45° The business of *safety*TM process is designed to help organisations rapidly increase organisational maturity in terms of safety. Using methods such as senior executive engagement, comprehensive safety system reviews, stakeholder interviews and staff workshops, Deloitte gains an in-depth understanding of a business's safety performance and key issues.

Co-design has not traditionally been applied in the area of safety, but we believe it's a powerful way to engage the workforce and develop a resilient safety culture

Data analytics allows us to cross-reference these insights with existing organisational data such as incident records, training and performance measures as well as operational data around productivity and maintenance. This helps to identify previously unknown risk areas as well as validate and evaluate the organisational factors impacting on safety.

We then lead a co-design process to engage people at all levels of the organisation in problem definition and solution sessions where we 'hand over the keys to the car'. We facilitate the development and test creative ideas identified by the entire organisation, from the executive to frontline workers, to map out concepts that will deliver better safety and business outcomes. This involves guiding stakeholders to develop their own solutions based on their unique experiences and goals.

During our conversations with organisations, we've found that frontline workers are able to make the most informed decisions because of their first hand exposure to safety problems. However, they simply haven't been asked for their input – or they feel discouraged from offering it. Involving employees in operational problem-solving creates buy-in from workers, and leads to better work practices.

The final step is to use data analytics to evaluate the feasibility of new ideas and predict their outcomes. During the implementation and review stages, we collect user feedback and performance metrics. We also analyse relevant financial, operational and safety performance outcomes.



Case study

The workforce identified only one ‘traditional’ safety challenge as being critical to improvement in safety outcomes

A Hunter Valley coal port operator had unacceptable safety performance that was partly attributed to a lack of trust between the leadership team and workforce. To overcome this, management had to think very differently about how they engaged with their people and how they thought about safety outcomes.

Deloitte and Second Road introduced the operator to a new problem solving methodology – 45° The business of *safety*TM – that enabled insight into the current situation and developed workforce led solutions. By engaging all levels in the business the operator observed a stark change in the attitudes and behaviours of people across the organisation. Workers went from making comments such as, ‘This is just another stupid process and nothing will change’ to having social interactions between managers and front line workers where the feedback was, ‘I can’t believe they are listening to me.’

Better collaboration and communication has resulted in workforce led problem solving that has positively impacted safety outcomes, engagement of the workforce and business improvement.

Facilitated conversations between executive decision makers and each team, ensured decisions for change were based on sound business impact statements that reinforced the role of leadership while providing a forum for the entire workforce to be heard.

All other factors were ‘non-traditional’ safety challenges are organisation-wide issues – supporting the Deloitte view that safety is an outcome of business practices. By addressing ‘traditional’ safety challenges only, businesses are not necessarily addressing the underlying strategic business factors that are impacting safety performance.

Find out more



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