

Workshop W5

Wednesday, October 31, 9:00 a.m. – noon

SAFETY SUCCESS STORIES— THE LEADERSHIP ELEMENT

Presented by



D. Tim Carter
Vice President,
Health, Safety, Security, Environmental
CB Richard Ellis

While virtually all contractors espouse the need for effective safety programs, some go the extra mile to make injury-free workplaces a reality. When all is said and done, the key to a successful safety program is leadership. How well it is communicated and modeled and how much authority supervisors and workers are provided to implement it are all a function of leadership. In this workshop, hear two contractors tell about how they have implemented a leadership approach to safety and the impact it has had on their companies.

- Outlines principles of incident-and-injury-free leadership and provides suggestions for applying these principles.
- Demonstrates the types of results that are possible when safety is empowered at all levels of the organization.

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SOME SAY THE BRIDGE WILL TAKE TOO LONG TO FINISH.
SOME SAY THE BRIDGE COULD JOIN TWO CULTURES.
WE SAY POUR THE CONCRETE.

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D. Tim Carter
Vice President Health, Safety, Security, Environmental
CB Richard Ellis

Mr. Carter is one of the presenters for Workshop W5, "Safety Success Stories—The Leadership Element" on Wednesday morning. He has worked as a safety, health, and environmental professional since 1978. He began his career in the mining industry and later became involved in heavy construction and expansion projects associated with mining, petroleum refining, chemical processing, manufacturing, and food processing. He has also provided direct support in the areas of facility operations and maintenance services.

Since October 2005, Mr. Carter has been the vice president responsible for the global Health, Safety, Security and Environmental (HSSE) program for the world's largest commercial real estate services and facility management company, CB Richard Ellis, Inc. (CBRE). He is based in Anaheim, California.

Prior to joining CBRE, Mr. Carter was with Fluor Corporation for 20 years and was directly involved with numerous field construction projects globally and held various job responsibilities within Fluor's corporate safety and health organization.

From September 2003 through September 2005 Mr. Carter served as Fluor's vice president of Safety and Health at one of the nation's largest and most complex environmental restoration projects, the cleanup of the 560-square-mile Hanford site in eastern Washington state, one of the U.S. Department of Energy's Cold War nuclear weapons production facilities. There Mr. Carter was responsible for a large organization that supported occupational safety and health, radiation protection, emergency preparedness, fire protection, and nuclear safeguards and security. During that time, Mr. Carter and his team were able to facilitate significant improvements in the overall safety process making Fluor's performance at Hanford among the very best within the DOE complex nationwide.

Mr. Carter's global experience in construction, mining, and facility operations and maintenance has taken him to a variety of countries and regions throughout North, South, and Central America, Europe and the United Kingdom, West and South Africa, Kazakhstan, and Indonesia.

Mr. Carter has been associated with IRMI as one of its regular Conference speakers since 1997 and was the 2002 recipient of IRMI's prestigious Words of Wisdom (WOW) award.

Mr. Carter is a member of the American Society of Safety Engineers. He has worked as a safety task force member with the Construction Industry Institute (CII), and served as first vice chair of the Integrated Safety Management working group for the U.S. Dept. of Energy's Energy Facility Contractors Group (EFCOG).

Notes

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THE LEADERSHIP ELEMENT THE CRITICAL INGREDIENT IN SAFETY EXCELLENCE

***D. Tim Carter
CB Richard Ellis***

I. The Leadership Element of Safety Excellence

- What is it and why is it necessary?

II. Element #1—Leaders Must Desire Excellence

- What should excellence look like?
- Not satisfied with “average” or “good enough” results
- The current state
- Creating a positive level of urgency
- Recognizing the need to change

III. Element #2—Leaders Must Be Willing To Commit

- A culture needs to be created or enhanced—it will take time
- Processes will need to be created or enhanced—it will take time
- Behaviors, actions/reactions will need to be changed—it will take time
- Maintain a positive level of urgency—it can fade with time

IV. Element #3—The Critical Few (the Ingredients Leaders “Must Have”)

- Leadership that is visible, vocal, and positive
- Management sincerity and believability
- The discipline to learn from mistakes
- Sound decision making

- A focus on prevention
- Self-assessment
- Effective communication
- Performance measurement
- Employee involvement
- Feedback and improvement

V. Element #4—Leaders Must Anticipate and Reduce or Eliminate Challenges

- Time
- Money
- Resource
- Change
- Human factors
- Motivation
- Old habits

VI. Element #5—Maintaining a Culture of Excellence Requires Leadership

- Key lessons from the Space Shuttle Columbia

VII. Safety Excellence Doesn't Come Easy—But It Isn't Incredibly Difficult



The Leadership Element

One of the Critical Ingredients in Safety Excellence

27th IRMI Construction Risk Conference

Tim Carter

V.P. Health-Safety-Security-Environmental



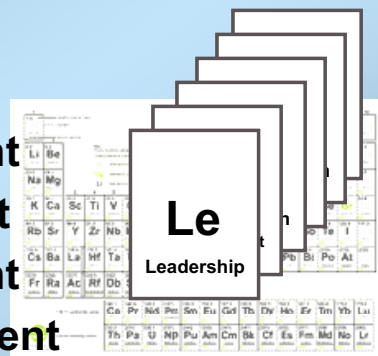
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Workshop W5



Elements of a Safety Culture

- The Program Element
- The Prevention Element
- The Protection Element
- The Instruction Element
- The Enforcement Element
- The Leadership Element



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Domino's Hines
Moist Deluxe
DIPLOMAT'S FOOD


+



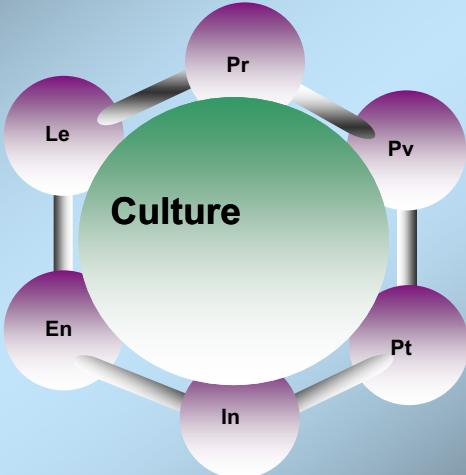
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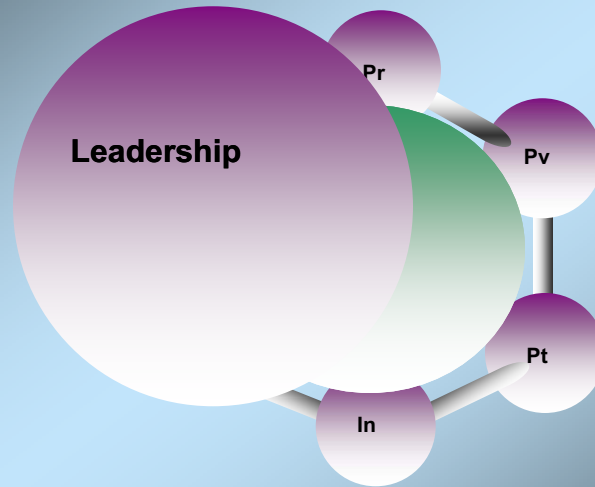
The Bond That Creates Culture



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One Part of the Culture



5



The Leadership Element

- Not rare but sometimes difficult to find
- Has an affinity for success
- Is a catalyst for change
- Creates energy and balance
- Positively charged
- Does not function alone
- Will emerge during times of challenge
- Draws others together to create strength
- Sometimes confused with “The Boss” element

A periodic table of elements is shown. A box highlights the element 'Le' (Leadership) in the top right corner. The box contains the text 'Le' and 'Leadership'.

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Some of the Basic Ingredients in Safety Excellence

Individuals or Organizations ...

- A belief that incidents are preventable
- Willingness to change
- A desire for excellence
- Driven to improve
- Commitment to the process
- A focus on prevention
- Discipline
- Goals and measures of performance
- Communication / interaction
- A basic level of care and respect for people



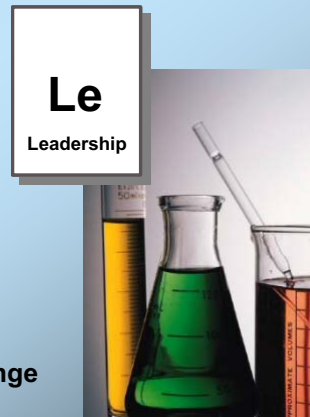
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One of the Critical Ingredients in Safety Excellence

The Leadership Element

- Visible, vocal and positive
- Sincere and believable
- Sound decision making skills
- A focus on prevention
- Believe in and respect people
- Effective communication
- Set goals / Measure performance
- Hold all members accountable
- Lead by example
- Recognize and embrace the need for change
- A passion for excellence



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Case Study #1

Compelled to Change

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About the Company

- Well established
- Publicly traded
- Global Presence
- A strong competitor in a very competitive market
- Profitable
- Experiencing steady growth
- Committed to ethical conduct
- Supportive of employee growth and development
- A good “corporate citizen”

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What Executive Management Did Not Know

- Over 900 workers' compensation claims (4 year period)
- Over \$1,000,000 paid annually for injury costs
- OSHA inspection and citation history unknown
- Only 6 health and safety professionals in the "field"
- Injury rates were at the national averages
- Current or past injury rates were unknown
- No performance metrics / no performance goals
- Little or no knowledge of "significant / serious" injury events
- What they didn't know!

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Reactions

- Workers' comp claims - **Astonished**
- \$1,000,000 paid annually for injury claims – "Who Knew?!"
- OSHA inspections and citations – "What does this mean?"
- Resource availability - "What Should It Be?"
- Injury rates at the national averages - "Is Average Good?"
- No performance metrics or goals – "What should They Be?"
- "significant / serious" injury events – "Who Knew?"
- Overall – "We need to do something different?"

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Leadership Compelled to Change

- The Leadership members recognized that change had to take place
- A more visible line between acceptable and unacceptable began to emerge
- Those with marginal to poor performance were “encouraged” to change
- Performance Goals were established (for the first time)
- Performance Metrics became important and meaningful
- A Policy Statement was developed, endorsed and issued
- Senior Management “vocalized” the need for change, helped remove barriers and enabled the process

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Results

- Leaders began to emerge at different places and at different levels
- Injury rates dropped (40% in less than 2 years)
- Injury Costs began to drop (7% year 1 / 70% year 2)
- Calls for help began to increase
- Managers became interested in their “Metrics”
- New H&S Resources added (20 new H&S members < 2 years)
- Accountability began to be defined and implemented
- Managers began offering corporate resource support to “Client’s”
- A more defined “Culture” began to form



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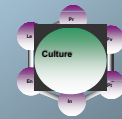
What Changed?

- Same Company
- Same Senior Management
- Same Business and Clients

No Change

- The values and expectations of the Leadership Team
- The importance of protecting people changed
- The program became more defined
- The “Level of Excellence” was better defined
- The company’s leadership became involved
- Performance Results

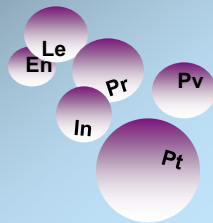
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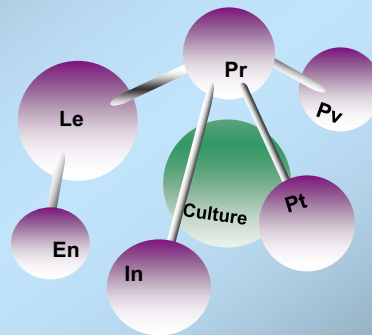
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What Changed?




BEFORE



AFTER


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Case Study #2

Programs / Plateaus / Breakthrough

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About the Company and the Project

- Long term contract – 10 years +
- Company publicly traded
- Global presence
- Over 4,000 employees assigned to the contract
- A strong competitor in a competitive market
- Profitable and growing
- Committed to ethical conduct
- Committed to employee growth and development
- Known for having a strong safety ethic and culture
- A good “corporate citizen”

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Focus on the Program

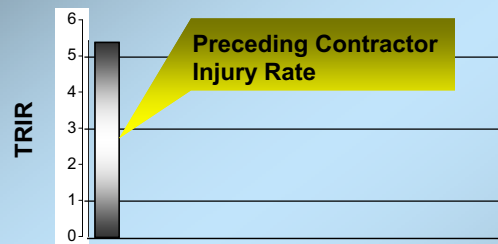
Years 1, 2, & 3

- The client's program expectation was significantly detailed
- Program development was cumbersome – very resource intensive
- Detailed programs and processes were developed and implemented – The results varied
- Injury performance improved but never met corporate goals
- There were leaders in different areas at different times – Creating “pockets” of excellence
- There were Three major management changes

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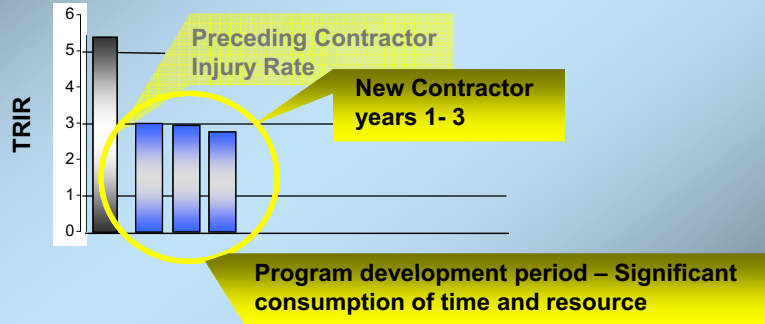
What happened?



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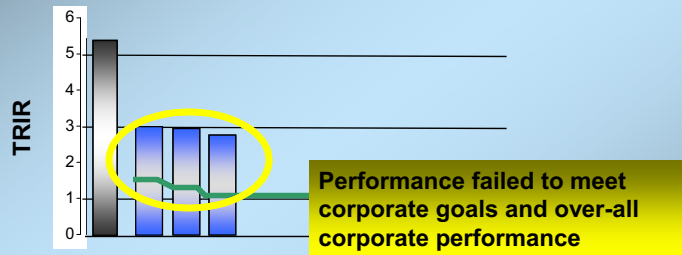
What happened?



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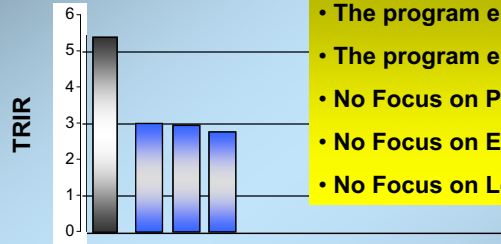
What happened?



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What happened?

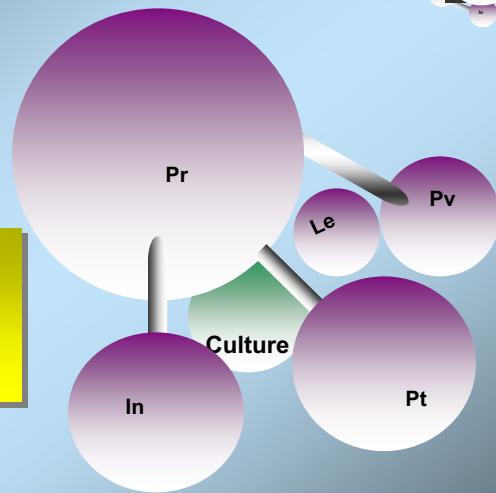
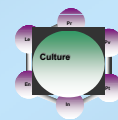


- The Focus was on the “Program”
- The program emphasized protection
- The program emphasized training
- No Focus on Prevention
- No Focus on Enforcement
- No Focus on Leadership

The Elements were not balanced



What happened?



- The Focus was on the “Program”
- The program emphasized protection
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Focus on Performance

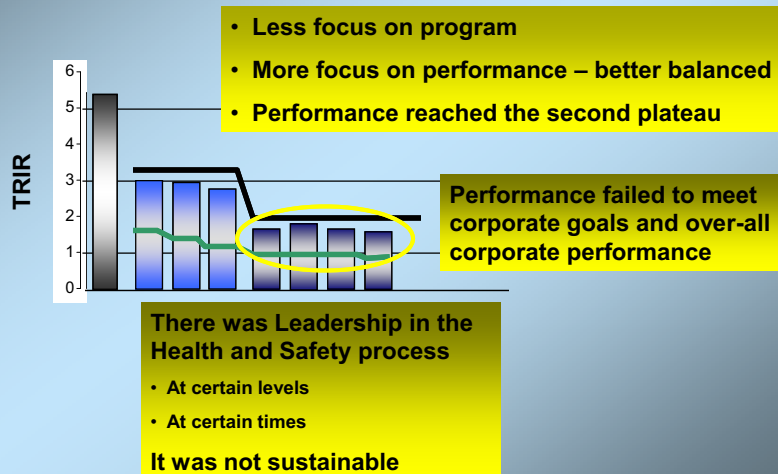
Years 4, 5, 6 and 7

- Less focus on program development and “process”
- More focus on performance – There was pressure to improve
- The initiatives to improve drew leaders out – Creating more pockets of excellence
- The balance was still too program oriented
- A more visible and effective culture began to emerge
- There were Two major management changes


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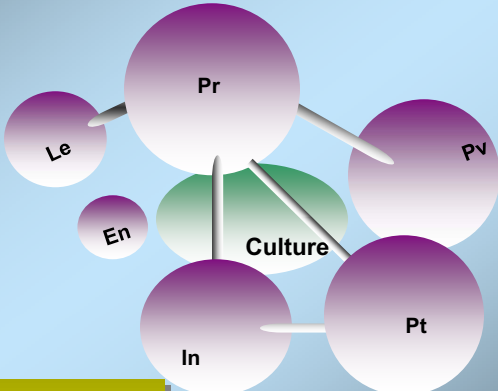
What happened?



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What happened?

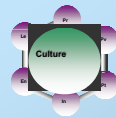


- Less focus on program
- More focus on performance – better balanced
- Performance reached the second plateau

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Breakthrough



Years 8, 9 and 10

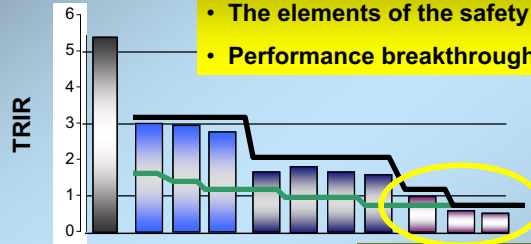
- A new senior project leader arrives – His level of safety commitment and performance expectation is un-paralleled
- More focus on manager and supervisor leadership - Accountability
- The culture rapidly grew to a new dimension
- Performance indicators began moving into “new territory” - Excellence
- A good balance between all of the elements was established and sustained
- Leaders and champions began to emerge - (where were they hiding?)

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What happened?

- Clearly Defined Expectations / Responsibilities
- The elements of the safety culture balanced
- Performance breakthrough – first year

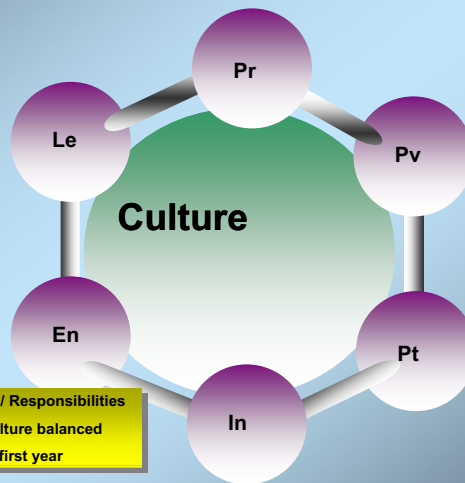
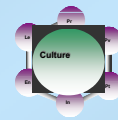


Performance met corporate goals and later was better than goal and over-all corporate performance

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What happened?



- Clearly Defined Expectations / Responsibilities
- The elements of the safety culture balanced
- Performance breakthrough – first year

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Restating the Value and Importance of Health and Safety

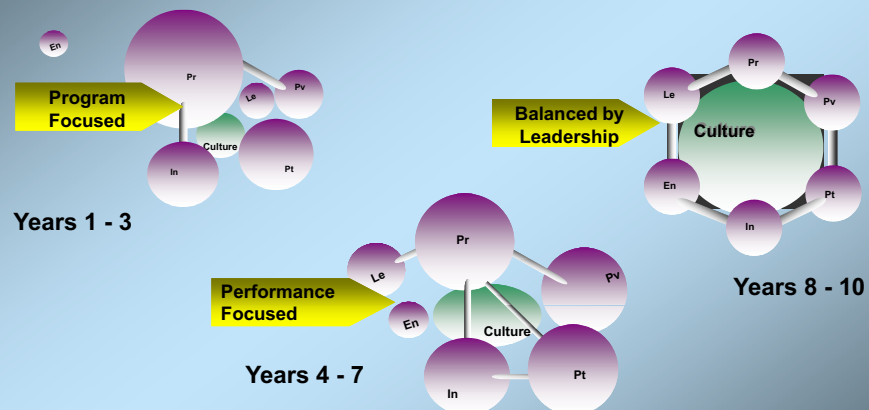
The Leadership Actions of the new Senior Manager

- Immediately visible, vocal and engaged in the health and safety process
- Participated in incident investigations and reviews
- Stated his safety values and expectations in all communiqués
- Actively participated in safety meetings
- Walked through the field routinely and required his managers to do the same
- Established clear safety performance expectations for all members of his management team
- Actively held people accountable for delivering safety excellence
- Demonstrated his values through actions and example

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Gaining Better Balance



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What Changed?

Leadership

- Same Company
 - Same Client
 - Same Contract and Mission
- } No Change

- The Leadership changed
 - The values of the Leadership Team changed
 - Accountability for safety performance changed
 - The importance of protecting people was renewed
 - The “Level of Excellence” was made clear
 - The company’s leadership became involved
 - Performance Results
- } Changed

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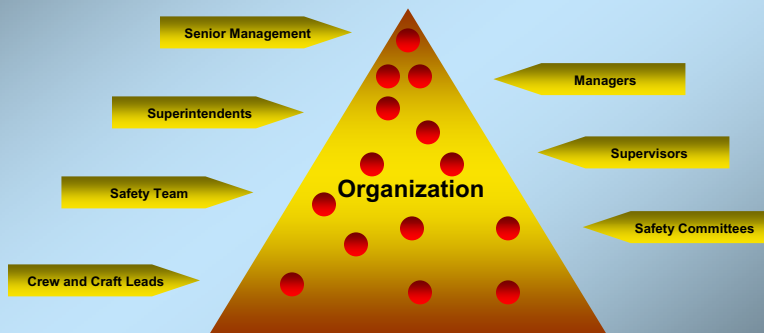


Leaders



Finding Leaders

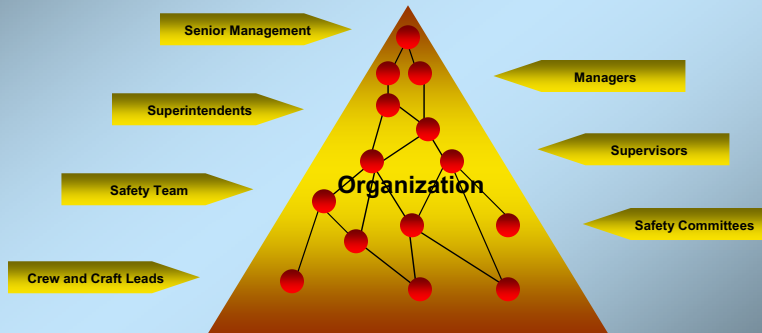
There are leaders at all levels of an organization





Finding Leaders

If they are not called to action and connected they will not emerge

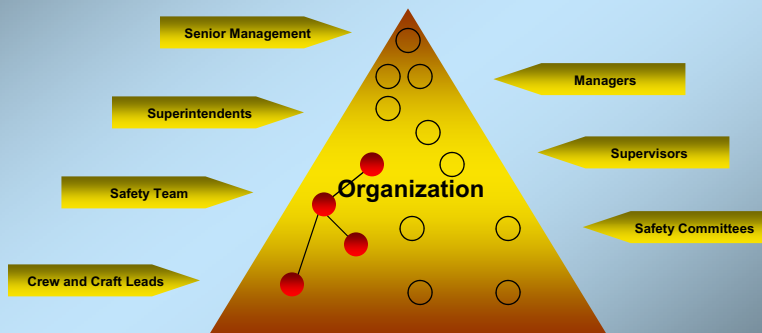


They have to be sufficient in number to support the organization



Finding Leaders

“Pockets of Excellence” can exist



It takes a balanced spread of Leaders to support the entire organization



Producing Leaders

- Leaders can be created

A good safety culture produces leaders, it does not wait for them to emerge

- Good leaders produce leaders

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Choosing Leaders

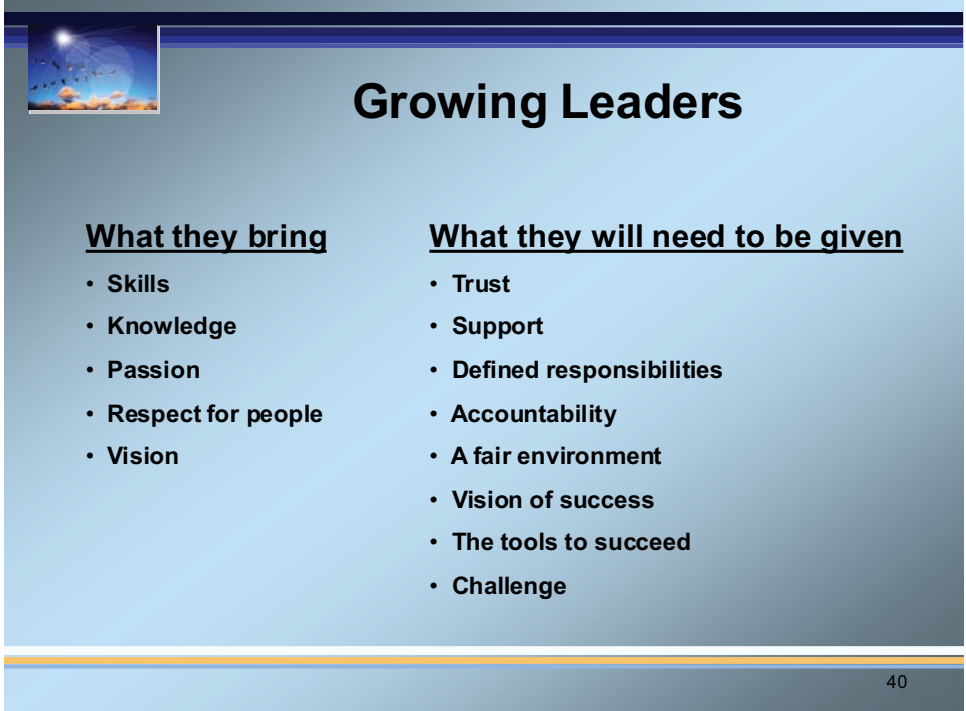
What does the individual possess that makes them leadership material?

- Skills
- Knowledge
- Passion
- Respect for people
- Vision



These are the Raw Materials

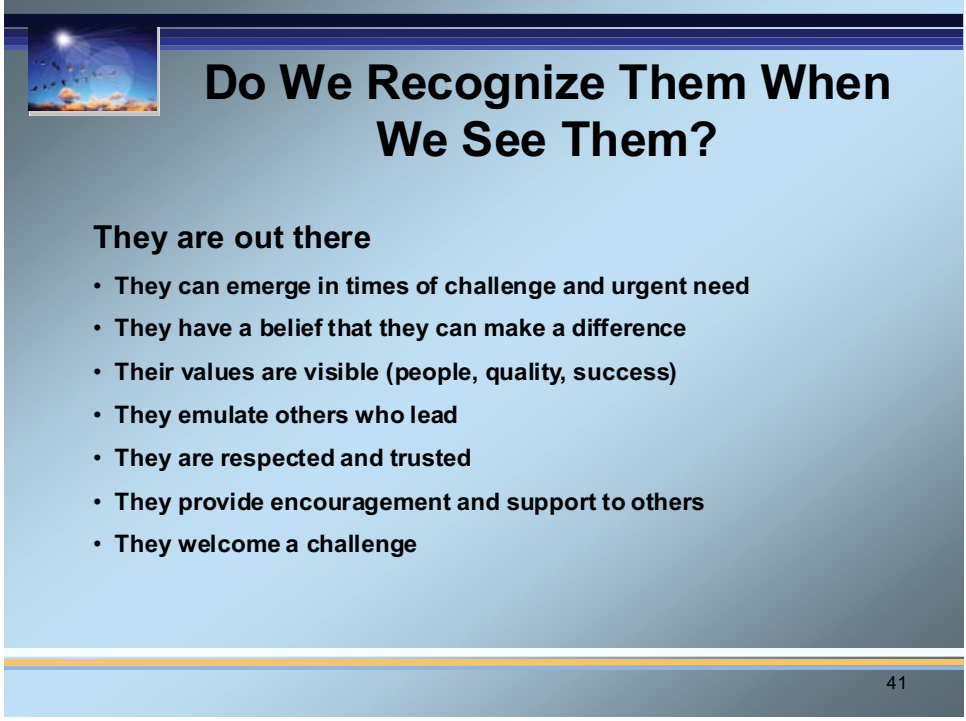
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Growing Leaders

<p><u>What they bring</u></p> <ul style="list-style-type: none">• Skills• Knowledge• Passion• Respect for people• Vision	<p><u>What they will need to be given</u></p> <ul style="list-style-type: none">• Trust• Support• Defined responsibilities• Accountability• A fair environment• Vision of success• The tools to succeed• Challenge
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Do We Recognize Them When We See Them?

They are out there

- They can emerge in times of challenge and urgent need
- They have a belief that they can make a difference
- Their values are visible (people, quality, success)
- They emulate others who lead
- They are respected and trusted
- They provide encouragement and support to others
- They welcome a challenge

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Where Do We Need Safety Leaders?

- Where executive decisions are made
- Where critical work is being planned
- Where the balance between safety and production is uneven
- Where improvement initiatives are implemented
- Where labor issues are present
- Where there are “Unbelievers”
- Where safety programs and practices are struggling
- Where there is a need to learn from an incident
- Where there is a safety culture to maintain and grow
- Where work is being done

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No Leaders, No Safety Culture

There are obstacles that exist that will negatively impact a safety culture

- **Personal Paradigms**
- **Cultural Differences**
- **Social Challenges**
- **Legacy Issues**



Without effective leadership these obstacles cannot be conquered and they will severely limit or disrupt the safety culture

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No Leaders, No Safety Culture

There are obstacles that are created that will negatively impact a safety culture

- Business Priorities
- Schedule Priorities
- Poor Planning
- Client Constraints
- Inadequate Budget
- Labor Issues

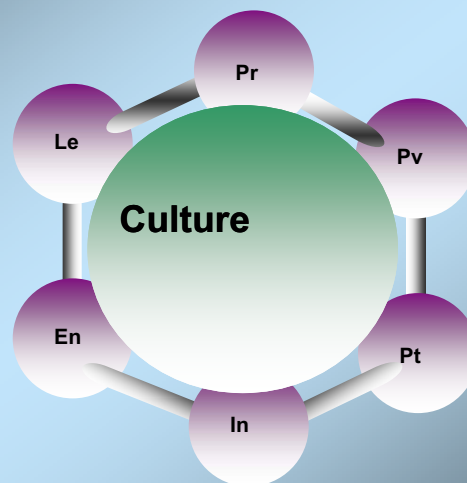


Without effective leadership these obstacles will stay in place and they will negatively impact the safety culture

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No Leaders, No Safety Culture



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Safety Excellence, like business success, is not a naturally occurring phenomenon ...

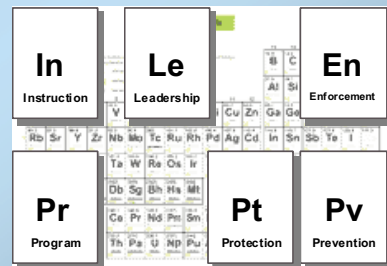
- It has to be created
- It has to be structured
- It has to be maintained
- It requires believers and supporters
- It has to have **LEADERS**

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Elements of a Safety Culture

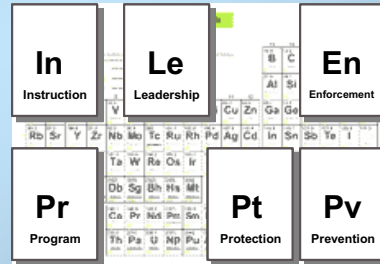
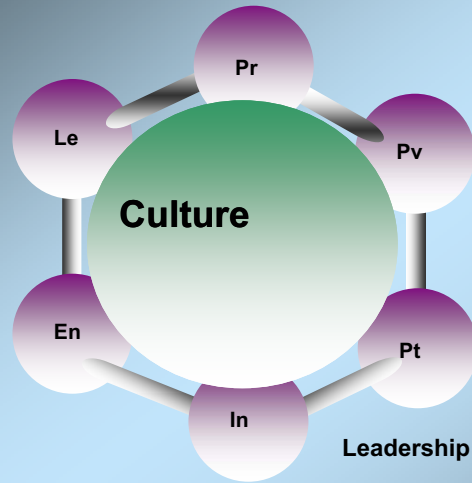
- The Program Element
- The Prevention Element
- The Protection Element
- The Instruction Element
- The Enforcement Element
- The Leadership Element



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Elements of a Safety Culture



Leadership Bonds All of the Elements Together

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Workshop WS



Safety Leadership

- Safety programs, processes and cultures require leadership to thrive
- People don't follow each other, they follow leaders – So Choose Well!
- Leaders are needed at all levels of an organization
- Leaders at the top enable the leaders below them
- Without Leadership at the top only “pockets of excellence” are possible

One of the truest indicators of a leaders ability to lead, is how they are as a safety leader

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The Leadership Element

One of the Critical Ingredients in Safety Excellence

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