



2008 Winner

**The Senior Safety Team of Comfort Systems USA
Andrew D. Estrada, Rusty Buller, and Gordon Cazella
for**

***Lessons in Leadership—Creating an Accident-Free Environment
by Developing Leadership Skills for Frontline Supervisors***

Providing leadership skills to construction and service supervisors has a measurable positive effect on a company's loss control process and the related statistical and monetary results.

The Challenge

Comfort Systems USA is a construction/service contractor, focusing on commercial and industrial HVAC, plumbing, process piping, and fire protection systems. The company was formed by consolidating formerly independent companies into a single, publicly traded company. (The diverse collection of cultures from these formerly independent companies was a big part of the safety/loss control challenge.) Comfort Systems is involved in new construction projects, renovation projects, and equipment maintenance/service work. The company has approximately 7,250 employees at 48 locations in 31 states. The process of identifying exposures to loss started in 1999 with the assembly of the Senior Safety Team, faced with the challenge of addressing the safety and loss control issues of the company and pursuing the goal of becoming PREMIER.

Identifying the exposure and risk of injury for 7,250 mechanical contractor employees in the construction industry was not that difficult. A review of pre-1999 safety statistics showed that the OSHA recordable injury incidence rate for the company was 20 percent higher than the industry average (comparative injury data was obtained from the Bureau of Labor Statistics for the appropriate SIC code and later with NAIC codes). Not only was the company not PREMIER, it was not even AVERAGE!

A review of workers compensation (WC) claims data revealed significant dollars in incurred WC claims from a variety of

injury scenarios, along with an unfavorable NCCI interstate experience modifier (EMR was approximately 1.35 in 1999). Furthermore, the poor safety record and unfavorable WC history were creating obstacles to business growth and overall enterprise viability, as more customers used contractor qualification processes to weed out "unsafe" contractors that might create liability exposures and delays to the construction projects. The company had a problem with both accident frequency and injury severity. Bad injury rates and bad experience modifiers meant no opportunity to even bid on some projects. There was definitely an interest at the highest levels of the company to do something to improve its safety record.

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A 1999 survey of management at the various locations revealed a clear disconnect with the role of safety and loss control in the success of the business enterprise. The Senior Safety Team knew that traditional safety processes were not going to fix this problem. The company did not have "just" a safety problem, it had a *leadership* problem. The substandard safety statistics were the *result* of the problem. Frankly, the Senior Safety Team believes that this situation is common in the construction industry and other companies could benefit from realizing and addressing this issue.

The Idea

To address this disconnect with the impact of safety on the company's bottom line, the Senior Safety Team designed a leadership training course. Following are some of the basic facts about the design of the company's leadership training process.

- The class is called "Lessons in Leadership" (LIL). This is an 8-hour class that is taught (or facilitated) by two people. The three members of the Senior Safety Team include one vice president-level person and two senior safety professionals. The VP is an instructor at all LIL classes, along with one of the Senior Safety Professionals.
- The LIL classes are taught at or near each subsidiary location, which are scattered across the country. The instructors travel, but the class participants are close to home.
- The class itself is an interactive presentation, supported by PowerPoint slides, interactive discussion through group exercises, flip chart notes, role-play, and individual Q&A. There is a "retention exercise" at the end of the class to ensure knowledge transfer.
- Ideal class size is 20–25, which is the right size to promote participation and interaction of participants. The classroom is set up in a "U" shape, so everyone is on the front row and everyone is part of the interactive learning process.
- Since the inception of this training class in 1999, over 1,650 frontline supervisors and middle managers have received this training.

It is important to realize that the participants in Lessons in Leadership are construction workers. These people chose to learn a craft or trade, presumably because they did not like sitting in a classroom or sitting at a desk to earn a living. Construction workers are accustomed to being on their feet and using their hands to create a tangible representation of their skill and experience.

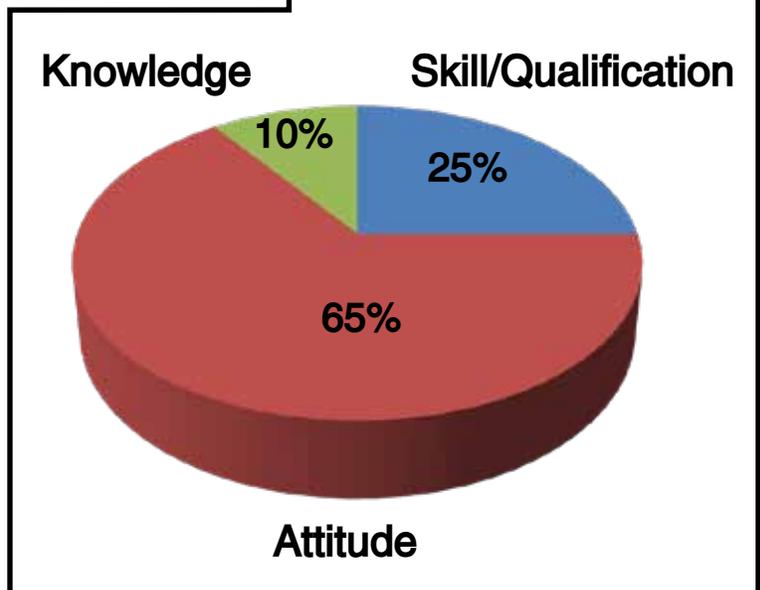
Designing a leadership class with relevant content to a blue-collar audience is a challenge. Designing a class that will actually appeal to a construction worker for a full 8-hour day is exponentially more difficult, but this is exactly what the Senior Safety Team has accomplished. The course material is simple enough for anyone to understand.

The Implementation

The company's safety process, as developed and implemented by the Senior Safety Team (also referenced as the LIL facilitators), can be summarized by the following philosophy or strategy: Creating an Accident-Free Environment through Leadership, Communication, and Motivation. Based on research published years ago by the Carnegie Institute, personal success is a function of three attributes: *skill, knowledge, and attitude in the proportions indicated in the illustration below.*

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Personal Success Is a Function of Three Attributes



The problem with safety programs that stress OSHA compliance is that they emphasize the smallest factor of success, knowledge. In this scenario, safety is supposed to be achieved by knowing all the regulations (*do's and don'ts*) and memorizing rule books.

Recognizing this inherent weakness, the company's safety process focuses on attitude first and foremost. The process targets the frontline supervisors and managers—the people having daily contact with the field craftsmen and technicians. The foundation of the company's supervisor training is leadership skill development as opposed to memorizing passages from the OSHA regulations. By fostering an attitude of safety consciousness, the company's key leaders develop a "spirit" of accident prevention and thus the frequency of accidents is reduced.

The "meat" of the Lessons in Leadership class is summarized by the "12 Guiding Principles of the Company's Safety Process" listed below. These Guiding Principles were developed (either internally or via research) by the Senior Safety Team over several years and are the foundation of the company's success in this area.

The Twelve Guiding Principles of the Comfort Systems USA Safety Process

1. Ditch the contractor mentality.
2. Safety is equal.
3. Verbalize expectations.
4. Authority is a poor substitute for leadership.
5. You can't legislate behavior.
6. Focus on prevention rather than "just" compliance.
7. Severity is random.
8. Make safety a personal issue.
9. Don't blame employees.
10. Communication has occurred when information is transferred.
11. Training has occurred when knowledge is transferred.
12. Do the next right thing.

The point of Lessons in Leadership is that safety is a people business. It has less to do with rule books and much more to do with the behaviors and attitudes of supervisors, which influence the behaviors and attitudes of frontline employees. This approach to loss control may seem overly simplistic from an intellectual or academic viewpoint, but the fact that it works in the construction industry justifies its value.

The Gary E. Bird Horizon Award

Winner Receives...

- Round-trip coach airfare
- Free hotel accommodations during the Conference*
- Complimentary registration to the Conference*
- Elegant award for office display

* Winner may use his or her complimentary registration and accommodations the year they win, or the next year.

The Outcomes

Comfort Systems USA's safety statistics are 50 percent to 60 percent below the published industry averages. In terms of cost, the program has resulted in a significant reduction in both workers compensation and auto liability costs. In 2007, workers comp losses were \$7.9M less than 2002, based on a reduction in loss rate of \$2.63 per \$100 of payroll for a company with \$300M annual payroll. In 2007, auto claim losses were over \$2.5M less than 2001, based on a reduction in loss rate of \$947 per vehicle per year for a company with a fleet of 2,700 vehicles.

Eligibility for the Gary E. Bird Horizon Award

The Gary E. Bird Horizon Award is open to all full-time business professionals charged with managing construction risks for their employers (including but not limited to risk managers, chief financial officers, safety managers, loss control specialists, claim managers, and risk management teams). Nominees must have been in their current positions at least 3 years at the time of application for the award and have been involved in the development of a construction-oriented risk management technique, process, or program that is innovative, cost-efficient, and effective. Nonprofit construction industry trade groups are also eligible based on their development of innovative techniques, processes, or programs for implementation by their members. Learn more at IRMI.com/Go/Horizon.

Gary E. Bird Horizon Award



The **Gary E. Bird Horizon Award** recognizes innovation in construction risk management. The award is named in honor of Gary E. Bird, a nationally known risk management expert lost in the terrorist attacks of September 11, 2001. Gary expanded the risk management horizon as he searched for new and innovative ways to approach the risks associated with large construction projects.

Past Winners *(See more details at IRMI.com/Go/Horizon)*

2007—CF Jordan Risk/Safety Management Department

Integrated a risk/safety management process, improving the company's overall performance in safety, quality assurance, and wellness.

2006—Alan J. Ruben, DRI Companies

Developed a patented tool to make the workplace safer and completely restructured the companies' loss prevention and control techniques and processes.

2005—Zachry Construction Corporation Risk Management Team

Developed and implemented a construction-driven project planning process that optimizes project execution over the course of a construction project.

2004—The Mo-Kan Construction Industry Abuse Fund

Developed a groundbreaking, comprehensive workplace drug and alcohol testing program.

2003—Brian Clarke, Hoffman Corporation

Designed and implemented a safety program for an OCIP, reducing OSHA incident rates and workers comp costs.

2002—Terry Young, Southern Industrial Constructors

Designed and implemented a safety program, reducing the company's workers comp experience modifier.

2001—T.J. Lyons, Rifenburg Construction, Inc.

Adapted the OSHA Voluntary Protection Plan (VPP) Accreditation for use in the road construction industry.

2000—Paul Day, Cianbro Corporation

Identified, designed, and implemented a behavior-based, continuous improvement safety process.

1999—Gayle Jones of Snyder Langston and George Bragg of Bragg Crane Services

Developed a highly effective crane safety program.