

A hand holding a red hard hat over a piggy bank filled with coins. The piggy bank is white and filled with various Canadian coins (loose change). The background is dark, and the scene is lit from above, creating a soft glow on the piggy bank and the hand.

Business Results Through Health & Safety

ACKNOWLEDGEMENTS

The Business Results Through Health and Safety Guidebook and related workshop materials are the results of a successful partnership between Canadian Manufacturers & Exporters (CME) – Ontario Division and the Workplace Safety and Insurance Board (WSIB). While there are too many people to thank individually, there are some whose contributions do merit special acknowledgement. CME accepts the responsibility for the final products, but we would like to express our gratitude for the contribution, dedication and commitment of the consultant who helped us steer the initiative: Ian Campbell of IJCampbell & Associates. CME would also like to express its appreciation to our partner, the WSIB, particularly Tom Abercrombie, Frank Mabrucco, Marianne Levitsky, and Roy Mould. The Prevention Division has demonstrated its leadership in health & safety promotion and we look forward to continuing to work with the WSIB to further improve health and safety in Ontario. In addition, we would like to express our thanks to CME staff who helped to ensure the quality and relevancy of the final products: Maria Marchese, Ruth-Marie Maxwell and Mena Falcone-Johnstone.

The ultimate relevancy and usefulness of the guide and workshop materials are dependent, to a large degree, on the participation and contribution we had from member companies, health & safety associations and others who provided us with their insight and contribution. Again, not all contributions can be thanked but we would like to express our appreciation to the following companies and organizations who have supported or endorsed this initiative:



Ian Howcroft
Vice President, Ontario Division
Canadian Manufacturers & Exporters



This Guidebook is dedicated to those leaders
who strive for
excellence in their business.

INTRODUCTORY MESSAGE

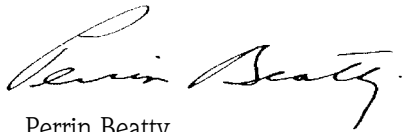
The Workplace Safety and Insurance Board (WSIB) and Canadian Manufacturers and Exporters Ontario Division (CME) are pleased to present this practical guide to improving health and safety in your workplace.

The guidebook demonstrates the “business case” for workplace health and safety, and shows how you can improve your bottom line by becoming a leader in health and safety. It provides practical information and tools that will help you develop action plans and institute health and safety programs in your workplace. The guidebook, and the accompanying workshop materials, draw on the extensive experience of Ontario businesses that are already benefiting from a stronger commitment to workplace health and safety.

This guidebook focuses on explaining business results and providing practical tools – an approach that was used successfully by CME in partnership with the Ministry of Citizenship on another guide, *Business Results Through Diversity*. We recognize the Ministry of Citizenship’s contribution to the development of this approach.

Ontario businesses can benefit substantially from the outcome of this latest CME initiative, which has been completed in partnership with the WSIB. Both our organizations are convinced that a relatively small investment in workplace health and safety can lead to substantial returns. We are confident that this guidebook and the workshop materials will lead to improvements in your workplace that will have a positive effect on every aspect of your business.

Yours truly,



Perrin Beatty
President & CEO
Canadian Manufacturers & Exporters



David Williams
President
Workplace Safety and Insurance Board

“Safety is a positive cultural element that leads to other business improvements. In 1990 NRI had 3800 lost days, in 1999, 16 lost days. In 1990 NRI was losing money, In 1999 NRI had top quartile profitability. A primary emphasis was changing the safety culture.

Management that cannot manage safety cannot manage other functions. Symptoms may include:

- *Poor housekeeping*
- *Many unscheduled equipment breakdowns*
- *Lower employee morale and high turnover*
- *High cost – failure to meet profit targets*

Employees need to know that they are important and that management cares about their welfare.”

*Ted Pattenden, CEO, National Rubber Industries (NRI)
Health & Safety Solutions Seminar, April 26, 2001*

In June 1987, when Paul O’Neill arrived at Alcoa Inc. it was just another wheezing industrial giant with an unremarkable financial record and a workforce that was biding its time. O’Neill set out to shake things up. He warned managers that they would be judged by how well they met his numbers. But O’Neill didn’t hold his troops to criteria that CEO’s commonly use, such as profit margins, sales growth rates, or share appreciation. His singular standard: time lost to employee injuries. O’Neill believed, say those that know him, that to be a world-class company, it first had to be the safest.

You can’t argue with the results. Alcoa’s rate of time lost because of employee injuries was one third the U.S. average when O’Neill took over. Today, it is less than one-twentieth. More important O’Neill’s emphasis on safety fundamentally altered Alcoa’s culture. To meet his targets, managers and even bottom-rung workers began to show initiative instead of mutely waiting for orders. Productivity soon began rising, with a timely assist from high-tech tools O’Neill also introduced, and then so did the financial allies. During O’Neill’s tenure as chairman and CEO, sales increased 5 fold, profits 5.7 times, and market cap 10 times.

O’Neill’s safety commitment won over labor unions, it also got managers and employees used to meeting benchmarks. He later expanded “stretch goals” to financial results. It would be a mistake to see O’Neill as a touchy-feely manager, however. He set Alcoa on a tough, growth by acquisition strategy that refused to settle for plodding sales and earnings.

Excerpted and paraphrased from BusinessWeek. February 5, 2001

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Overview

The average workplace lost time injury in Ontario costs over \$59,000. Surprised? The average lost time workers compensation claim cost is over \$11,771, and other costs add up more quickly than most people realize. Property damage, lost production, manager and supervisor time due to an accident and with the injured person, costs to comply with Ministry of Labour orders, and the employee's lower productivity while on light duty; the source of additional costs is extensive.

How many injuries did your company have in the last year? The last 3 years? What did they cost your organization?

How many sales dollars are required to offset the cost of your accidents and injuries? If your profit margin is 10%, it requires \$590,000 in sales to produce \$59,000 of profit. Alternatively, if your profit margin is 6% for example, it requires almost a million dollars (\$983,333) in sales to produce \$59,000 in profit. A reduction of a lost time injury costing \$59,000 has the equivalent profit effect as increasing sales by \$590,000 at a 10% profit margin or \$983,333 at a 6% profit margin.

The fact is: workplace accidents and injuries can be prevented. Businesses who have taken the initiative to prevent accidents have one quarter or lower injury rates than competitors who have not.

These organizations have implemented effective safety management systems not just because of concern for their employees, or for legal compliance, but because they understand that superior health & safety results leads to

- lower costs;
- improved employee relations and employee trust;
- improved reliability and productivity;
- improved protection from business interruption;
- increased public trust and improved public image; and,
- increased organizational capability

All organizations can operate more safely. However, there is great variance in the frequency of illness and injury rates even among companies in the same industry group. Some organizations consistently operate more safely than their competitors. Usually, these are organizations who are intentionally managing health & safety to produce highly successful results. Safe operation is not left to chance.

They produce superior safety results because they have implemented pro-active safety management processes that reduce losses, injuries and illnesses. They have learned that health & safety can be managed and that occupational injuries and illnesses can be prevented. Many of these organizations also have superior business results – they are more profitable, more innovative, lead the competition in the marketplace, are more agile and responsive to changes in their business.

These businesses have made an investment in systems and processes for safe operation – and the investment is paying off. For many there has been a profound cultural change in their workplaces over the last twenty years. Continuous improvement processes have been used to transform organization and work. Learnings from improved safety systems have been re-applied to improve process reliability, and learnings from quality management have been reapplied to safety processes. Safe operation is a critical component in optimizing the success of these organizations.

Preventing injuries, illnesses and operational losses is good business. To be successful, requires senior management (president, CEO, plant manager etc) vision, leadership and commitment to prevention.

This guidebook is designed to help understand what injuries, illnesses and operational losses are costing your organization and how prevention will help your business. It will also provide some guidance to start improving your health & safety results, and as a result, your business.

Your business might not be ready or complex enough for the most advanced implementations of safety systems, but regardless of where your business is, there are opportunities to realize business benefits through health & safety initiatives.

This guidebook is designed to;

- Help organizations understand why addressing and improving employee health & safety can lead to shareholder value, improved operations and better bottomline results;
- Allow organizations to evaluate where they are now and to identify the business benefits of improving their management of health & safety;
- Provide guidance and tools with which employers and others can conduct self assessments to identify strengths and weaknesses of how their health & safety system contributes to the bottom line; and,
- Assist organizations in the development of action plans to improve health & safety in a way that contributes to improved business results.

This guidebook is about improving business results. For some organizations it may be an opportunity to improve their current processes. For some others it may be an opportunity to make fundamental changes to their approach to health & safety and improvements in managing their operations.

“As CEO I want to be sure that employees go home each night to family and friends the same way they come to work in the morning. Safe operations contribute to the bottom line. Excellence in health and safety performance leads to improved productivity and lower costs. Time is not lost to injury, investigation processes and all the follow-up that results from an accident. I also believe that an organization that has a high level of health and safety awareness and performance is also an organization that is known for quality in its end products and customer service. That link is a positive contributor to the company’s profit margin”.

*Mr. J. A. MacKenzie, P.Eng.
President and Chief Executive Officer
Guelph Hydro Inc*

Workplace Accidents, Injuries and Illnesses – The Public Issue

Impact on Injured

Pain, suffering, loss of enjoyment of life, impacts on families and friends are all very real outcomes of injuries and illnesses, particularly disabling ones. The sympathies of the government, courts and public quickly go to the injured or ill, particularly if it is determined that the employer had not “taken every precaution reasonable in the circumstances for the protection” of the employee.

Injury and Accident Costs

In 1999 there were over 100,000 lost time injuries and occupational illnesses in Ontario workplaces. Over \$2.6 billion (including administrative costs) was paid in compensation claims to injured and ill employees.

In addition, indirect costs associated with workplace accidents and illness are conservatively estimated to be at least 4 times the direct costs. Together with direct costs this means there was over a \$12 billion drain on Ontario productivity in 1999, and a loss of competitive advantage.

Unrecognized Risk

Some operations have the potential for a catastrophic incident, risks that can result in fatalities or can put a small or medium sized company out of business. The risks, which include fire, explosion, exposure to harmful substances, falls, caught in moving equipment, mishaps in confined spaces and so on, may be unrecognized, underplayed, or ignored. Only a few bad incidents can cast a pall of mistrust on all industry. These types of incidents invite increasingly stringent regulations and regulatory intervention.

Employee Knowledge and Expectations

Employee expectations for a safe and healthy workplace are rising quickly as a result of increasing education levels, public awareness and publicity of workplace accidents and illnesses,. Yes, there may still be people willing to work in workplaces with poor health & safety standards, but it is likely that those who have the ability to make the most contribution to business success will either not apply, or will move on to a more favourable working environment.

Young Employees and Students

High school students are now receiving education in health & safety legislation, so that even for part time positions health & safety will be a factor in jobs they apply for, and already employers are finding the students are not hesitant about refusing work they feel is unsafe.

Public Trust

Expectations of society for safety and prevention of injuries and illnesses is increasing. Accidents put a “cloud” over a business and have a negative effect on its reputation. Governments, including Ontario, are taking action to raise performance standards with legislation, and through actions of the Workplace Safety and Insurance Board. There is new focus on actions to prevent workplace injuries and illnesses rather than just adjudicate and pay claims. There is greater realization that occupational accidents, injuries and illnesses can be prevented.

Customer Trust

A reputation of a poor safety record may result in lower customer trust. A poor safety record is a reflection of how well a business is managed, and that may result in customers questioning how well other fundamentals of the business are managed such as quality, reliability, and ability to plan, schedule, and meet deadlines.

Workplace Injuries And Occupational Illnesses Can Be Prevented

There is public expectation that workplace accidents can be prevented. There is greater regulatory realization that injuries and illnesses can be prevented. Safe operation is not a matter of luck. It is also not just a result of “careful” employees. It is a matter of knowledge and good management. The techniques and processes to prevent workplace injuries illnesses and losses are known and available. Many organizations have implemented pro-active health & safety systems in their workplaces that work. Their injury rates, claims costs and other losses are significantly lower than average. WSIB compensation and other costs for the best performers are 70% to 90% lower than the lowest quartile of firms in their industry group. Many serious injuries that occur in workplaces are tragedies, because they are repetitions of circumstances for which safe processes are known and used in other companies that have effective health & safety systems.

Managing Health & Safety Is Not The Same As Managing Claims

Many organizations have implemented “return to work” programs to help employees shorten their recovery time after an injury. They are also more rigorous in challenging questionable claims. These are good and important initiatives. However, if the injury or occupational illness had not occurred in the first place, then managing a return to work program would not be necessary. How much better it would be to put this effort into preventing accidents in the first place. This is the total quality approach – eliminate defects by concentrating on improving the system.



How To Use This Guidebook

Who (What Types of Organizations) Can Use This Resource?

The Canadian Manufacturers & Exporters, and other participating associations, recognized the opportunity to provide sound approaches for contributing to business success through reduction of workplace risk, and prevention of injuries and occupational illnesses in an organization. This guidebook is designed with a particular audience in mind: leaders in organizations who are looking for solutions and tools to reduce costs and improve productivity.

We believe that any company, large or small, will find useful information here that will contribute to business success through the application of health & safety principles, tools and best practices.

Help Make The Link Between Health & Safety And Business

This guidebook is designed to help your company address occupational health & safety as a business issue. The purpose is to strengthen your business by better understanding and managing workplace risks and preventing injuries and occupational illnesses. Success in attaining this outcome starts with the leadership and direction of senior management in an organization.

On Its Own, and as a Basis For Dialogue With Colleagues

You can use the guidebook on its own as a self-study tool to raise your own awareness of occupational health & safety as a business issue and as a starting point to implement solutions. However, in order to move ahead to decisions and actions, you will need to create a forum for discussion and planning within your organization. The forum should include your management team, and at the appropriate time the participation of your joint health & safety committee or health & safety representative. It is important that senior management understand and commit to their leadership role before broadly involving other employees. Ultimately, all employees will be involved.

Use The Guidebook Along With Supporting Workshops

The guidebook provides a roadmap for understanding the potential for safe operation to contribute to shareholder value and for developing or improving your system for managing occupational health & safety in your workplace. It provides a framework for generating dialogue and developing a plan for your situation. There are accompanying workshop materials designed specifically to help you conduct practical working sessions based on the guidebook.

Support and Involvement From Key Groups

Ultimately, the process of assessment and planning can lead to successful results only with active involvement and buy-in from senior managers, supervisors, employees in general, and their representatives. The guidebook is also a tool for raising awareness and obtaining the support of these key groups and individuals.

Not All- or- Nothing

Some parts of the guidebook may be more relevant and timely than others for your company. Some of the terminology, models and steps may fit better than others in your workplace culture or industry. It's important to select and use those sections that best meet your needs. Adapt the content to suit your audience, incorporating words and examples that your people can relate to.

Not a Health & Safety Department Program

If your company has a health & safety manager or department, they will continue to play an important role in providing technical expertise, facilitating health & safety system development and implementation and as an advisor to management. In order for the change to succeed, however, line management must assume ownership for health & safety and all employees must be involved and committed. This Guidebook is not intended as a “another safety program”; rather, it's a roadmap to make the linkage between improved health & safety management, health & safety results and their contribution to business results. It also highlights the essential management system elements that will improve health & safety in a way that benefits the business.

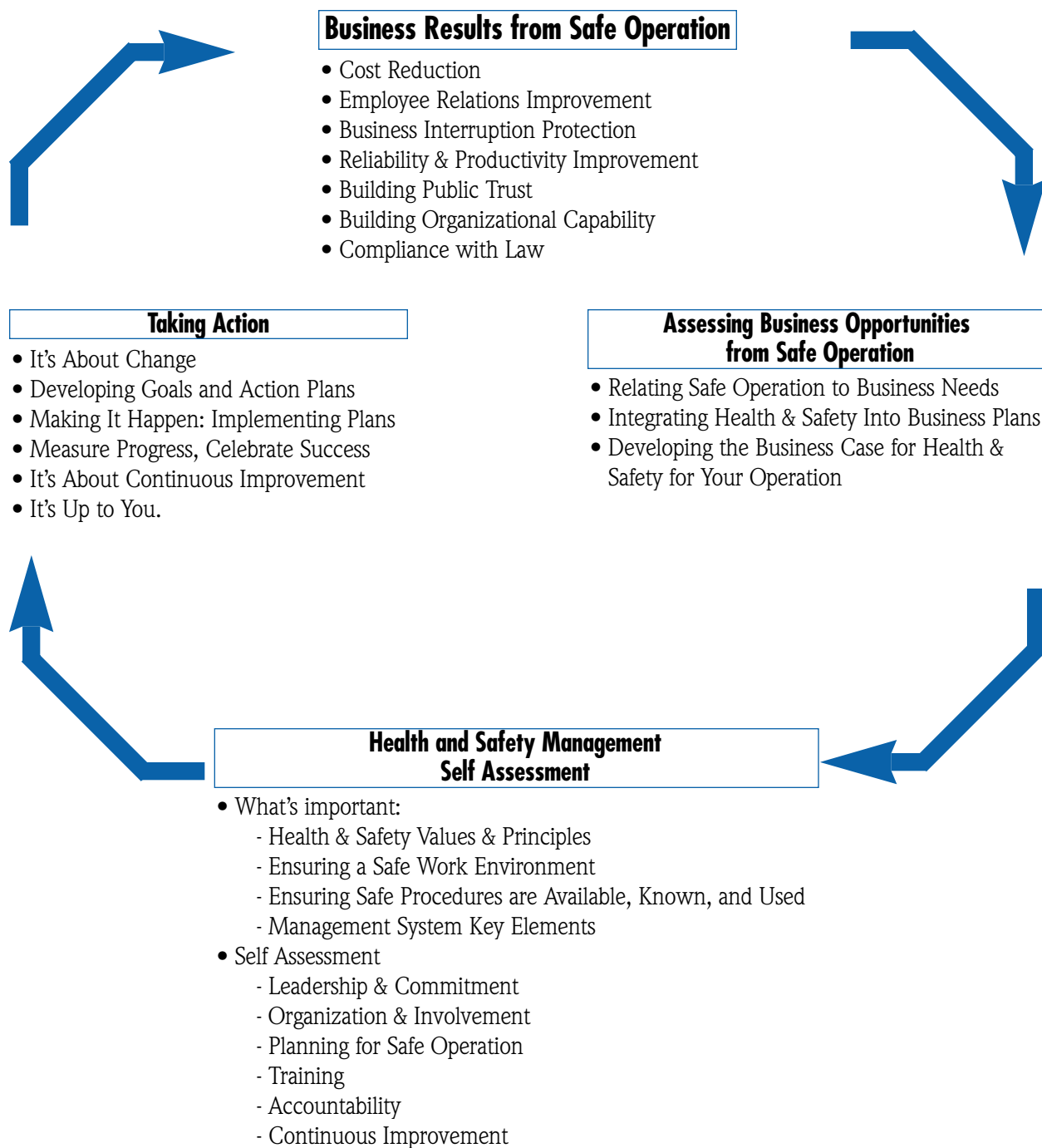
Continuous Improvement

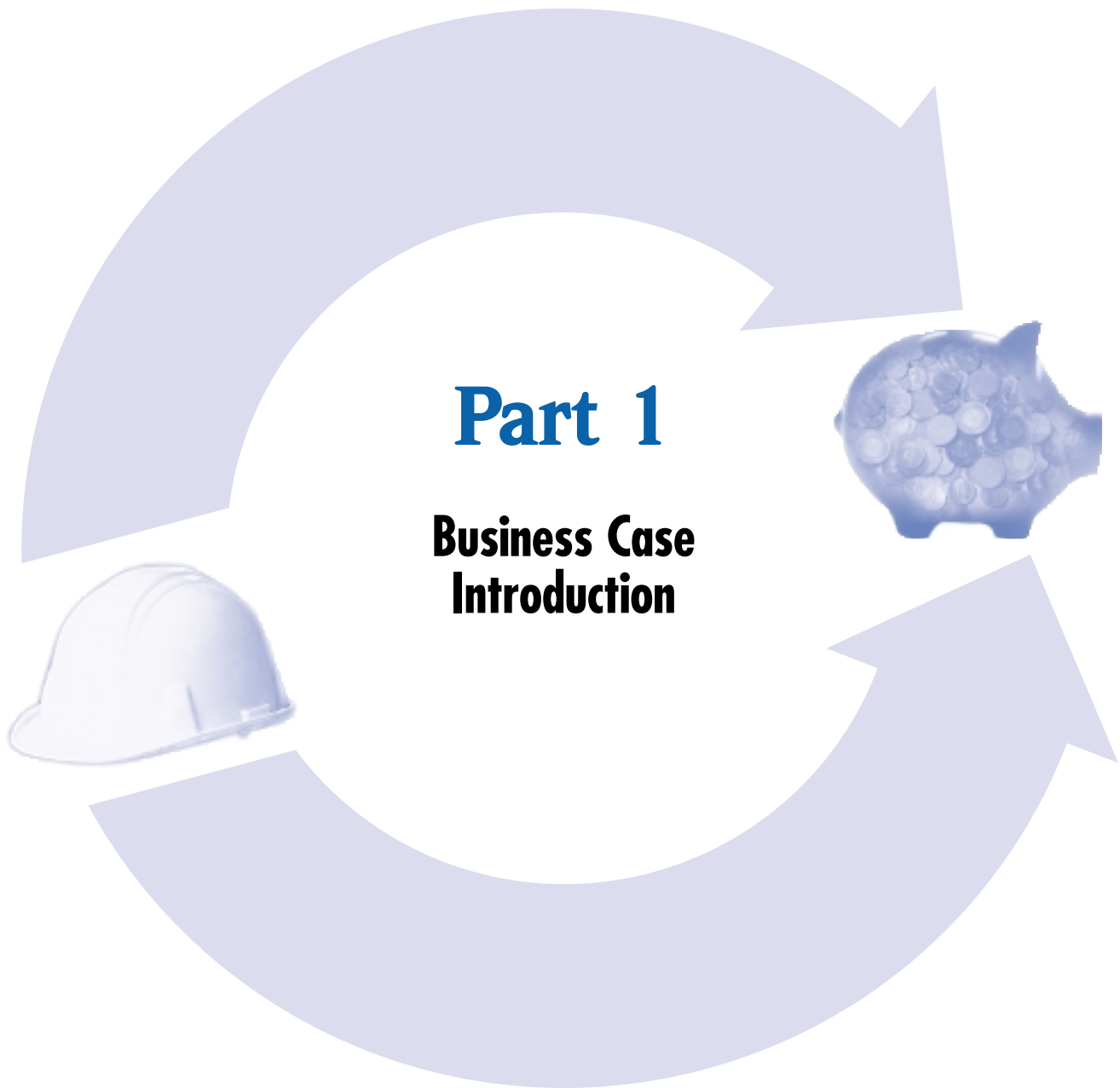
Your company seeks continual improvement in productivity, quality, costs and customer service. Learning to manage health & safety effectively and maintaining safe operation is an ongoing process that can contribute to your continuing success. There are several phases to move through:

- Awareness and education;
- Health & safety system changes and improvements;
- Practices based on the system changes;
- Behaviour change in the day-to-day work situation; and,
- Results that add to your bottom line.

The guidebook is not a one-time resource. Using it over a period of time, refining its content for your company, and recycling through its steps can lead to deeper insights and significant practical benefits.

Guidebook Process Overview












Section 1.1 Health & Safety – An Opportunity

Health & safety in the workplace is not a new issue. It goes back hundreds of years. However, the issue has really only been taken seriously in the last 100 years. Significant progress has been made in that time. Annual lost time accident rates were often 25 or more per 100 employees in 1900. By the 1980's, this had declined to about 6 per 100 employees, and by 1999 in Ontario, it had improved to less than 3 per 100. This is a substantial improvement. However, associated costs to the business continue to rise.

All companies do not experience the same injury/illness rates. Average injury/illness rates differ in the various industry sectors as well as in same sectors. This comes from the concept that some industry sectors are more hazardous than others and therefore it is natural that there will be higher injury rates in these. However, even among companies who are engaged in similar businesses there is great variation in injury/illness rates. Even in higher risk business operations the most successful companies are achieving lost time injury/illness rates under .5 per hundred employees, or six times better safety performance than the average. There are opportunities for companies in all industry sectors to improve their performance.

Most of the businesses consistently achieving lower injury/illness rates have done this by using sound management practices. They have made safe operation a business objective, not just because of concern for their employees, but because safe operation is a factor in their continuing business profitability and success.

These companies realize that it requires an investment to achieve higher levels of safe operation, but also that the investment has sound business benefits and that assurance of safe operation is integral to meeting other business goals. The business case for these companies is based on a genuine concern for their employees, and on protecting and building shareholder value. The business justification includes:

-  **Compliance with the Law**
-  **Cost Reduction**
-  **Business Interruption Protection**
-  **Employee Relations Improvement**
-  **Reliability and Productivity Improvement**
-  **Building Public Trust**
-  **Building Organizational Capability**

Section 1.2 The Business Case For Health & Safety

Businesses that have implemented highly effective processes for managing health & safety do so not just out of care and concern for their employees (although, this is also an important motivating factor), but also because they have realized it is good for their business. Their business justification includes:

Compliance with the Law

Compliance with the Occupational Health & Safety Act and relevant regulations, as well as other Acts and regulations related to the health & safety of employees and others, is important and a legal requirement.

Not being aware of your legal responsibilities and duties is not a defence for non-compliance. Legal requirements provide minimum standards for business operation. However, compliance is not what drives the health & safety system for businesses with highly effective processes and superior results. Safe operation and the benefits of safe operation both for employees and the business are the primary drivers.

Cost Reduction

Workers compensation costs are significant, and there are substantial other costs that are incurred when an injury/illness occurs. The sum of these add directly to operation costs, and hence profits.

WSIB costs (including administration costs) for the average lost time injury/illness in 1999 in Ontario was over \$11,771. When other company costs associated with an injury are added, the average cost to an organization can rise to over \$59,000. Of course, there is great variance in total costs, some injuries will result in modest costs, but some others where there is long term disability, extensive property equipment and material damage, stop work orders or production downtime, costs rise very quickly. These companies realize that in order to prevent serious injuries and illnesses they must emphasize overall accident prevention.

Examples of other costs include:

- Equipment/tool damage and repair costs
- Property repair costs
- Production delays including other employee time at time of accident
- Material loss
- Cost of complying with Ministry of Labour orders
- Management time spent on issues related to the incident, injury or illness
- Claims filing and management of workers compensation process
- Salary top-up and benefit costs while on compensation
- Loss of use of equipment while being repaired
- Loss of production if stop work order issued
- Cost and time spent to comply with a WSIB Workwell audit
- Legal and trial costs if charges laid
- Payment of fines
- Managing return to work and reduced productivity while on modified work assignment
- Reduced productivity/organizational capability due to loss of skilled employee
- Cost of obtaining a replacement employee and decrease in productivity while on learning curve

A fuller discussion of injury costs will be found in Appendix D. Although the non-compensation costs associated with an individual injury may vary considerably, many analyses indicate that non-compensation costs on average to be at least 4 times compensation costs.

1993 British Study Reports Uninsured Accident Cost between 8 and 36 Times

Insured Costs

“The cost of Accidents at Work” study reported by the Health & Safety Executive Group of the British Government, conducted a detailed study of accidents and their costs at five different locations: a construction site, a creamery, a transport organization, an oil platform and a hospital. This study ran for 13 to 18 weeks at each location used actual costs as they occurred, not estimates. The range of uninsured costs (e.g. plant, machine, tool, product and material damage, production delays, management and employee time, legal and fines etc) to insured costs (e.g. injury, medical care, etc) was 8:1 for the transportation organization, 11:1 for the construction site and the oil platform, and 36:1 for the creamery (hospital ratio, not available).

Source: “Safety and The Bottomline”, Frank E. Bird, 1996

Business Interruption Protection

Ignoring or underplaying risks that may result in major interruption of the business is simply unacceptable from a shareholder or regulatory perspective.

Responsible organizations ensure that they assess their operations and processes to understand the hazards and implement control measures to eliminate or control identified hazards. They obtain good advice and follow it. They understand that incidents that are a result of failure to assess hazards and implement control measures, will invite regulatory intervention, including stop work orders and, depending on severity, may result in charges. If an incident is serious (fire, explosion, significant employee illness due to toxic exposure etc), it can put the operation out of business. This is not bad luck. It is bad and negligent management.

Employee Relations Improvement

Demonstrating management concern and commitment to ensuring safe operation is a critical component in building better employee relations, keeping the best employees, and increasing the contributions of employees in achieving business goals.

Any relationship involves give and take by the participants. When this is seen to be balanced and fair, trust and respect by those involved grows.

Management commitment and follow through to ensure employee health & safety is an opportunity to demonstrate concern for employee well-being and work satisfaction. Motivated employees will focus their energy on improved productivity, quality, and implementing change successfully, rather than on health & safety concerns, workplace problems, and relations between employees and management.

Pro-active commitment to safe operation will help attract and retain quality people. Increasingly, quality applicants look for and are motivated by the status of health & safety at a company. It is part of their decision to join or stay with an organization. Ontario now includes basic occupational health & safety in the high school curriculum, therefore, new employees may question the health & safety of the work they are asked to do.

“From a business perspective, our employees are our most valuable asset and one of our greatest competitive advantages. We have put a lot into hiring, training, and keeping our world class employees. It is a business imperative to have them healthy, and at work.”

Bronco Jayzvac, General Manager – Manufacturing Services, Dofasco
Speech, North American Leadership Summit, October 12, 2000

“Safety is the first basic human need. If you don’t feel safe in your environment, how can you possibly do a good job?”

Mike Simms, Plant Manager, Wainwright Industries,
winner of the 1994 Malcolm Baldrige National Quality Award.
quoted in “How a Baldrige winner manages safety”
by S.L. Smith, in Occupational Hazards, v57, n2, p33, Feb. 1995

“Ontario Power Generation will be a successful and productive workplace if – and only if – we are first and foremost a safe company that respects employees and where employees respect and watch out for each other.”

John Murphy, Executive Vice President, Ontario Power Generation
From a memo to the Thunder Bay Work Centre, November 23, 2000.

“Management (at Wainwright) realized that the most important assets at the company were the employees. The decision was made to prioritize safety – the most important concern of the associates – as the first and most important measurement category, followed by internal customer satisfaction, quality and business performance. Since that time, accidents have decreased by 72%; lost time due to accidents has decreased by 85%; and lost work days have gone down by 87%. Customer satisfaction ratings are at 95% and growing, profits are up, and workers compensation costs have dropped from \$92,600 to \$13,000.”

”How a Baldrige winner manages safety” by S.L. Smith,
in Occupational Hazards, v57, n2, p33, Feb. 1995

Reliability and Productivity Improvement

Injuries, occupational illnesses and incidents causing losses are often symptoms of defects in the workplace systems. Superior performing companies have realized that the underlying defect which has allowed an injury, illness or incident to occur, is probably also affecting one or more of the reliability of the operation, productivity, or product quality. Optimized cycle times and JIT customer needs demand high levels of production reliability.

When an employee is injured while clearing a jam in a piece of equipment, the safe procedures for clearing the jam may have been faulty. The safety response is to implement revised procedures for clearing jams. However, superior performing companies will also recognize that jams reduce reliability, damage materials, and are labour intensive. Resolving the reason for the jam improves production rates and productivity, reduces material costs, and eliminates a source of potential injuries.

Injuries that occur when the work area is disorganized, when work flow is awkward, when maintenance is being performed under pressure because of a breakdown, when employees are unaware of potential hazards and so on, may all be symptoms of other workplace issues that are impacting cost, reliability, productivity and quality. Superior performing companies use every incident as an opportunity to make improvements that improve reliability, productivity, cost, and health & safety, simultaneously.

Innovative Thinking:

A forest products company stencils their company name, and other information on their products. The stencils need regular cleaning, which required the use of respiratory protection equipment by employees for protection from the solvents. An innovative employee suggested spraying the stencils with household “Pam” spray before use. The result: the paint no longer adhered to the stencil. They could be easily cleaned with water and detergent. A safety hazard was eliminated, significant time saved, and the need for respiratory protection eliminated: Safety and productivity were improved.

Seeking Root Causes:

An Ontario company was having problems with bottles falling over while moving along a flextop conveyor line as part of a filling operation. The resolution was to position an operator to straighten up the bottles as they moved along the conveyor and keep the line operating. A health and safety inspection by a third party raised questions about the safety of this job, given the proximity to moving equipment. Safety standards would call for shut down, power disconnect, and lockout, before carrying out work to straighten bottles. However, complying with these standards would cause an unacceptable decrease in production levels. Instead, resolution came from seeking the root cause for “why were the bottles falling over?”. With a new focus, the root cause was quickly resolved, and with appropriate adjustments and some minor modification to guides, the bottles no longer fell over. The result: a safety issue was resolved, the requirement for an operator was eliminated, cost was lowered, and line productivity improved.

Building Public Trust

Corporate image is important regardless of company size. A high concern for safe operation and the health and well-being of employees is a positive message that is carried into the community not only by employees, but also by suppliers and customers. It helps attract and retain higher caliber employees. It may help improve the image of the quality of the products. It creates a positive image when the company needs to influence local government or the surrounding community. It creates a favourable image with provincial and other government agencies.

“A Conference Board of Canada study released January 30, 2001 reported that 92% of Senior Canadian executives felt that reputation management was becoming a more important issue, and that a worldwide study revealed that the public’s impressions of a company were often formed by its corporate social responsibility performance. In several areas, at least 80% of the respondents said a company’s good reputation had had a positive impact on their company. These areas include: managing business to business relations, developing new opportunities, finding and keeping staff, entering new markets, handling crises and building customer loyalty.”

“Solid corporate citizens have solid profits”, portfolio@newswire.ca January 30, 2001

“It is important to understand that this transaction (the lease of Bruce Generating Station to British Energy) in no way compromises safety. I say this because it’s sometimes assumed that public sector companies operate nuclear plants more safely than private sector companies. That’s a false assumption. In addition to being subject to the same level of scrutiny by Canada’s regulatory authorities – not to mention scrutiny by the media and international industry associations – private nuclear operators such as Bruce Power are also subject to the discipline of capital markets. Investors commit money to nuclear facilities only when they are safely operated. This gives private companies an even greater incentive than public utilities to practice impeccable safety standards.”

John Murphy, Executive Vice President, Ontario Power Generation
Excerpted from a speech to the 8th Annual Canadian Council for Public Private Partnerships, Toronto, November 27, 2000.

Building Organizational Capability

Reliable, productive, cost effective organizations with employees who are motivated, skilled and focused on business goals is a sound foundation for the ability of business to respond quickly to market or competitive changes, to grow and expand.

Safe operation is a vital contributor to all of the above conditions. Processes that are efficient, trouble free, reliable and cost effective are a sound basis for being able to respond to new demands and to handle growth. Accidents, injuries and illnesses and the time and effort to manage them impede the ability of the organization to change and respond quickly. Further, they can affect employee relations, diverting employee and management focus from the business needs.

“For many companies corporate conscience alone is sufficient to achieve alignment with the objective that all of its employees leave their day’s work injury and illness free. Each employee has a right to expect this level of health and safety, and a responsibility to help the company achieve this goal.

Higher performing work systems can only be realized if there is confidence and trust that basic health and safety needs are addressed in an effective and timely manner.

Time and resources spent in responding to health and safety concerns or caring for the employee injured or made ill on the job is actually rework. Conversely, the time invested in putting in place systems that will prevent injuries, illnesses, and complaints about unsafe or unhealthful working conditions builds employee confidence and trust, which have been shown to pay dividends in achieving high performance work system objectives.”

Richard D. Fulweiler, Director, Health and Safety, Procter & Gamble Company,
in the American Industrial Hygiene Association Journal (54), November 1993.

Integration with Core Values

Motivation and justification for safe operation often comes from the Core Values of high performing organizations. These organizations normally are committed to, and have a passion for excellence in all activities in their business. Motivation of employees, mutual respect and trust, everyone’s alignment to corporate goals, and ability of the business to focus on attaining its goals are fundamental contributors to their corporate success. It follows that providing a safe and productive working environment, and insisting on safe operation is an expectation. It also follows that there is a high degree of concern about anything (e.g. regulatory intervention) which diverts focus from achieving corporate goals – prevention is key!

“Safety, Concern and Care for People, Protection of the Environment, and Personal and Corporate Integrity are this Company’s highest values, and we will not compromise them.”

Dupont Canada








“P&G is its people and the Core Values by which they live.

*... We act on the conviction that the men and women of Procter & Gamble will always be our most important asset. ...
We always try to do the right thing. ... We operate within the letter and spirit of the law.....We are determined to be the best at doing what matters most....we respect our P&G colleagues, customers, consumers and treat them as we want to be treated.
We have confidence in each other’s capabilities and intentions. we believe that people work best when there is a foundation of trust.”*

Procter & Gamble Inc.

Section 1.3 Relating Health & Safety Activities to Improving Business Results

Sound health & safety management and activities re-enforce effective management processes. They:

-  help promote alignment and commitment of management and employees with organizational objectives, goals and action plans;
-  support effective planning for new projects and changes;
-  support the development of effective and safe operating procedures;
-  re-enforce the importance of employee training to be able to carry out their responsibilities effectively and safely;
-  stimulate and help develop employee problem solving and other skills;
-  stimulate and support effective communication between management and employees, effective processes for giving and receiving performance feedback, and processes for holding people accountable for carrying out their responsibilities; and,
-  stimulate and reward actions taken to improve the business processes.

As a result:

1. Costs are reduced. The operation is more reliable. The risk of business interruption due to health & safety issues is decreased. The risk of skilled employees not being available is less. Equipment, material and product damage is reduced. Costs and management time dealing with regulatory or legal fallout from an incident/accident is eliminated.
2. Safe and optimum operation is no longer a matter of luck or chance. It is an achievable goal, based on good organization, and planned activities, backed up by a shared management and employee commitment to the goal. Mutual management/employee trust and respect grows. Management is seen to “care”. The organization grows, cooperation increases, and employees learn new skills that can be used to help the rest of the business.
3. Employees and management learn new skills that can be re-applied to help improve other business concerns. For example, the techniques of:
 - Incident Root Cause Analysis can be used to determine the root cause of quality and reliability incidents;
 - Job and/or Process Hazard Analysis can be used to identify potential production, quality and reliability issues and improve the process;
 - New employee training for safe operation and follow up can also be used to help shorten the start up curve in becoming productive; and,
 - Giving and receiving health & safety performance feedback can be used for improving one to one communication and feedback skills at all levels of the organization on any issue.
4. Involvement of all levels of employees in health & safety goal setting and planning processes can be a step to cooperation and involvement in other business planning.

Consequences of Health & Safety Non Compliance or Poor Performance

This Guidebook is about the benefits of superior Health & Safety performance. However, the consequences of non-compliance with occupational Health and Safety Laws and Regulations or poor performance in preventing injuries or occupational illnesses can be severe. The best defence for avoiding these consequences is a vigorous pro-active safety program that prevents injuries and occupational illnesses and ensures compliance with laws and regulations.

Orders, Charges and Fines

Inspectors have the right to enter and inspect your workplace at any time and without notice. Normally, they will issue an Order to comply for observed infractions of the Occupational Health and Safety Act and its regulations. An order may include the requirement to stop work until the order is complied with. Charges may also be laid for infractions of the Act or its regulations or failure to comply with orders. In Ontario, individuals may be fined up to \$25,000 or imprisoned up to 12 months. Corporations may be fined up to \$500,000.

A sampling of Ontario Occupational Health & Safety Convictions in 2000 includes:

Organization	Injury	Accident	Charge	Penalties
Meat Packer	Head, shoulder, back	Box fell from overhead conveyor striking employee	Guarding	\$80,000
Meat Packer	Fractured ankle	Struck by rotating arm of stretch wrapper	Guarding, failure to provide instruction & supervision	\$125,000
Construction Co.	Concussion	Plank fell from overhead platform	Failing to take every precaution.	\$95,000
Yarn Mfgr.	1. Crushed fingers 2. Hand cuts	1. Drawn into squeeze rollers 2. Caught in yarn holder	Guarding	\$100,000 1 supervisor fined \$3,000, another \$1,500
Tobacco Co.	Fatality	Employee pinned between moving conveyor & guardrail	No emergency stop within easy reach	\$200,000
Bakery	Fatality	Employee drawn into mixer	Guarding	\$62,500 1 co-owner jailed 20 days, 1 co-owner fined \$7,500.
Excavating Contractor	Fatality	Dump truck backed over employee		\$130,000
Recycling Co.	2 Fatalities 1 Injury	3 separate incidents		\$600,000

Workplace Safety and Insurance Board Penalties

While employers with above average claim records may earn rebates on their premiums through the MAP, NEER and CAD-7 incentive programs, employers with below average claim records may be assessed surcharges to their premiums. These surcharges can be up to 50% of the premium in the case of the MAP program, up to two times expected costs for employers in the CAD-7 and NEER programs.

Workplace Safety and Insurance Board – Workwell Program

A company may be selected for a Workwell Audit if it has an accident frequency or claims costs higher than average for its rate group, or if it has a history of non-compliance under the Occupational Health and Safety Act, or the WSIB has received complaints regarding first aid regulations or unsafe working conditions. The audit includes not just legal requirements, but also extensive WSIB determined best practices. If a company fails the initial audit, it is given up to six months to make improvements. The passing grade is 75%. A failing company must work with a Safe Workplace Association or private OH&S consultant. Even a small company can expect to spend at least \$10,000 in outside costs plus significant employee time and effort preparing for the second audit. Failure to pass the second audit will result in a penalty of up to 75% of the employer's WSIB premium to a maximum of \$500,000.

Wellness

Dofasco

Companies such as Dofasco, have broadened their prevention efforts beyond traditional workplace safety concerns, to include health and lifestyle issues. These include promotion and support programs for employee fitness, weight control, nutrition, smoking cessation, stress management etc. This focus on “wellness” has produced tangible results for Dofasco. In five years there has been: a 54% reduction in lost time injuries, a \$6 million reduction in WSIB costs, and a 57% reduction in absenteeism.

Source: Speech, Bronco Jazvac, Dofasco, October 12, 2000

Ontario Power Generation

A Healthy Start – New Wellness Program Rewards Employee Contributions

“Sick leave use is a huge cost for Canadian industry. It’s no different for us at OPG, particularly as we’re positioning ourselves for competition. Our annual sick leave costs are over \$80 million and our use of sick leave is about double that of other companies in our industry.

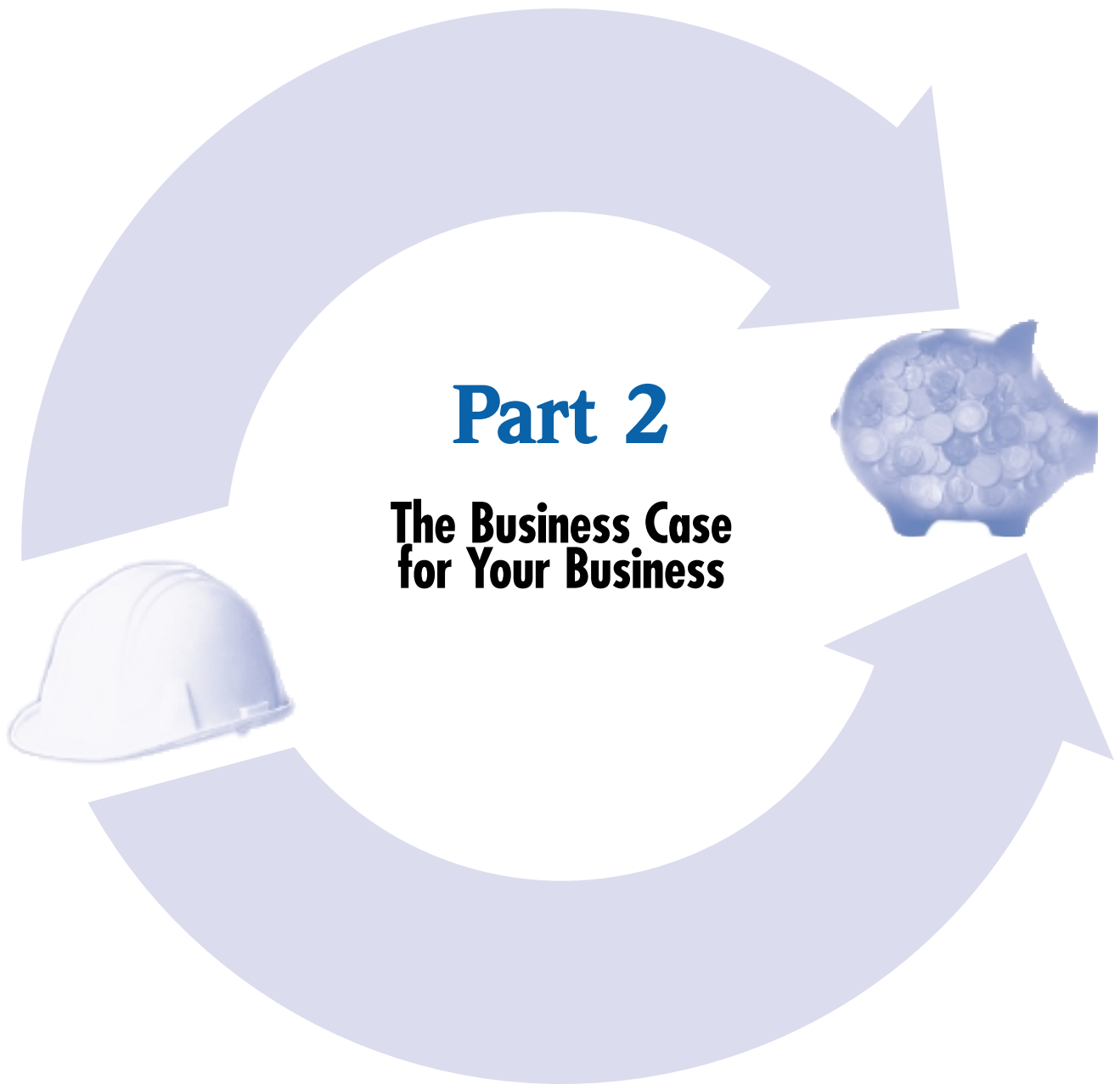
In the past several months, we have introduced programs and initiatives to engage employees and to improve our work environment and competitiveness -- partnership, disability management and others.

In the next few months, we will roll out a new wellness program, a first of its kind for OPG.

A Healthy Start recognizes and rewards the contributions of staff who through their personal efforts and decisions influence our success.”

John Murphy, Executive Vice President, Ontario Power Generation, November 21, 2000

[illegible]



Section 2.1 Integrating Health & Safety Into Your Business Plans

This section is designed to assist leaders in an organization to develop a business case for continued and improved success by improving health & safety in your organization.

The opportunity for effective management of employee health & safety to contribute to your business success should be done within the context of your business vision and plans. The case should respond to the needs of your current and future business.

The following material has been included for you to describe your company's vision of the state of its business in five years. There is also an opportunity to describe barriers to reaching the vision. Completion of this section may help to identify opportunities for effective health & safety management to help contribute to your business goals. Completion of this section is recommended, but also is optional.

The Five Year Vision for The Business

Ideally, what would you like your business to look like in five years taking into account changes versus today in business volume and product lines, changes in costs, productivity, quality, and customer service, employee relations, the impact of competitive activity?

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

What barriers are you aware of to reaching the vision (real or potential)?

[illegible]

What will be needed from employees to achieve the vision? How will the expectations of employees change? Will the type or quality of employee hired need to change? Are there employee relations issues that will need addressing? Will your work organization need to change? Will there be technological changes?

[illegible]

Does the vision consider the risk for business interruption due to a significant workplace incident such as a fire, explosion, accident, etc, and how the risk will be managed?

Does the vision include the expectation to be knowledgeable of the relevant laws affecting the business and operating with a policy of complying with the relevant laws and regulations?

Where do you see the status of health, safety and loss prevention in your business in five years?

Other thoughts and comments:

[illegible]

Section 2.2 Your Business Case for Health & Safety

This section contains a worksheet to help you formulate the case for improving health & safety management in your organization. The worksheet provides the opportunity to develop a summary of the benefits of safe operation for your organization, including:

- A. **Cost Reduction**
- B. **Business Interruption Protection**
- C. **Employee Relations Improvement**
- D. **Reliability and Productivity Improvement**
- E. **Public Image/Trust Improvement, and**
- F. **Building Organizational Capability**

Each of the opportunities B. through F. utilize a set of questions to stimulate thinking as to the opportunities for each of these. Opportunity A. - Cost Reduction - is more complex. The challenge is to estimate the direct cost reduction to your organization as a result of preventing accidents, injuries and illnesses. This is complex because:

- i) **Direct Injury/illness costs are compensated for through workers compensation**, and insurance premiums are set on an industry rate group basis: preventing an injury does not result in the saving of the full cost of the injury.
- ii) **Most organizations do not collect cost indirect cost data for accidents and injuries/illnesses** (such as property and equipment damage, lost production time, administration time etc) in an organized fashion.

The following Cost Reduction worksheet addresses these issues as follows:

- a) **Direct Injury/Illness Cost Savings:** Partial real savings will occur for injury/illness costs because most employers are enrolled in incentive systems utilized by the workers compensation organizations. Employers with low injury/illness claims earn rebates or qualify for lower premium rates. Employers with high injury/illness claims may pay a surcharge or a higher premium rate. In order to calculate your potential direct injury/illness cost savings, you are asked to compare your current workers compensation costs with your potential workers compensation costs if your organization had no injuries or occupational illnesses. The difference between these two costs is your potential real savings. (Appendix B contains a process for Ontario NEER participants to complete this calculation. Participants in other plans should complete a similar calculation using formulas relevant to those plans. If assistance is required, please consult with your local workers compensation organization.)
- b) **Indirect Cost Savings:** You have a choice whether to use a short cut, or detailed method of determining the non-injury related costs of accidents in your organization.

Short Cut Method: This method assumes non-injury related costs are at least 4 times injury costs.

Traditionally, this has been assumed to be a conservative estimate. To use the short cut method, you will use the workers compensation costs for injuries occurring in your organization. You may obtain an estimate of this from your workers compensation cost statements (or in Ontario your NEER statement, if you are in the NEER program – Appendix C contains an example for NEER participants). It is suggested that for the purposes of this exercise, you try to determine the total claims costs for injuries that occurred in a specific year (e.g. 2000, or 2001), or other relevant year. Allowance will need to be made for cases that are still open and will incur costs in the future.

Detailed Method: Use of the detailed method requires assessing and calculating the total costs of an accident/injury. Appendix D contains a form for identifying potential costs (both direct and indirect) for a specific accident. It is doubtful that organizations will do detailed cost assessments for all of their accidents, but completing a cost assessment on a sampling of accidents will give a better idea of the overall costs. From the sampling, a total cost can be projected based on the total accident levels. If you use the form in Appendix D, be sure to subtract the direct injury costs from the total to determine the indirect costs.

Business Case for Health & Safety Worksheet

Organization:

Improving health & safety management with the goal of preventing workplace accidents, injuries and illnesses will also contribute to our business goals and shareholder value by:

A. Cost Reduction

Direct Injury Costs

Current Workers' Compensation Costs \$ _____

Less: Workers' Compensation costs if No Injuries/Illnesses _____
(refer to Paragraph A previous page for explanation)

Opportunity for Workers Compensation Savings: \$ _____ (A)
(Note: For Ontario NEER participants – turn to Appendix B and do the calculation from Line 1 to Line 8)

Indirect Injury/Accident Costs

(Choose (a) or (b) method)

(a) Use 4 X claims cost

(Note: For Ontario NEER Participants – turn to Appendix C and add up the "Past Awards – Non-Pension and Pension Costs")

or \$ _____ (B)

(b) Detailed calculation

(Note: Turn to Appendix D to guide you through the determination of Indirect Injury/Accident Costs) \$ _____ (B)

Total Opportunity for Cost Reduction (A) + (B) \$ _____ (C)

Profit Effect

The following level of Sales \$'s would be required to produce the same profit effect as the Potential Savings calculated above:

Potential Cost Reduction (C): \$ _____ x 100 ÷ _____ profit margin (%)
= \$ _____ Required Sales \$'s

Example: If potential savings are \$150,000 per year and profit margin is 8%:

$\$150,000 \times 100 \div 8 = \$1,875,000$ required sales to produce the same profit effect

Comments:

B. Business Interruption Protection

Use this section to summarize the opportunities to reduce risk due to a serious disruptive incident or regulatory intervention (such as a fire, explosion, a serious employee exposure to a harmful substance, a Ministry of Labour shutdown order etc.).

We have an opportunity to improve:

- Our confidence that regulatory requirements are being met
- Ensuring that all significant risks have been identified
- Ensuring that all significant risks are sufficiently controlled

Yes No

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

The impact of a

- | | |
|--|----------|
| a) One week shutdown would be: | \$ _____ |
| b) One month shut down would be | \$ _____ |
| c) Six month or longer shutdown would be | \$ _____ |
| d) Lawsuit or product recall | \$ _____ |

Comments:

C. Employee Relations Improvement

Use this section to describe opportunities related to employees.

There is an opportunity in our business to:

- Improve trust and respect between employees and management
- Improve employee commitment and loyalty
- Increase employee capacity to accept responsibility
- Increase employee involvement in problem solving
- Improve communication between employees and management
- Improve employee communication and interaction skills
- Hire higher caliber employees

Yes No

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Comments:

D. Reliability and Productivity Improvement

There is the Opportunity in our business to:

- Improve work flow planning
- Improve housekeeping
- Improve planning of changes
- Involve employees more in improving reliability and productivity
- Use tools such as modified Incident Root Cause Analysis and Job (Hazard) Analysis to problem solve reliability issues.

Yes No

<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Comments:

F. Building Public Image/Trust

Use this section to identify business needs for maintaining or improving the public image or trust

[illegible]

G. Building Organizational Capability

Use this section to comment on the opportunities for safe operation to contribute to the ability of the organization to grow and have the capacity to respond to changes quickly.

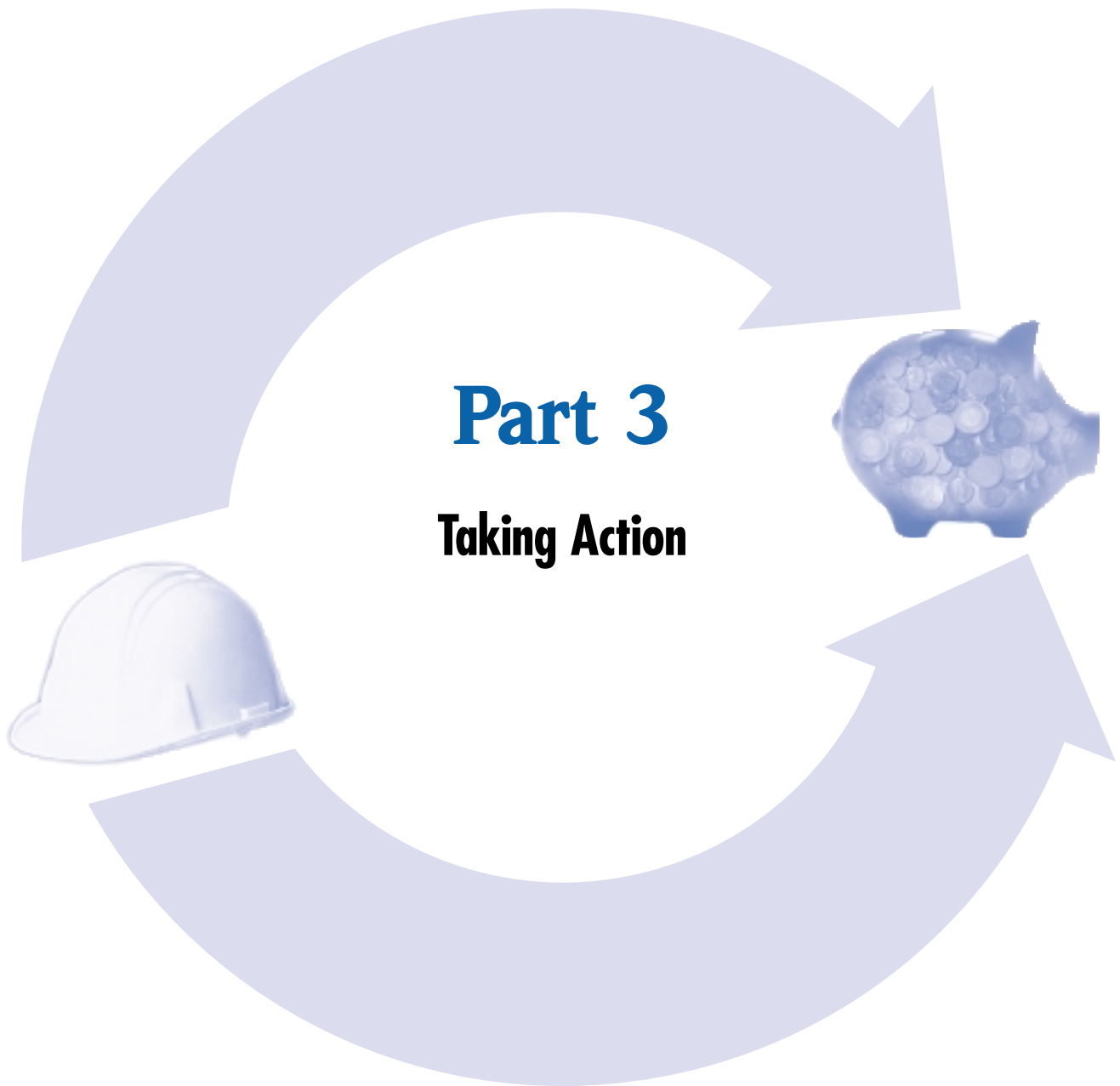
[illegible]

H. Summary of Business Opportunities for Improving Health & Safety Management

[illegible]

Notes:

[illegible]



Section 3.1 Initial Thoughts

It's About Change

Whether the challenge is to initiate a new health & safety system, revamp an existing program, or give renewed emphasis to systems already in place, realizing the full business benefits of effective health & safety management requires renewed commitment and changes in your organization, systems and people.

Making change is a significant challenge. Most people are comfortable with the status quo. To realize successful change, three prerequisites need to be in place:

- 1) There needs to be sufficient discomfort with the status quo to provide the motivation to change.
- 2) There needs to be a vision or picture of the desired outcome of the change.
- 3) The process to transition from the old to the new needs to be apparent, transparent, and workable.

One of the difficulties in effecting change is conflict between competing goals. It is important that an initiative to improve your management of health & safety be done in the context of your business goals. It needs to be integrated as one your strategies for improving business results.

Plans to implement an improved process for managing health & safety needs to take into account the role of the Joint Health & Safety Committee or Health & Safety Representative. These are legislated requirements in Ontario with specific rights and responsibilities. In some organizations, the health & safety committee exercises a leadership role for health & safety in the workplace. The plan should also include the early involvement of employee representative(s). The process of improving health & safety management should be an opportunity to build the involvement of employees.

Leadership and Commitment

The initiative to make significant change or improvements in the effective management of health & safety may very well represent a new paradigm for your organization. Senior management leadership is a key factor in making it happen. Leadership sets the direction, aligns people, and provides motivation and inspiration which energizes people. Some tools that are effective in motivating and inspiring people include:

- 📖 Developing and articulating a vision in a manner that stresses the values of the audience the vision is addressing;
- 📖 Involving people in deciding how to accomplish the vision;
- 📖 Supporting people's efforts to realize the vision by coaching, feedback, and role-modeling;
- 📖 Recognizing and rewarding success; and,
- 📖 Having a sense of urgency to make things happen.

Little that is worthwhile will happen unless there is drive and commitment from the decision makers. Leadership may be delegated to a "champion", but the champion still requires the full support and commitment of the senior management of the organization.

Commitment means the desire, drive and actions to obtain the results expected.

Commitment also means that the resources will be available to implement and maintain the new health & safety paradigm. Resources include budget, people time availability, obtaining new skills where needed, and following through to develop, implement, and maintain the safety management system. This needs to be done in the context of other workplace requirements.

The commitment to making significant improvement in health & safety results is an investment in improved business operation and safety. This is not the same as meeting legal requirements. Meeting legal requirements is important, but by itself will not produce the full range of business benefits experienced by superior performing companies.

Assessing Skills

Ensuring that the right skills are available is critical to the success of any change effort. For this health & safety initiative, three areas of knowledge and skill are needed:

1. Leadership (a champion)
2. Workplace system development and implementation; and,
3. Health & safety technical knowledge: hazard assessment and best practices for controlling hazards

It is quite probable that one person will not fulfill all three roles, but all three are necessary to achieve success. In a very small organization, it is quite possible that the senior manager will fulfill the leadership role, while contracting out the other two. A larger organization will still see the leadership role fulfilled by a senior manager with the others filled by health & safety staff.

A note of caution: Highly successful organizations often have relatively small health & safety staff organizations. This is because responsibility for health & safety is a line responsibility and therefore it is the line organization that must take responsibility for the operation of the health & safety system. The health & safety staff's role is to support the line organization in carrying out their responsibilities by providing technical expertise, coaching and training in the health & safety system, direction on legal compliance, and assistance in continuous improvement goals, strategies and activity planning.

The Process

1. Senior Management Orientation and Strategy Planning
2. Project Leader or Champion
3. Involving Others (employees, employee representatives, supervisors, managers)
4. Understanding where you are now.
 - Reviewing health & safety results
 - Audit of current health & safety system
 - workplace hazard assessment
 - legal compliance
 - a gap analysis
5. Developing the Health & Safety Vision
6. Developing goals, strategies and action plans
 - prioritizing, creating a workable plan
7. Measuring Progress
8. Celebrating Success
9. Using Continuous Improvement

Getting Help

Help is available from a variety of organizations. Please refer to Appendix G for a list of possible sources.

“In our view, OSH performance is a reflection of management practice. Almost all management gurus recognize that a fundamental management function is ‘control’. If nothing else, OSH practices are a collection of risk control activities that provide a variety of positive returns. In other words, ‘good’ managers find creative ways to exercise direct and/or indirect controls over operations they’re responsible for - including controls over the risks their operations generate. ‘Bad/poor’ managers do not use adequate or effective control mechanisms, and the results are an operation that’s ‘out of control’.

To expand on that, I should mention a difference between ‘management’ and ‘leadership’, because in the emerging workplace demographics (Boomers retiring, younger workers coming in), the worker will not tolerate the ‘command and control’ mentality that I (and possibly you) grew up with. They’ve been conditioned right through elementary schooling to expect to be respected, to be heard when they speak, and to be fully engaged in decisions that affect them.

What our clients are telling us is that increasingly their biggest headache is finding and keeping qualified workers. They seem to have trouble hearing us when we tell them that young workers are not ‘lazy’, but they simply expect to have more direct control over their workplaces. Hence, the successful OSH program of the future will not be driven by regulatory compliance or ‘rules and standards’, but rather by jointly creating clear expectations of acceptable risk performance, and providing consistent and frequent non-threatening feedback on progress towards that expected risk behaviour(s).

Traditional ‘management’ is based on top-down, power relationships. Alternatively, ‘leadership’ is based on healthy, mutually respectful and trusting relationships.

We need transformational leaders!”

Don Sayers, Don Sayers & Associates

Six Sigma and Safe Operation






Six Sigma is an intervention process that empowers individuals to undertake projects to get to the root cause of quality, customer service problems and other “defects” (problems) within an organization, and re-engineer the processes to eliminate “defects”, with the direct goal of producing savings that can be delivered to the bottom line.

Accidents, injuries and occupational illnesses are “defects” in the workplace systems. For organizations utilizing Six Sigma it is suggested that the sigma level be calculated using number of accidents, injuries and illnesses per year as the number of defects, and the number of employees as the basis for opportunity. For example, if a company has 2 lost time injuries, 3.5 health care injuries and 10 property damage only accidents per 100 employees per year, this results in 155,000 defects per 1,000,000 opportunities. This translates to a Six Sigma value of approximately 2.53.

For those organizations using Six Sigma, it is an excellent tool to measure the impact of accident, injuries and illness “defects”- and the opportunity to initiate an intervention project to make significant improvement in the accident, injury and illness Six Sigma value – delivering solid savings to the bottom line.

Section 3.2 Safe Operation: What's Important

Understanding the following are fundamental to effectively moving towards safe operation and increasing shareholder value through health & safety:

-  **Health & Safety Beliefs or Values**
-  **Health & Safety Management Principles**
-  **The Heart of the Health & Safety Challenge**
-  **Accident Prevention Strategies and Practices (The “System”)**
-  **Accident Prevention is a People Issue**

Health & Safety Beliefs or Values

Leading organizations have certain beliefs or values concerning health & safety. These govern their approach to achieving safe operation within their organization. Although there may be some variety of beliefs or values, the following are common to all these organizations:

1. Accidents, Injuries and Occupational Illnesses Can Be Prevented.

These organizations recognize that accidents do not “just happen” and are uncontrollable. Accidents have causes. Eliminating the causes eliminates accidents, injuries and illnesses. Most accidents and resulting injuries which occur in your workplace(s) have happened before and have probably happened elsewhere. There is a huge body of knowledge about particular situations and how to prevent specific types of accidents.

Most accidents occur for one or more of the following reasons:

- A failure to assess the work situation for hazards and to eliminate these or take appropriate control measures.
- A failure to develop and implement safe operating procedures.
- A failure to train employees as to the hazard and the safe procedures.
- A failure of the employee or someone else to follow the safe procedure.
- The safe procedure was flawed.
- In spite of a thorough hazard assessment a set of unanticipated circumstances occurred which exposed an employee to a hazard.

Inadequate planning for safety in the design and operation of new or changed equipment and facilities is often a root cause of the above.

2. Health & Safety Can Be Managed.

Leading organizations manage safety by using the same type of management system as is used for any other business process. The management system is designed to ensure that:

- hazards are identified and control measures implemented;
- safe procedures are developed and implemented;
- employees are trained in health & safety requirements;
- everyone is held accountable for their responsibilities; and
- continuous improvement processes are in place

3. Commitment to Safe Operation is a Fundamental Component of How the Business is Operated. Working Safely is a Condition of Employment.

Commitment to safe operation is a core value for leading organizations. Safety is not a “priority” which infers that it is subject to making a choice. The commitment is not negotiable: other business decisions are made on the basis that planning for safe operation and implementing the necessary steps to ensure it happens are mandatory components of all business decisions.

4. Health & Safety is Everyone’s Responsibility.

Leading organizations recognize that all persons within the organization have a role to fulfill in realizing safe operation. Some responsibilities are common, for example, the responsibility to follow safe procedures. However, some responsibilities will differ based on the persons position/role in the organization. Everyone will have their responsibilities included in their job description.

5. Safe Operation Protects People and Benefits Business Results.

Protecting people is a primary focus for leading organizations committed to safe operation. However, these organizations also expect to improve business results through safe operation. Compliance with regulatory requirements is important in their operation, both because of the organization’s intent to operate in compliance with legal requirements, and also because health & safety regulations contain many useful safe operation standards. However, these organizations realize that if their focus is only on compliance, they will not achieve the benefits which will improve shareholder value, and therefore a focus solely on compliance may only mean additional cost to the organization.

Health & Safety Management Principles

To achieve effective results, health & safety should be managed the same as any other important organizational initiative. This means that the management and execution is integrated with other fundamental issues of the workplace such as production, quality, cost etc. Key principles include the following:

1. Leadership and Commitment Comes from the Top of the Organization.

This is essential to ensure alignment and buy-in throughout the organization, and to ensure the integration with other workplace issues.

2. Line Management Owns the Responsibility, and is Accountable, for the Performance of the Health & Safety System.

Just as line management is responsible for production, cost etc, they are also responsible and accountable for health & safety. Safety professionals are resource personnel who can provide guidance on pro-active accident prevention processes and can assist line management in complying with legislative requirements.

3. Every Person in the Organization is Responsible for Health & Safety.

Management, supervisors and employees all have a role in safe operation. Staff personnel such as engineering and purchasing also have responsibilities to incorporate health & safety requirements into facility, equipment, and tool design and purchasing activities.

4. Every Person Understands Their Responsibilities and is Held Accountable for Them.

Responsibilities are communicated and people are given the knowledge and tools to carry them out. Specific criteria and measures are developed and used on a regular basis for how individuals will be held accountable for their responsibilities.

5. Employee Involvement in the Health & Safety System Is Important.

Employees are a primary customer of the health & safety system and it is important to consult with such a key group. Involvement results in greater buy-in and cooperation, helps educate employees on health & safety issues and solutions, and promotes a closer working relationship between employees and management. Employees are more knowledgeable of the immediate hazards in their workplace and of effective means of controlling these hazards.

The Heart of the Health & Safety Challenge

There are two objectives that are fundamental to safe operation. These are:

1. **Providing a safe operating environment**
2. **Ensuring safe procedures are available, known, and used**

Most health & safety activities are there to help make sure these objectives are met. In a very stable, simple environment, a simple process may be adequate to implement and maintain these objectives. However, most organizations need a formalized management system to ensure these two objectives.

A Safe Operating Environment

A safe working environment means that the workplace has been assessed for hazards and that the hazards have been eliminated or that controls have been implemented to be able to operate safely. A wet floor may be a slip hazard. Eliminating the reason for the floor to be wet will eliminate the hazard. Using safety cones and restricting use of a floor after it has been washed is a control measure. Covering moving parts of equipment with a guard eliminates the hazard these parts present during normal operation. This is called an engineering control. However, if the guard is removed for machine servicing, the hazard is now exposed, and other control measures are necessary to ensure safe servicing. These other control measures are called safe operating procedures.

Safe Operating Procedures

Safe operating procedures specify how to do a job safely when hazards cannot be fully eliminated. These procedures will include the checks, methods and restrictions to be followed in carrying out a job task as well as protective equipment to be used, etc.

Use of safe operating procedures as a control measure also requires that employees know the safe procedures, and are held accountable for using the safe procedures.

Accident Prevention Strategies and Practices (The “System”)

Progressive organizations have established management systems for organizing, planning and executing their accident prevention initiatives. A system is an organized method for the processes that when used will lead to the achievement of the goals. A good system will:

- Meet the needs of the organization;
- Be comprehensive: success will be achieved by following the system;
- Be easy to describe and understand;
- Describe expectations, criteria for success and the processes to be used;
- Include the ability to measure performance and identify opportunities for improvement;
- Include expectations and processes for continuous improvement of the system; and,
- Be compatible and integrated with other organizational systems.

The purpose of a health & safety management system is to

- assign responsibilities; provide a safe and healthy working environment,
- ensure that employees have the knowledge to do their job safely,
- hold everyone responsible for carrying out their responsibilities, and
- include the commitment to continually improving procedures and processes based on new learnings.

All elements together comprise the “workplace health & safety system”.

The focus should be on the employee: a mutual care that every employee goes home at the end of each day free of injury or occupational illness.

A key requirement is to identify workplace hazards, to eliminate the hazards or reduce the risk of a hazard and implement methods to operate safely.

No one system is right for all organizations. There will be considerable variations based on the type and extent of workplace hazards and risks, organizational structure, organization size and complexity, management styles, and so on. A simple, low risk operation will achieve success with a simpler system than a higher risk, more complex organization. However, all successful health & safety management systems will normally include expectations, success criteria, and processes for the following key elements (see Section 3.3 for further discussion):

- ☞ Leadership and Commitment
- ☞ Organization & Involvement
- ☞ Planning for Safe Work
- ☞ Standards and Safe Procedures
- ☞ Training
- ☞ Accountability
- ☞ Measurement & Continuous Improvement

Accident Prevention is a People Issue

Accidents do not “just happen”. They happen as a result of the actions or inactions of people. The health & safety management system needs to focus on the actions the various members of the organization need to take to prevent injuries and illnesses.

If a new employee is injured because he/she does not know the safe procedure for his/her job, it can hardly be called an accident. This was a predictable event: processes should have been in place to ensure that new employees know how to do their job safely. The health & safety management system needs to specify the expectations for new employee training, who is responsible for it, what it will consist of, and how the person(s) will be held accountable for ensuring that new employees know how to do the job safely.

A key function of the health & safety system is to assign responsibilities and specify how individuals will be held accountable for carrying them out. Examples of issues which need to be owned include:

- ☞ New employee training;
- ☞ Development, implementation (including employee training) and maintenance of safe operating procedures;
- ☞ Enforcement of safe operating procedures;
- ☞ Planning for safe design, purchase, installation and start up of new equipment and processes;
- ☞ Health & safety inspections;
- ☞ Accident investigations and follow up;
- ☞ Handling employee health & safety concerns; and,
- ☞ Continuous improvement process.

“Our observations have strongly suggested that it is counterproductive to perpetuate the notion that OSH is somehow different and discreet from sound management practice. In our experience, good management practices will result in reduced risk and loss. Poor management practices result in increased risk and loss. Therefore, it is prudent to focus on the management practices holistically, rather than OSH as a discreet function.

As an example, consider the Reward/Response Phenomenon:

People respond to non-verbal signals. Known sometimes as “Pygmalion Effect”, or ‘self-fulfilling prophecy’, the phenomenon amounts to people doing what is expected of them, as understood through non-verbal expectations, rather than verbal or written. In the OSH milieu, the impact can be seen in the supervisor that grudgingly provides PPE, although the official company policy is ‘PPE upon request’. In this scenario, workers pick up on the non-verbal signals (i.e., grudging issuance of PPE), and learn that PPE is not at the top of the supervisor’s priority agenda. Their behaviour will almost certainly adapt accordingly, to accommodate his actual, versus ‘official’ expectations vis-à-vis PPE. The impact of this goes far beyond OSH to overall management practices. We have discovered that human behavioural approaches are the most cost-effective and least intrusive means of reducing workplace risks/losses. Establish a benchmark of ‘acceptable’ risk behaviour (ie, risk tolerance level), develop and deploy a mechanism for measuring actual risk performance, and provide frequent, non-threatening feedback on stakeholders on their actual risk performance in relation to accepted benchmarks. Simple. Builds on known behavioural principles... and is very effective.”

Don Sayers, Don Sayers & Associates

Including health and safety responsibilities on annual PDP’s (Health and safety goals integrated into senior managers’ annual performance objectives; linked to their annual bonus) is an EXCELLENT example how we’ve been able to reinforce commitment at a senior level.

Kenn Lendrum, Vice President, Technical Operations, GlaxoSmithKline

From Memo to Management Staff, Ontario Power Generation:

“Every OPG employee is entitled to a safe & healthy work environment and we hold each of you personally accountable for the safety of your staff. I am asking each of you to report to your immediate supervisor what additional actions you will take to ensure that people reporting to you work safely and their direct reports work safely. There have been many communications on this subject.

I would simply remind you that you are accountable for reinforcing with your direct reports our insistence that all staff follow established safe work practices including hazard identification, safe work planning and for providing supervisory presence in the field to monitor and coach.”

Ron Osborne, President & Chief Executive Officer, Ontario Power Generation

From Memo to All Ontario Power Generation Staff:

Each and every one of us has accountability for health and safety. Here are some fundamental things we should all be doing on a day-to-day basis:

- *If you are uncertain about the safety of the job you are doing, STOP. Do not continue. Ensure that you are satisfied that the work is safe before you continue.*
- *Ensure that you report all health and safety incidents to your supervisor IMMEDIATELY. They need to be investigated as appropriate and we must share the information with others who need to know. We must all learn from past lessons so we do not make the same mistakes in the future.*
- *If you work in a high-risk environment, the prejob briefing is a critical time to focus on and discuss your safety concerns with your supervisor. Question methods and controls if you are unsure. Supervisors have an obligation to ensure that health and safety issues are covered adequately during the planning and execution of work. This is the time to get it right.*
- *Remember to look out for the health and safety of your co-workers. We are in this together. We need to ensure we ALL GO HOME safe and healthy at the end of the day.*

Ron Osborne, President, Ontario Power Generation, December 16, 1999
(Also signed by John Murphy, then President, Power Workers Union, and John Wilson, President, the Society of Energy Professionals)

Section 3.3 Elements of Effective Health & Safety Management

Health & Safety Management Model

The model on the next page illustrates the relationship between the values, health & safety system, causes of accidents, and potential outcomes of accidents.

The top part of the model describes the various **consequences** of an accident or incident: a close call (no injury or damage, but the potential was there to cause injury or damage), property damage, an injury requiring first aid, an injury requiring medical attention, an injury involving lost time, or resulting in fatality.

Often, once an incident begins, the outcome is a matter of luck. For example, consider that you are approaching an intersection in your car on a winter's day. The stoplight is red and you apply your brakes. You hit black ice and start to slide through the intersection. An incident has begun. The outcome may be that you slide through without being hit – lucky and a close call. Another outcome may be that you are hit with only damage to your car – a property damage accident only, or you may be hit and injuries or even a fatality may be the result – it is all a matter of luck.

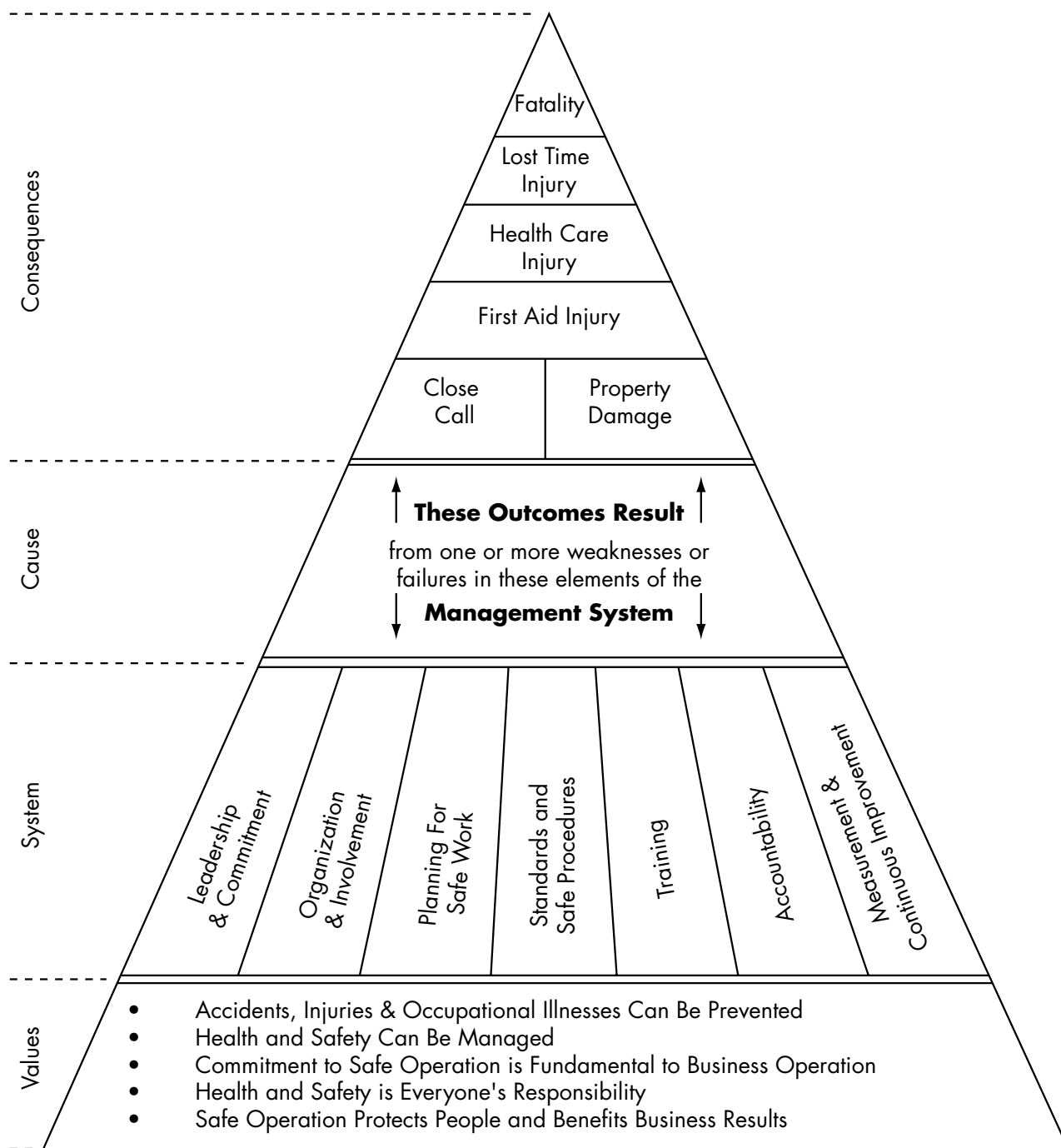
To be effective in preventing injuries and illnesses, we need to focus on incidents – close calls and property damage as well as those causing injuries and illnesses. Many close calls and property damage incidents have the potential for resulting in injury – only luck intervened.

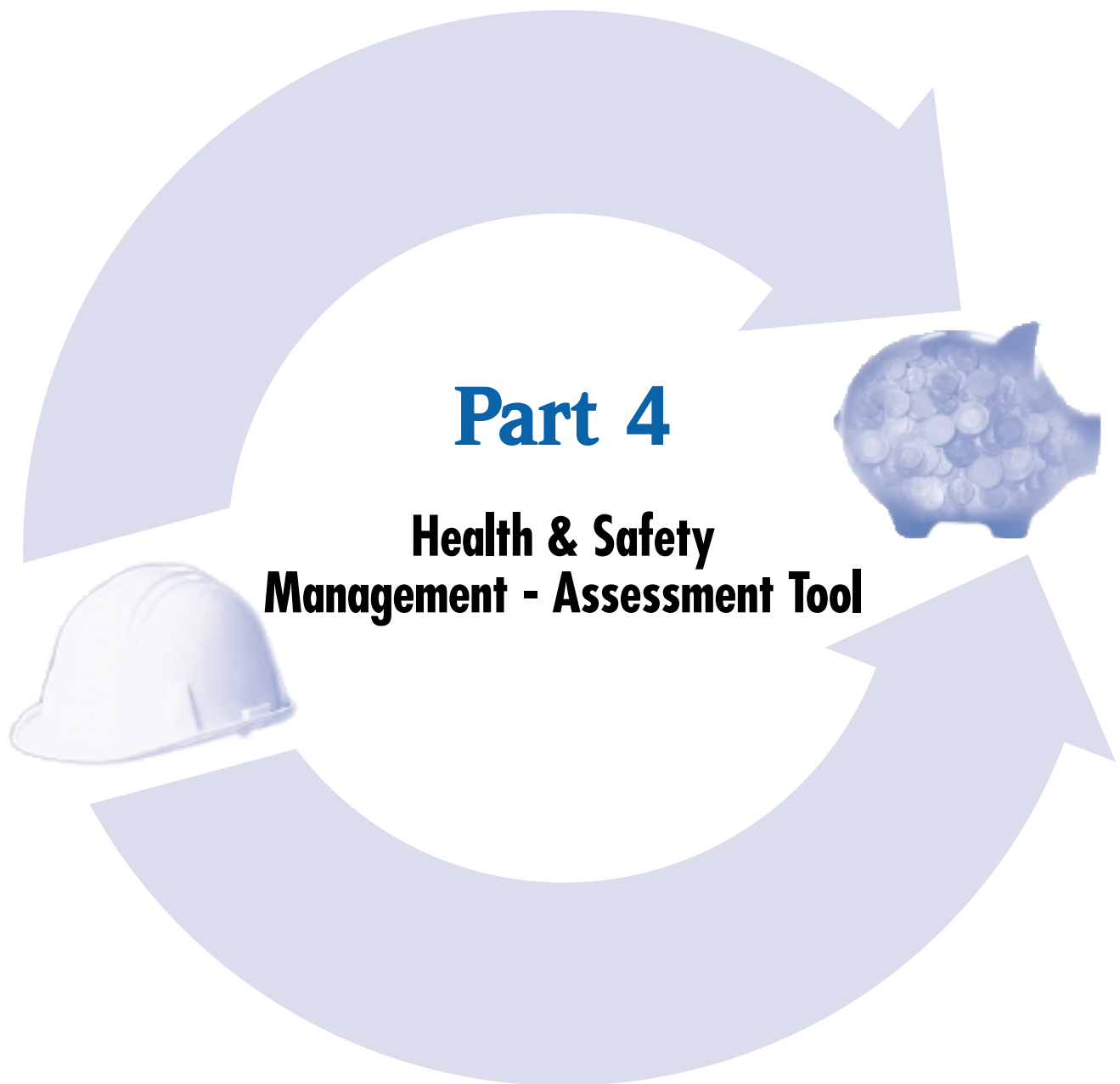
The next section describes the **cause** of accidents or incidents: One or more **failures or weaknesses** in the system for managing health & safety.

The next section describes the key elements of an effective Health & Safety Management **System**.

The base of the triangle gives the important beliefs or values that are the basis for carrying out all of the accident prevention efforts.

Management of Health & Safety Outcomes Model












Section 4.1 Assessing Status of Current Health & Safety Management




This section contains a process for you to assess the current status of health & safety management in your organization. The purpose of this assessment is to provide a basis for developing goals, strategies and action plans that improve health & safety management in a way that also improves business results.

The assessment focuses on the key system elements that will contribute to, and ensure a high level of performance of, safe operation. The assessment uses the key elements identified in the previous section:

-  **Leadership and Commitment**
-  **Organization and Involvement**
-  **Planning for Safe Operation**
-  **Standards and Safe Procedures**
-  **Training**
-  **Accountability**
-  **Measurement & Continuous Improvement**

Technical Assessment

Part of the assessment provides the organization with a summary assessment of the current status of

-  recognition of workplace health & safety hazards;
-  implementation of controls to eliminate or manage the hazards including use of industry standard and best practices; and,
-  the effectiveness of the control measures.

The technical assessment will develop a rating and comments for the **Standards and Safe Procedures** key element and should be completed before carrying out the self assessment below.

This part of the assessment requires a review by a person, or persons knowledgeable in the hazards, regulatory requirements, and industry standard and best practices for your type of business. Normally this review will be done by a health & safety professional. It is not intended to be a comprehensive audit, rather a quick sampling and sensing of the situation in your workplace(s) using knowledgeable and experienced eyes. Unless the workplace is very large, it is expected that it can be completed in half a day or less.

The purpose of the technical assessment is to help calibrate the organization to its current level of hazard control with particular focus on high hazard situations.







Your organization may already have a process for auditing health & safety programs and regulatory compliance. If so, the results of this process may provide the evaluation necessary for the technical assessment. If this is available, the results should be summarized by the health & safety professional (or knowledgeable person) using those contained with the **Standards and Safe Procedures** key element

If you do not have the necessary skills within your organization to do the technical assessment, then either your Health & Safety Association (see Appendix G) or a health & safety consultant can provide this using these instructions and the instructions contained with the Standards and Safe Procedures key element

The person or persons doing the technical assessment will also complete the rating and comments for the Standards and Safe Procedures key element.

Self Assessment

The remainder of the review is a self assessment that focuses on the other six key elements of an effective system for managing for safe operation in a way that contributes to business results.

-  **Leadership and Commitment**
-  **Organization and Involvement**
-  **Planning for Safe Operation**
-  **Training**
-  **Accountability**
-  **Measurement & Continuous Improvement**

Recommendations for Completing the Self Assessment

1. Leadership for completing the assessment should come from senior management and include the participation of senior management.
2. Seek honest answers to each question. The purpose of the assessment is to help you – not to impress someone else.
3. Consult with your people – it would be best to include input from all levels. Involve your joint health & safety committee and your employee representative(s). If there are workplace tensions, you need to consider how best to get constructive input into the assessment.
4. It is suggested that a lead person or persons go through the process on their own first for familiarity with the process and responding to the questions so that they may facilitate broader participation in the process.
5. One option is to have the different levels of the organization complete the assessment separately – then compare the results. Again, a strategy that results in constructive feedback, is essential. This will give the organization feedback on how the different levels perceive the health & safety system. It is suggested that at least 3 or 4 people collectively carry out each assessment so that individual biases are smoothed out. This approach is a version of a “perception survey”, which is a tool some leading organizations use to help align the organization. If you use this approach, it is essential that senior management be open to variance of opinion as to the status of your health & safety system. Feedback is a gift – accept it and use it to help understand why there is a variance – and take steps to close the gap.

For example, your employees may not feel that management is as committed to safe operation as senior management feels it is. OK, accept the viewpoint and seek to understand why the employees feel that way: for example, do they see conflicts between getting production done and working safely.

Are there conflicts? If there are conflicts, can management and employees work together to resolve them? If there are no conflicts – only perceived conflicts – what needs to be done to clarify the situation?

Where there is agreement on the current status, then there is an excellent basis for making improvements together.

The ultimate form of this type of consultation would be to have every employee complete the assessment. This not only involves all employees but also provides the broadest form of feedback. This type of consultation should only be used where there is management commitment to learn from, and respond positively to the feedback. It is important that the results of the feedback and the positive follow up steps that will be taken are communicated to all employees. To collect the information and then ignore or discard it will only feed workplace cynicism toward management.

Health & Safety Management Assessment

Using the Rating Scale

Purpose: To Generate Dialogue

The purpose of the ratings is to generate thinking and dialogue within the organization, resulting in consensus on priority areas and approaches that will strengthen your health & safety system, safe operation and contribution to business success.

The individual numerical ratings are not intended to be precise or scientific. Instead they represent the best estimate of where you stand on each key element. The overall rating should be an average of the seven individual element ratings with a significant proviso: the overall rating should not be higher than the rating for the “Standards & Safe Procedures” element.

The Rating Scale

The rating scale uses the numbers from 0 to 10 as follows:

- | | | |
|----|---|--|
| 0 | - | Nothing has been done. |
| 2 | - | Some attempt has been made but no effective implementation. |
| | - | There are major deficiencies that need to be addressed. |
| 4 | - | Limited progress has been made. |
| | - | The basics have started to be implemented, but are incomplete. |
| | | Adherence to the system element is inconsistent, still many problems. |
| 6 | - | Most of the policies and practices are in place. |
| | - | There are occasional problems or concerns. |
| 8 | - | An area of strength. |
| | - | Fully implemented and effective. |
| | - | System delivering solid sustained results. |
| 10 | - | Superior sustained long term results. |
| | - | Implementation goes far beyond the requirements. |
| | - | A model company, widely recognized leader in health & safety and business results. |

Using The Rating Scale

Try to select one of the whole number ratings above, based on the descriptions. If there is the feeling that the performance is between two sets of descriptions, select the whole number between the two. Do not try to be more precise.

Policies and procedures that are only written documents, and are not followed or enforced in practice, are not of much value. Your assessment should be on what is actually practiced, not on what is written.

Completing the Assessment Forms

The assessment of Standards and Safe Procedures should be completed by a knowledgeable person(s) (e.g. a health & safety professional). The rating and comments for this element and comments on the status should be available before the remaining elements are assessed.

For each of the other key elements:

1. Use a ✓ to answer “yes”, “no” or “part” to each question.
2. Identify your organization’s strengths and improvement opportunities for the key element in bullet points. Identifying specific strengths and improvement opportunities is an important precursor to developing your improvement plan in the next section.
3. Assign a rating using the above rating scale for the organization’s performance on that element. In completing the assessment, you are asked to identify strengths and improvement opportunities for each element.
4. When a rating has been determined for each key element, complete the summary sheet at the end of the assessment.

See Appendix H for an example of a completed Assessment Form.

A. Leadership & Commitment

Rating Criteria:

		Yes	No	Part
1.	The organization believes that accidents, injuries, and occupational illnesses can be prevented.			
2.	The organization believes that health & safety can be managed.			
3.	Commitment to safe operation is a core value for the organization: It is how the business is operated.			
4.	Employees understand the expectation to work safely and that working safely is a condition of employment.			
5.	A health & safety policy which reinforces the values and management's commitment to safe operation has been developed and communicated to all employees.			
6.	A health & safety vision exists that outlines a future state of safe operation, and accident prevention activities focus on steps to reach the vision.			
7.	Management behaviours clearly demonstrate its expectations for working safely.			
8.	Health & safety performance has an effect (good or bad) on a person's career (pay, promotion).			
9.	Continuous improvement processes (including establishing and implementing improvement goals) are used to move system performance towards the safety vision.			
10.	Funding and staffing is provided to maintain current performance and implement safety improvement goals.			
11.	Management is committed to meeting regulatory requirements.			
12.	There is regular communication and reinforcement to employees of the organization's commitment to safe operation, system status, and issue resolution.			

Comments

Strengths	Improvements

Rating

B. Organization & Involvement

Rating Criteria:

		Yes	No	Part
1.	There is a “system” for managing health & safety. The system is written and describes the key components, outlines performance expectations, assigns responsibilities, describes activities and procedures for achieving safe operation and how persons will be held accountable.			
2.	The system has an “owner” who with the support of senior management has responsibility for facilitating knowledge and use of the system and maintaining and developing the effectiveness of the system.			
3.	Health & safety responsibilities have been established for all levels of the organization.			
4.	Individuals are aware of, and understand their health & safety responsibilities.			
5.	Line management is responsible and accountable for the implementation of health & safety systems in their area, and for the performance of the systems.			
6.	The organization has a capable, qualified resource for health & safety technical knowledge to assist in hazard identification and control, best practices, and regulatory compliance. This would include in-house health & safety staff and qualified consultants.			
7.	Employees are involved and consulted in the health & safety system through: <ul style="list-style-type: none"> • the day to day integration of health & safety into all activities • the joint health & safety committee (or safety representative) • responsibility to report unsafe conditions and/or unsafe procedures • an effective process to receive and respond to employee health & safety concerns • after appropriate training, carrying out health & safety activities such as inspections, participating in hazard analyses, participation in accident investigations etc. 			
8.	Employees understand and can describe the system for managing health & safety in the organization.			

Comments

Strengths	Improvements

Rating

C. Planning for Safe Work

Rating Criteria:

		Yes	No	Part
1.	An assessment of existing and potential workplace hazards has been carried out and documented including input from a knowledgeable person(s).			
2.	<p>Measures have been implemented to eliminate, control and manage existing and potential hazards which pose risks to employees and the public.</p> <ul style="list-style-type: none"> • Industry standards are used where available • Care is taken to understand the full scope of control issues • Care is taken to fully implement details of control procedures. <p>Note: the results of the assessment for “Standards and Safe Procedures” will provide guidance for responding to this criteria.</p>			
3.	General health & safety rules have been developed, are written, and known by employees. See the above note.			
4.	Safe operating procedures have been developed, are written, and people trained for the tasks, equipment and processes they work with. See the above note.			
5.	<p>There is a process, and the process is used, for planning health & safety into new projects at the design stage, during installation, and start up for new projects or when changes are made. This process ensures that:</p> <ul style="list-style-type: none"> • safe conditions and regulatory compliance are incorporated into the design, purchase specifications, construction and installation planning. • safe practices are developed, written and people trained before equipment, processes or procedures are implemented • pre-start inspections are completed before new equipment processes or procedures are used. • a post start up review is completed on new equipment/processes/procedures to address any health & safety issues discovered during start up. 			
6.	<p>There is a process in place, and the process is used, to ensure that</p> <ul style="list-style-type: none"> • all chemicals and materials are reviewed for hazards before arrival at the site, • procedures for safe receipt, storage, use and disposal are developed and implemented before use of a material or chemical • employees are trained on the hazards of, and the controls and safe practices for chemicals and materials. 			
7.	A site inspection is carried out monthly, led by the employee member of the Joint Health & Safety Committee. Health & safety issues are corrected, or recorded and followed up.			
8.	There is an effective process, and the process is used, for inspection, follow-up and repair/replacement of items that are subject to damage, wear and deterioration.			
9.	A process is in place, such as job planning meetings, which is used where the work is non-routine, or where an individual or group's job is carried out in non-routine or variable locations. The purpose of the process is to review the hazards or potential hazards of the job or location, and the steps that will be taken to ensure that work can be carried out safely.			

Comments

Strengths	Improvements

Rating




D. Standards and Safe Procedures

Instructions

Note: The rating for this key element needs to be completed by a person, or persons, knowledgeable in the technical requirements of the programs for each of the following issues. Completion of the rating of this key element is very important as input to the self-assessment process and for the over all rating.

Part 1: High Risk Activities Requiring Standard Procedures

Part 1 is a checklist of typical high risk situations and activities in a manufacturing environment. If the situation is applicable, there are regulatory requirements and industry best practices (e.g. consensus standards etc) to help ensure safe operation. These consist of engineering controls and detailed control processes and procedures. For each situation that applies, effective performance includes:

-  written standards and procedures for identifying and controlling the risk;
-  processes to ensure policy and procedures are implemented and followed; and,
-  risks, policy and procedures are known and followed by management and affected employees.

Other sectors may have different typical high hazard situations and activities. For example, “Driving Safety” may be a key issue for organizations in the transportation and service sectors.

This is only a suggested list. Your organization may have their own evaluation and audit tools for these types of situations. While there are many risk situations and regulatory requirements, it is suggested that for the purposes of this review, that there be a focus on the highest risk situations for the organization, and that for most organizations this will be about twenty or less. Regardless of the source of the list or the evaluation, a rating should be assigned using the rating scale at the beginning of this assessment. For calibration purposes: a policy and procedures have value only if they are respected, enforced, and followed in practice. A policy and procedure to which only lip service is applied should not be rated higher than a ‘4’.

Part 2: General Health & Safety Rules and Safe Operating Procedures

This part is a general assessment of

- a) General Health & Safety Rules
Include safe rules and practices that apply across the site: e.g., acceptable standards for footwear, jewelry, hair restraint, training required before doing any job with health & safety risk, reporting of incidents and injuries, reporting of hazards, etc.
- b) Safe Operating Procedures
Covers job hazards not covered by general health & safety rules.
May be integrated into standard operating procedures.

The intent is to do a sample survey to assess the questions being asked below.

D. Standards and Safe Procedures

Part 1 - Assessment Form

	Hazard Situation/Activity	Applicable? Yes/No	Rating	Rating Comments
1.	High Risk Chemical/Material/Process (e.g. flammable, explosive, reactive, toxic, corrosive, designated substance etc) <i>(based on professional judgement that the level of risk/complexity requires a specific control procedures. If more than 3, list on separate sheet.)</i> #1 _____			
	#2 _____			
	#3 _____			
2.	WHMIS			
3.	Machine Guarding			
4.	Safe Machine Maintenance (including Lockout)			
5.	Lift Trucks/Mobile Lifting Equipment			
6.	Confined Space Awareness/Entry			
7.	Fire Prevention			
8.	Emergency Preparedness Plan			
9.	Noise Exposure			
10.	Eye & Face Protection			
11.	Respiratory Protection			
12.	Working at Heights (Fall Prevention)			
13.	Cutting, Welding, Hot Work			
14.	Compressed Gas Cylinder Usage			
15.	Storage and Industrial Racking			
16.	Ergonomics			
17.	First Aid			

	Hazard Situation/Activity	Applicable? Yes/No	Rating	Rating Comments
18.	Contractor Procedures for Health & Safety			
19.	Lasers			
20.	Radiation Devices			
21.				
22.				
23.				
24.				
25.				
26.				

Standards and Safe Procedures – Part 2 – Safe Procedures

1.	General health & safety rules exist, are written, cover site wide issues, are known by management and employees, and are practiced by both management and employees.		
2.	A sampling indicates that safe procedures have been included in operating procedures for jobs/tasks with risk. Operating procedures are written and available.		
3.	Employees (and management, where applicable) are observed adhering to the safe procedures.		
	Over All Rating (Use average, unless there is wide variance in ratings. If there is a wide variance (some high, some very low assign rating 1-2 points below average. e.g. If average is '6' assign a '4' or '5' rating.)		

Comments	
Strengths	Improvements

E. Training

Rating Criteria:

		Yes	No	Part
	Processes are in place to ensure that			
1.	<ul style="list-style-type: none"> all employees understand their responsibilities and how they will be held accountable. all employees understand the process for managing health & safety within the organization, the expectations for their involvement and how they will be involved. new employees receive general and job specific health & safety training before they start work. transferred employees receive job specific training returning employees receive refresher training as appropriate employees understand the training received. 			
2.	Managers and supervisors receive training in their health & safety responsibilities and accountabilities.			
3.	There is compliance when training is required by legislation (eg WHMIS, Certified Members of Joint Health & Safety Committee etc.)			
4.	Employees who carry out special risk jobs or tasks receive specialized training and are qualified to carry out these tasks safely. Examples include lift truck operation, entering confined spaces, welding, using respirators etc.			
5.	Health & safety leaders and advisors have the necessary knowledge and skills to carry out their responsibilities.			
6.	Employee health & safety knowledge continues to grow and is refreshed at regular intervals.			

Comments

Strengths	Improvements

Rating

F. Accountability

Rating Criteria:

		Yes	No	Part
1.	Management consistently confronts unsafe acts and holds employees accountable for following safe practices.			
2.	Management provides frequent feedback reinforcing observed safe behaviours.			
3.	Employees consistently correct unsafe acts by other employees (including management) and hold each other accountable for following safe practices.			
4.	Employees give positive feedback to other employees for following safe practices.			
5.	Health & safety performance is part of employee performance reviews.			
6.	Discipline is used for repeated unsafe behaviour or deliberate disregard for safe practices.			
7.	Completion of regular monthly, quarterly, and less frequent program requirements are tracked and individuals held accountable for their completion.			
8.	Regulatory reporting requirements are complete and on time.			

Comments

Strengths	Improvements

Rating



G. Measurement & Continuous Improvement

Rating Criteria:

		Yes	No	Part
1.	Employees understand their responsibility to report unsafe conditions and unsafe procedures. Unsafe conditions, unsafe procedures are reliably reported and health & safety concerns are raised by employees.			
2.	There is a process, and the process is used, to address and correct unsafe conditions, procedures and health & safety concerns.			
3.	Accidents resulting in an injury or illness, or incidents that had the potential to have resulted in an illness, significant injury or property damage are investigated and followed up to prevent re-occurrence. Accident investigations determine root causes, and action steps address correcting the root causes.			
4.	A health & safety system audit is completed annually, and audit results are used to develop improvement goals and action plans for the next year.			
5.	Occupational health & safety goals focus on making improvements to the health & safety system. Action plans are developed to achieve the goals. Responsibilities for completing the action plans are assigned. Progress is tracked and reviewed during the year to ensure completion of the action steps. Employees are aware of the goals, action plans and status of completion.			
6.	Progress and completion of improvement plans to attain goals are tracked and individuals are held accountable.			
7.	System performance measurement data includes both accident/injury statistics and “before the fact” data e.g. audit scores, completion of system tasks (training, inspections etc), frequency of performance feedback etc.			

Comments

Strengths	Improvements

Rating

Summary Ratings and Overall Assessment

Enter the element ratings from the previous pages below and calculate average.

A. Leadership and Commitment

B. Organization and Involvement

C. Planning For Safe Operation

D. Standards & Safe Procedures

E. Training

F. Accountability

G. Measurement & Continuous Improvement

Average of the Above Ratings:

Overall Rating
*(Take the lower of the "Average" and
 "D. Standards and Safe Procedures")*

Part 5

Developing and Implementing Improvement Plans



Section 5.1 Developing Goals and Action Plans

The results of the Assessment provides the basis for developing Goals and Action Plans. The purpose of this section is to provide assistance in establishing priorities based on your self-assessment and how to translate improvement opportunities into actionable plans. This section is not intended to be a primer on goal setting/action planning processes. Your organization probably has a process for doing this and that process should be used. If your organization needs assistance, please refer to Appendix G for references.

Your priorities and the type of improvements you will want to focus on will depend on your over-all rating:

If Your Over-all Rating was 0 to 3.5

This rating indicates that you have a only a minimal health & safety system. You may be uncertain as to the hazards of the workplace and of compliance with health & safety legislation. An investment in a health & safety system is required to provide a base for safe operation. The objective in making this investment is to:

- a) Reduce injuries and accidents, and the costs of these;
- b) Improve trust and respect of employees;
- c) Confirm regulatory compliance; and,
- d) Protect against risk of business interruption.

Take Action:

- a) **Conduct a hazard and regulatory compliance assessment** of your workplace(s), including recommended action steps. This should be carried out by a person knowledgeable in the risks, control methods, and health & safety regulatory requirements for your type of business. (See Appendix G for a list of Safety Associations who may be able to assist).
- b) **Form an action team** to prioritize and develop a plan to address issues raised in the assessment. You may need the assistance of a knowledgeable person and team members may need appropriate training. Establish a Health & Safety Policy or review the existing policy and update.
- c) **Involve employees.** Consult with the Joint Health & Safety Committee or Safety Representative. If these are not in place, get them established. Communicate to employees your concern for safe operation and the steps that are being taken to address it. Establish a process for employees to feed back health & safety concerns and a process to deal with these.
- d) **Establish a new employee orientation program** and ensure that all new employees receive training before starting their job. The training should include the organization's health & safety policy, employee health & safety responsibilities and expectations, familiarization with the hazards of the workplace, the procedures necessary to be able to carry out their job safely, and any regulatory required training such as WHMIS. Establish a follow up process such as assigning an experienced employee as a "buddy" to work with the new employee to ensure understanding of health & safety expectations.
- e) **Provide health & safety performance feedback.** Expect that management will confront unsafe acts and work with employees to correct these, and also to give positive feedback to employees for using safe procedures.
- f) **Initiate Continuous Improvement.** Set challenging deadlines for completion of action steps (in the early stages these should be in the 3 to 6 month timeframe), celebrate successes, set new goals and renew action plans.

If Your Over-all Rating was 3.5 – 5.5

This rating indicates that you have basic system elements started, but there is still significant opportunity to assure safe operation and to take the steps that contribute to business results. Further investment is required to provide a base for safe operation and begin to realize business benefits. The objective of making this investment is to:

- a) Reduce injuries and accidents, and the costs of these;
- b) Improve trust and respect of employees;
- c) Confirm regulatory compliance; and,
- d) Continue to build protection against business interruption.

Take action:

- a) **Carry out a workplace hazard assessment** utilizing a knowledgeable person, unless a recent assessment is available. Even if you are reasonably confident of your status, it is probably worthwhile to have another opinion.
- b) **Initiate or revitalize your continuous improvement process.** Assign responsibility for the continuous improvement process to a line manager. Using the workplace hazard assessment and the self-assessment for “Planning for Safe Work” focus action steps on improvement opportunities in this element.
- c) **Involve employees.** Consult with the Joint Health & Safety Committee or Health & Safety Representative. Communicate plans to the employees, solicit their feedback, and involve them in implementing action steps. Initiate or re-invigorate a process to receive and respond to employee health & safety concerns.
- d) **Improve employee training.** Review and reinforce new employee orientation and training. Start/continue to build organization health & safety skills; joint health & safety committee certified members, accident root cause investigation skills, job hazard analysis skills, and performance feedback skills.
- e) **Begin/improve health & safety performance feedback.** Reinforce expectations for working safely, reinforce expectations of management to confront unsafe acts and work with employees to correct these. Provide positive feedback for working safely. Start to expect employees to look out for one another.
- f) **Set challenging, but realistic, deadlines and expectations for implementing your action plans.** Hold everyone accountable for completing action steps. Communicate progress to employees.

If Your Over-all Rating is 5.5 to 7.5

You have many of the basic system elements in place. The challenge is to ensure that they are operating reliably and to close gaps. The objectives of your goals and strategies will be to:

- a) Reduce injuries and accidents, and the costs of these;
- b) Continue to build employee trust and respect;
- c) Ensure regulatory compliance; and
- d) Begin to utilize health & safety skills and processes in addressing other workplace issues: e.g. quality, reliability, productivity

At this point your action steps might include the following:

- a) If not already done, **consider having a 3rd party hazard assessment** if there is any doubt as to your current assessment, or as a second opinion to your own assessment.
- b) **Use the self assessment to identify improvement opportunities.** Prioritize them and develop improvement plans that will result in raising your rating on a particular element. Continue closing gaps in the Planning for Safe Work element.

- c) **Review your standards for health & safety system performance and sharpen expectations.** You have the basic systems in place that result in safe operation. Now make sure they are being used, are timely, and integrated with other workplace activities. Review the enforcement of safe procedures and the consequences for failing to follow safe procedures. How are supervisors and managers being held accountable for health & safety in their areas? Is employee involvement in the system increasing? Are the employees positive towards the health & safety system? Is root cause analysis being used regularly for close calls in addition to accidents?
- d) **Increase focus on enforcing safe behaviour.**
- e) More focus on health & safety skill training for a broader range of employees and more in depth health & safety training for leaders.
- f) **Increase involvement of employees** in carrying out the health & safety activities within their work area, participating in developing and updating safe procedures, participating in accident investigations, conducting training, and enforcing safe behaviours.

If Your Over-all Rating is 7.5 – 8.5

Your health & safety system is or is very close to fully functional and should be effective at significantly reducing accidents, injuries and illnesses. Make sure your rating is calibrated. You should be earning a significant NEER or CAD7 rebate or MAP rate benefit. In a manufacturing environment, your lost time injury rate should be .4 or less per hundred employees per year. If your system is not producing these results, your ratings may be too high. An analysis of the root causes of your accidents should give some indication of areas of opportunity.

Your action plans should focus on closing gaps identified in the self-assessment and the use of more advanced approaches to employee involvement and ownership of the health & safety system performance. Strategies may include:

- a) Delegation of significant decision making to employees or groups of employees, empowerment of employees to develop and implement safe operation improvements;
- b) Use of root cause analysis on situations of unsafe acts and unsafe conditions to identify system weaknesses;
- c) Use of behaviour modification processes to change behaviours and ensure safe behaviours;
- d) Use of reporting and tracking systems to ensure that all prevention activities are completed, documentation is complete and kept up to date; and,
- e) Goals and reward processes focus on making improvements to the health & safety system and building awareness.

If Your Over-all rating is 8.5 or Above.

Congratulations. You should be producing outstanding results. You probably can contribute to the advancement of health & safety practice in Ontario. Your critique and suggestions on how to improve this Guidebook and the prevention efforts in Ontario will be most welcome. Please contact the Prevention Branch of the Workplace Safety and Insurance Board for more information.

Ontario Power Generation's Integrated Employee Health and Safety Strategy 2000 to 2003

Ontario Power Generation's (OPG) health and safety goal is to be in the top quartile in health and safety performance compared to other electrical utilities.

The Key Strategic Issues that OPG is focusing on to achieve their goal are:

- *To develop a strong safety culture which is necessary to improve performance*
- *To establish leadership/supervision as a key driver for re-enforcing safe behaviors; this starts with the president and cascades down to the floor level management*
- *To strengthen the floor level management/worker interface*
- *To implement a Health and Safety Management System which is required to ensure results are sustained*
- *To ensure meaningful employee involvement*

Each of the strategic issues is backed up with specific action steps with measurable outcomes. For example, the action steps for **leadership accountability** includes:

- Conduct Management Committee Workshop focusing on accountabilities, and leadership behaviors
- Development of a personal action plan for each Committee member
- Development of performance expectations for health and safety behaviors for managers as input into Performance Contracts – for every level of management. Roles and responsibilities to be integrated into performance contracts at all management levels.

May, 2000

Section 5.2 Implementing Plans

Senior Management Commitment and Leadership

Leadership from the top of the organization is essential if the health & safety improvement process is to be taken seriously, resulting in real change.






If the commitment and leadership of senior management is not already in place, now is the time to develop that support. Working through the guidebook with senior management, or involving them in key aspects of building the business case and assessing business fundamentals, may be a good starting point.

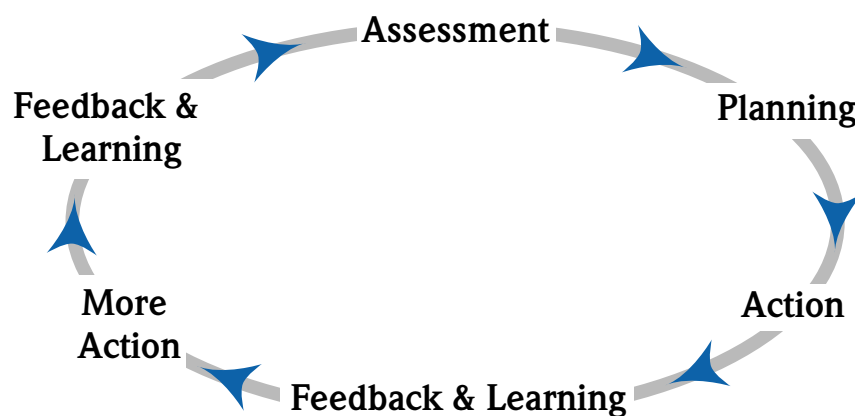
It's About Continuous Improvement

Effective implementation will be a result of taking measured steps toward the vision. Change does not happen all at once. It is far better to implement a few decisive improvements and ensure their success and then make a few more. Success builds on success and with success on individual steps comes a growing belief in the importance of complete implementation.

Employee involvement and engagement in the process and implementation is a critical factor for success and assuring alignment, buy-in and quality of results.

Effective continuous improvement includes:

-  A continuous focus on the vision;
-  A sense of urgency and commitment to achieve objectives within an reasonable timeframe;
-  Measurement of progress against objectives;
-  Continuing evaluation and assessment; and,
-  A never ending process: it allows for constant change and corrections to course



Employee Communication and Involvement

Critical to the success of the plan will be the involvement and engagement of employees. Communication and expectations of involvement need to start early and be frequent. The opportunities for employees to participate, ask questions, and contribute ideas should be identified in your action plans.

Communication by senior management to all employees of the current situation, the vision, the reasons for the change, the plans for implementing improvements, and how they can be involved is an important step in aligning the organization. If there has not been clear expectations of health & safety performance and commitment of management, it will take a concerted effort and action to instill the credibility of the new culture.

Resources and Budget

The contribution of safe operation to business results comes as a result of making an investment. Try to anticipate realistically the resources needed at each action step: staff time, external resources, employee involvement, and costs to purchase, change, upgrade or modify equipment, etc.

Technical Knowledge Input

Planning for safe operation requires knowledge of typical hazards for your operation and hazard assessment processes, knowledge of regulatory requirements and standard industry procedures, and other hazard elimination and control processes. Your organization may have qualified health & safety personnel on staff, or it may contract with outside advisors. The input of people with the specific knowledge and skills is critical to the planning process.

Use Sound Action Planning and Implementation Techniques

Plan your implementation in manageable chunks. Be aggressive, but do not over commit. It is far better to implement and enjoy success with a few items than to experience frustration in trying to make too much change at once.

Make sure there is clear understanding of an issue and the details necessary while planning the action steps.

Assign responsibility to individuals for completion of specific action steps, fix completion dates and follow-up to ensure completion.

Be prepared to work and solve problems when they arise. Support those responsible for completing action steps and facilitate resolution of issues and impediments.

Celebrate successes when phases of the implementation are complete.

Assess the process and results for improvement or re-alignment as each phase is completed.

Use an annual audit as a starting point to identify ongoing opportunities for system improvement.

Follow-through

Building and sustaining a culture and systems for safe operation is not a one time effort. It is not a program. It is a way of doing business. It requires sustained effort. Management attention to health & safety in itself can produce dramatic improvements in accident, injury and illness rates. However, once management's attention is diverted to another issue health & safety results will quickly deteriorate. The way to sustain results is the implementation of a solid system for managing health & safety with on-going accountability for following the system and commitment to continuous improvement. Each cycle of improvement leads to further progress and greater contribution to business results.

“Twelve years ago we experienced tremendous growth that resulted in a significant increase to our workforce while in the process of building a plant expansion. During this period our employees worked significant amounts of overtime in an overcrowded facility. The Safety Plan in place at the time had served us well up to that point and we had a good safety record. It was not, however, adequate to meet the demands of the situation. The result was unprecedented high injury frequency and severity.

That experience taught us to continuously audit our Safety Plan. As well, a detailed Safety Manual was developed to document all policies and procedures. It provides us the foundation for training, a framework for continuous improvement and has brought consistency throughout our organization.

We have since had periods of similar growth while simultaneously reducing the number of work related incidents. Our Injury Frequency and Severity have been reduced by 85% and 93% respectively. Definite proof that paying close attention to your safety plan pays big dividends.”

Sheila Cooper, Raymond Industrial Equipment Ltd

Section 5.3 Conclusion - It's Up to You

Cost Reduction
Business Interruption Protection
Employee Relations Improvement
Reliability and Productivity Improvement
Building Public Trust
Building Organizational Capability
Compliance with the Law

These are all vital issues in today's business world. Survival, growth and prosperity depend on them. What are your options?

Industry leaders have recognized the essential contributions of effective health & safety management which leads to safe operation. They understand that safe operation requires a management system – a system that is focused, detailed, comprehensive, and integrated with other workplace processes. They also understand that expectations must be set high and there is a need to strive for excellence; and they understand that their commitment must be absolute – if it cannot be done safely, it will not be done.

In many operations, dissatisfied with health & safety results, company and site managers have made health & safety system improvements the first priority in their planning. Their first critical need is to implement a system that focuses on the right issues and can be used as the basis for a continuous improvement process. Once the system is selected or developed, their next priority is to assess the current performance and identify key improvement opportunities. A plan can then be developed to implement improvements, focusing on issues that will result in the greatest return. Some of these improvements are hazard mitigation or compliance issues, but just as important are improvements in the commitment, organization and accountability. When the system performance is brought to full functioning, system performance monitoring keeps the system producing results, and imbedded continuous improvement processes continue to produce improvements.

Unhappy following an injury, that his expectations for safe operation were not being understood, a site manager, immediately the next morning, shut the operation down, with the decree: each department was to meet as a group, and come up with a plan as to the steps they would take to ensure that they would operate safely. No matter how long it took, no department was to restart operations until their plan was developed, reviewed and agreed to by the plant manager. Some departments took two days, a few three days. Although the immediate cost and customer service impacts were significant, this intervention represented a turning point in health & safety results, advancement of workplace systems, productivity and quality.

Another site manager, under excruciating cost reduction pressures, learned that some employees might be exposed to slightly elevated levels of a harmful substance – above corporate guidelines but still less than one half regulatory limits. Without hesitation, he ordered the purchase of 150 powered air purifying respirators at a cost of greater than \$150,000 to ensure that every employee would be protected, until the problem could be resolved. Employees not only learned that his commitment to protect the health of employees was absolute, but also listened and responded to the critical need to improve reliability and productivity. Today, this site is a world leader in its sector in health & safety, productivity and quality.

Together, you and your organization can move to new levels of performance in all aspects of your workplace operations. Safe operation is a fundamental building block leading to better business systems and results in many areas. Leadership needs to start at the top. Vision and commitment are essential, as well as a systematic approach and a sense of urgency.

It's Up to You.

Safe Communities Incentive Program (SCIP)

The Safe Communities Incentive Program is an insurance incentive for small business employers participating in their local Safe Communities program. An employer is eligible to receive a 5% refund upon completion of the SCIP program requirements. In addition to the refund participants receive the following:

- access to an expert health and safety consulting team, new training programs and resources to help them manage health and safety better;
- help on how they can become more self-reliant in managing claims and return-to-work;
- find out how they can further improve safety performance and reduce accident costs through evaluations of their health and safety programs.

For More information on the Safe Communities Incentive Program, contact the Prevention Hotline at the WSIB, Tel: 1-800-663-6639 or visit the website at: www.wsib.on.ca

The Safe Communities of Pickering and Ajax have been promoting the SCIP program since 1997. Initially, companies participate in this program because they can realize savings by reducing their accident costs. However, once people graduate from this program, they gain much more through the satisfaction of preventing injuries to their work force. In addition, participants establish a network with other participating members and can share ideas and experiences.

I have spoken with many of the people who have participated in this program and they have all felt it was worth attending.

Jim L. McKinnon (Chair) Safe Communities of Pickering-Ajax
and Personnel Supervisor, Occ. Health, Safety & Security, Dupont - Pickering

Safety Groups

Safety Groups are a new initiative of the WSIB in Ontario. Firms from similar or different businesses volunteer to form a group for the purpose of learning from each other's experience in implementing injury and illness prevention programs. Firms in a group may earn rebates on their WSIB premiums based on making prevention elements an integral part of their business.

The Employer's Advocacy Council (EAC) sponsors one Safety Group which was formed in 2000. It currently has 34 firms participating. The following are comments from a sample of participants:

"We were looking for more ways of putting things into the system that would help keep our staff safe. By being a member of the safety group, we are able to keep safety a priority. In doing so, we keep these issues in the eyes and on the minds of our staff which helps to reinforce with the staff the need to work safely".

Hilda Hammond, Hammond Plumbing and Heating Inc
Safety Group Member since 2000.

"MSM Transport joined the EAC sponsored Safety Group in 2000 to learn of the Best Practices of other companies. We realized practical and financial gains very early on. This year MSM has renewed membership to network with other companies, and to continue to improve our Health and Safety Program".

Don Norris, QA Manager, MSM Transport
Safety Group Member since 2001

"The last several years has seen rapid employee growth and our health and safety program contained more weaknesses than strengths. In an attempt to come up to speed with our policies, we joined the EAC and the Safety Group to share other members' knowledge through networking. We want to install a first rate health and safety program, reduce preventable injuries and save our company and employees money".

Gerry Nash, McIntyre Group Office Services Inc.
Safety Group Member since 2000

"We joined the Safety group initially to ensure the success of our health and safety programs. At the end of the year, the success of doing our assessment, choosing and working towards completion of our goals, and learning from others' experiences was obvious. There was no doubt we would continue in 2001. The rebate factor seems almost secondary to the other rewards we have experienced. The Safety Group involvement has been successful in bringing momentum to our Joint Health and Safety Group. It has prompted our search for continuous improvement in our programs, policy development, implementation, communication and evaluation as we go forward".

Karen Hiltz, Christie Digital Systems Inc.
Safety Group Member Since 2000

"For the Firestone Textiles Company, the original draw was for the opportunity of being refunded additional money, with virtually no risk. All that we had to do was identify and complete five elements with one being chosen by the Safety Group. It was not perceived as additional work as it was mainly a matter of revamping existing programs, re-communicating and evaluating them. However, since participating in a multi-sector safety group last year the value of participation has grown from the original notion of obtaining an extra rebate to the sharing of best practices. I found it odd that larger companies were learning some new ideas from the smaller companies. I am glad we joined; anytime health and safety can be improved it's a worthwhile venture".

Jon Rowe, Firestone Textiles Company
Safety Group Member Since 2000

Whether it is to improve or implement health and safety programs or working towards reducing their premiums, each employer clearly has made a commitment to health and safety. By being part of the Safety Group each has the support of their peers and the potential to share a vast depth of knowledge that is not commonly accessible. After all, knowledge is power and the better we equip ourselves, the safer our workplaces will be.

For more information on Safety Groups, contact the Prevention Hotline at the WSIB, Tel: 1-800-663-6639

For another example of assessing health and safety status and taking action, visit the "Safety & Health Management System eCAT" website at

www.osha-slc.gov/SLTC/safetyhealth_ecat/

This is a site sponsored by the Occupational Health and Safety Administration (OSHA) of the U.S. government. The site contains a process for the business case and a method of assessing action steps similar to this Guidebook.

Appendix A

Glossary

Accident	An unplanned and uncontrolled event that results in injury, illness and/or loss.
CAD 7 Experience	A WSIB program for the Ontario Construction Industry which is a method of adjusting WSIB
Rating Program	assessments based on an employer's record of injury frequency and compensation costs. Employers receive a rebate if their records are better than average or a surcharge if their record is poor.
Incident	An unplanned and uncontrolled event that may cause injury, illness and/or loss.
Immediate Cause (of an accident or incident)	Inadequate performance in carrying out safe work procedures, or in maintaining a safe work environment.
MAP Plan	A WSIB experience rating plan for small businesses (less than \$25,000 annual WSIB premiums). It applies a percentage adjustment to an employer's basic premium rate, creating an individualized premium rate. This individualized premium rate is based on the employer's workplace injury performance over a three year review period.
NEER Program	A WSIB experience rating plan which provides refunds or surcharges of annual WSIB premiums based on a company's claim costs. Companies with a good record relative to the industry gets a refund of its premium; those with a poor record, relative to the industry average, pay a surcharge.
Root Cause (of an accident or incident)	A weakness or failure in the management system for health & safety which allowed the accident or illness to occur.
WSIB	Workplace Safety and Insurance Board

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Appendix B

A Financial Business Case for Health and Safety in Ontario Workplaces

A Simple Cost Tool using your NEER Statement

Streamlined version for Business Results Through Health & Safety document

**Best Practices Branch
Prevention Division**

WSIB Workplace Safety & Insurance Board
ONTARIO
CSPAAT Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail

Business Results Through Health & Safety

The Financial Business Case for Health & Safety in Ontario Workplaces: A Simple Costing Tool using your NEER Statement

Demonstrated commitment and improvement to health and safety management will prevent workplace injuries and illnesses and directly affect the company bottom-line and shareholder value. You may be surprised at how much injuries and illnesses are actually costing your organization. And don't forget that the following calculations do not include the human costs of pain and suffering.

Use the following cost sheets to build the financial business case to help you secure commitment for better health and safety management in your organization. To perform the following simple calculations, you will need your organization's NEER FIRM SUMMARY STATEMENT.

Calculating the Financial Business Case for Health & Safety Using NEER Information

- Cost Sheet 1: Determining Maximum Potential NEER Rebate
- Cost Sheet 2: Determining Actual NEER Rebate/Surcharge
- Cost Sheet 3: Determining Average Unrecovered Rebate *OR* Rebate + Surcharge Per Claim
- Cost Sheet 4: Determining Gross Sales Required to Recover NEER costs

COST SHEET 1: DETERMINING MAXIMUM POTENTIAL NEER REBATE

(Fill in the blanks using your NEER statements from WSIB. Pick a full year, e.g. 2001)

Example

WSIB Workplace Safety & Insurance Board CSPAAT Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail		200 Front St. West Toronto ON M5V 3J1		NEER Firm Summary Statement		
		Account Number 2345678 Firm Number 123456XX Rate Number 570 Past Awards to:				
Accident Year	Premium	Expected Cost Factor (%)	Expected Cost Costs (%)	NEER Costs (\$)	Rating Factor (%)	Performance Index
2001	550,000	51.24	281,820	300,300	64.48	0
2000	500,000	46.35	231,750	175,320	62.77	0.76
1999	475,000	43.52	206,720	620,160	61.61	3.00*

Line 1. Expected Costs:

\$ 281,820

Line 2. Rating Factor:

64.48 %

Line 3. Maximum Potential Rebate (Line 1 x Line 2): \$ 181,717.53

This is the maximum potential rebate which could have been received if there were zero NEER costs in this example.
(i.e. no injuries/illnesses)

Do your own**DETERMINING YOUR MAXIMUM POTENTIAL NEER REBATE**

Line 1. Expected Costs:

\$ _____

Line 2. Rating Factor:

_____ %


Line 3. Maximum Potential Rebate (Line 1 x Line 2): \$ _____

This is the maximum potential rebate you could have received if your NEER costs were zero.
(i.e. no injuries/illnesses)

COST SHEET 2: DETERMINING YOUR ACTUAL NEER REBATE/SURCHARGE

(For any given year)

Example



Workplace Safety & Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail

200 Front St. West
Toronto ON M5V 3J1

NEER Firm Summary Statement

Account Number	2345678
Firm Number	123456XX
Rate Number	570
Past Awards to:	

Accident Year	Premium	Expected Cost Factor (%)	Expected Cost Costs (%)	NEER Costs (\$)	Rating Factor (%)	Performance Index
2001	550,000	51.24	281,820	300,300	64.48	1.07
2000	500,000	46.35	231,750	175,320	62.77	0.76
1999	475,000	43.52	200,720	620,160	61.61	3.00*

Line 4. NEER Costs: **\$ 300,300**

Line 5. Expected Costs: **\$ 281,820**

Line 6. Difference: (Line 4 - Line 5) **\$ 18,480**

Line 7. Difference x Rating Factor (Line 6 x Line 2): **\$ 18,480 x 64.48%**

= Actual Rebate (-) or Surcharge (+): **\$ 11,915.90**

If the result is negative, the company has rebate. If the result is positive, the company has a surcharge. Enter the amount below in whichever box applies.

Rebate: \$ 0.00

Surcharge: \$11,915.90

A Rebate would apply if NEER costs were lower than Expected Costs

A Surcharge would apply if NEER costs were higher than Expected Costs

DETERMINING YOUR ACTUAL NEER REBATE/SURCHARGE

Line 4. NEER Costs: \$ _____

Line 5. Expected Costs: \$ _____

Line 6. Difference: (Line 4 - Line 5) \$ _____

Line 7. Difference x Rating Factor (Line 6 x Line 2): \$ _____

= Actual Rebate (-) or Surcharge (+): \$ _____

If the result is negative, the company has rebate. If the result is positive, the company has a surcharge. Enter the amount below in whichever box applies.

Rebate: \$ _____

Surcharge: \$ _____

COST SHEET 3: DETERMINING AVERAGE UNRECOVERED REBATE *OR* LOST REBATE + SURCHARGE PER CLAIM**Example****For SURCHARGES from Line 7, Use this Formula** ↘**Line 8. Unrecovered Rebate *OR* Lost Rebate + Surcharge (Line 3 + Line 7):****\$ 181,717.53 + (11,915.90)**(Maximum potential rebate from Cost Sheet 1
plus Actual surcharge from Cost Sheet 2)**= \$193,633.43**Use one or the
other formula,
whichever appliesABC Company lost out on this
opportunity by not recovering
the potential rebate AND by
paying a surcharge**For REBATES from Line 7, Use this Formula** ↘**Line 8. Unrecovered Rebate *OR* Lost Rebate + Surcharge (Line 3 - Line 7):**(Maximum potential rebate from Cost Sheet 1
minus Actual Rebate from Cost Sheet 2)**= \$ _____****Line 9. Unrecovered Rebate *OR* Lost Rebate + Surcharge per Claim:***(using Surcharge example)***= Unrecovered Rebate *OR* Lost Rebate + Surcharge (from Line 8 above) ÷ Number
of Claims in a given year****= \$ 193,633.43 ÷ 15 Claims**Include lost time
injuries and health care
claims in a given year**= \$ 12,908.90**Determine this number
from your NEER Claim
Cost Statement and add
up the number of claims
for a given year**= Average Loss per claim**

COST SHEET 3: DETERMINING UNRECOVERED REBATE *OR* LOST REBATE + SURCHARGE PER CLAIM*Do your own***For SURCHARGES from Line 7, Use this Formula** ▼**Line 8. Unrecovered Rebate *OR* Lost Rebate + Surcharge (Line 3 + Line 7):**(Maximum potential rebate from Cost Sheet 1
plus Actual Surcharge from Cost Sheet 2)

= \$ _____

Use one or the
other formula,
whichever applies**For REBATES from Line 7, Use this Formula** ▼**Line 8. Unrecovered Rebate *OR* Lost Rebate + Surcharge (Line 3 - Line 7):**(Maximum potential rebate from Cost Sheet 1
minus Actual Rebate from Cost Sheet 2)

= \$ _____

Line 9. Unrecovered Rebate *OR* Lost Rebate + Surcharge per Claim:= Unrecovered Rebate *OR* Rebate + Surcharge (Line 8 above) ÷ # of Claims
per year

= \$ _____ ÷ _____ Claims

= \$ _____ (Line 9)

COST SHEET 4: DETERMINING UNRECOVERED REBATE *OR* LOST REBATE + SURCHARGE PER CLAIM**Example**

If the unrecovered rebate OR lost rebate + surcharge is \$193,633.43 using the surcharge example (from Line 8 in Cost Sheet 3) and the company profit margin is 6%, then the gross sales required to recover from the unrecovered rebate OR lost rebate + surcharge is:

Line 10. Unrecovered Rebate *OR* Lost Rebate + Surcharge (Line 8): \$ 193,633.43

Line 11. Company Profit Margin: 6 %

Line 12. Gross sales required to recover from Unrecovered
Rebate *OR* Lost Rebate + Surcharge (Line 10 ÷ Line 11): \$ 3,227,223.80

Since the company ended up forgoing \$193,633.43 in unrecovered rebate OR lost rebate + surcharge, they would have to generate \$3,227,223.80 more in revenue to end up with the same year end financial statement

Do your own**DETERMINING YOUR GROSS SALES REQUIRED TO RECOVER NEER COSTS**


Line 10. Unrecovered Rebate OR Lost Rebate + Surcharge (Line 8): \$ _____

Line 11. Company Profit Margin: _____ %

Line 12. Gross sales required to recover from Unrecovered
Rebate OR Lost Rebate + Surcharge (Line 10 ÷ Line 11): \$ _____

Appendix C

Calculating Indirect Accident Costs (short-cut method)



Workplace Safety &
Insurance Board

Commission de la sécurité
professionnelle et de l'assurance
contre les accidents du travail

200 Front St. West
Toronto ON M5V 3J1

NEER Claim Cost Statement

Account Number	2345678
Firm Number	123456XX
Rate Number	570
Past Awards to:	

Claim Number	Worker's Name	Accident Date	Claim age month	Past Awards		Discounted Past Awards (\$)	Discounted Future Costs (\$)	Overhead (\$)	Limited Claim Costs (\$)
				Non-Pension (\$)	Pension (\$)				
Doe J.	07 Mar 00	06	12	3,000.00	0.00	3,000.00	1,025.70	1,167.45	5,193.15
Page D.	05 Apr 00	05	11	40,000.00	0.00	39,902.00	162,939.82	58,824.13	221,600

Step 1. Costs on claims paid to date:
 (Add up the Non-pension \$ and
 Pension \$ for all claims in a
 given year from your NEER
 Claim Cost Statement)

\$ 43,000.00

Step 2. Multiply the total in Step 1 by 4:

x 4

TOTAL = \$ 172,000.00

This is a rough estimate of
 the Indirect Accident Costs
 for that given year.

[illegible]

Appendix D

Your Company Accident/Injury Illness Detailed Costing Form

This chart will enable you to detail and estimate the total costs of an accident and/or an injury or illness within your organization.

The intent is to be able to build a complete picture of what accidents, injuries and occupational illnesses cost. This will help an organization better understand the financial impact of injuries and illnesses on their operations.

Some of the cost information may be straight forward. However, the methods to calculate or estimate some elements of the costs will vary from organization to organization. This is especially the case in estimating the cost of lower productivity or not being able to carry out work or production because equipment is unavailable. Further, there may be other impacts which may be more difficult to assess, such as reduced customer service due to inability to produce.

The “Your Company Accident Costing Form” contains questions to help you account for all the costs of an incident or injury. Although the form is intended to be comprehensive, there may be additional areas of cost or impact. These should be included as well.

Completing a costing form on a number of incidents/injuries will give a better picture of the costs of incidents/injuries in your organization.

Costing an Individual Incident/Injury

Name: _____

Date and Time of Injury/Incident _____

Location: _____

Brief Description of Accident/Injury _____

Injury/Incident Costing

Direct Injury Costs	COST	
Compensation/Medical/Rehabilitation Costs Description of Injury: _____ _____ Time Away from Work: _____ days/weeks		Section A
1. Compensation/medical/rehabilitation costs. (Use the "Estimated Actual Claim cost" from your organization's latest NEER statement. If the claim has had the Maximum Claim cap applied, use the value before the cap has been applied.)	\$ _____	
2. Wage supplements/Continuation of benefits etc	\$ _____	
3. Other compensation/Benefit Related Costs	\$ _____	
Total Direct Injury Costs	\$ _____	
Indirect Accident Costs	COST	
Property/Equipment/Material Damage Was there equipment or structural damage? Was it repaired or replaced? Was equipment rented for temporary replacement? Was there material or product damage or loss? Summary: _____ _____ _____		Section B
1. Costs of Cleanup/salvage	\$ _____	
2. Equipment Repair/Replacement Cost	\$ _____	
3. Property/Structural Repair Cost	\$ _____	
4. Equipment Rental Cost	\$ _____	
5. Material/Product Loss	\$ _____	
6. Material/Product Rework	\$ _____	

<p>Administrative Costs</p> <p>Administrative costs include extra management and administrative time as a result of the injury/illness. Examples include managing the accident scene, conducting accident investigation and follow up actions, arranging compliance to MOL orders, rescheduling of people and work, arranging / supervising clean up and salvage, arranging for repair or replacement of equipment or other property, hiring replacement staff, training of replacement staff, follow up with injured or ill employee, arranging for return to work and modified work.</p> <p>1. Management effort at time of incident/injury \$_____</p> <p>2. Management effort: clean up, restoration, rescheduling, MOL order compliance, replacement hiring and training etc. \$_____</p> <p>3. Follow up with injured employee including return to work, modified work etc. \$_____</p> <p>4. Administrative effort in claims management, medical and personnel effort, public relations etc. \$_____</p> <p>5. Lost opportunity cost: If management had not been spending its time on incident follow up, what could they have been doing? What is the value of that lost opportunity? \$_____</p>		Section C
<p>Productivity Costs</p> <p>These involve the costs associated with the work interruption due to the incident, and ability to carry out work following the incident. Calculations for these cost items will vary depending on how your organization values the cost of work interruptions, equipment unavailability, and reduced employee capability. There is also the lost opportunity cost, as above.</p> <p>1. Work interruption at time of incident (# of people, length of interruption) \$_____</p> <p>2. How was work time made up: costs, overtime etc \$_____</p> <p>3. Rescheduling Costs: New set up, delays in equipment availability, idle people, time, costs \$_____</p> <p>4. Cost of learning curve of replacement employees \$_____</p> <p>5. Equipment out of service: MOL stop work orders, time to repair damage or replace. \$_____</p> <p>6. What was the impact of loss of use of equipment, processes, or skills of injured person \$_____</p> <ul style="list-style-type: none"> - Alternate processes more costly, time consuming - Customer Service issues: out of stocks, delays in delivery - Scheduling inefficiencies <p>7. Cost of reduced productivity while employee on modified work. \$_____</p>		Section D
<p>MOL Orders</p> <p>1. Cost of complying with MOL orders \$_____</p> <ul style="list-style-type: none"> - Equipment/process modifications - Administrative Procedures <p>2. Consultant Fees \$_____</p>		Section E

Legal Costs	
1. Legal Counsel Fees	\$ _____
2. Management/Employee time (preparation, witnesses, etc)	\$ _____
3. Expert Witness Fees	\$ _____
4. Fines	\$ _____
5. Other Costs (Settlements etc)	
Other Costs	
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
Total	\$ _____

Instructions to Complete Costing an Individual Accident/Injury Form

To determine Indirect Accident/Injury costs using this form, ADD up Sections B, C, D, E, F, and G. Do NOT use Section A in this calculation. Do this process for all Accidents/Injuries for a given year. Use the total for ALL accidents/injuries in a given year in your calculation for **LINE B** on the **Business Case for Health & Safety Worksheet** on page 19 of this document.

Appendix E

NEER and MAP Incentive Plans

The Workplace Safety & Insurance Board (WSIB) has three incentive plans that reward employers with lower than average claims cost and penalize employers who have higher than average claims costs. This appendix provides a very brief explanation of two of these plans, NEER and MAP. The third plan, CAD7, is for the Construction industry and is not covered here. More detailed explanations of the plans can be found on the WSIB website at: www.wsib.on.ca. A copy of the booklet called “NEER User Guide” can be obtained by calling the WSIB Prevention Hotline at 1-800-663-6639.

NEER

Under NEER (New Experimental Experience Rating) plan, a company with a good claims record relative to the industry average gets a refund of a portion of its premium; those with a poor record pay a surcharge. The formula for calculating the amount of rebate or surcharge is somewhat complicated and beyond the scope of this document.

What is useful for the purposes of this Guidebook is that NEER calculates an estimated total cost for each claim registered by an organization. This estimated cost includes

- all costs to date plus
- an estimate of future costs of the claim; and,
- an allocation of WSIB overhead costs

MAP

The Merit Adjusted Premium (MAP) plan applies to small businesses in Ontario whose average WSIB premiums range from \$1,000 and \$25,000 annually. The MAP plan applies a percentage adjustment to the employer's basic premium rate, creating an individualized premium rate. This individualized rate is based on the employer's workplace injury rate over a three year review period.

The MAP plan is simple and focuses primarily on claim counts. An employer's record is determined by the number of new claims incurred during a three year review period. Currently claims costing more than \$500 are counted. Based on the number of claims during the review period, a percentage discount or surcharge is applied to the employer's rate group premium rate.

The table on the next page gives the percentage discount or surcharge in effect in 2001, based on average annual premium and the number of claims within a three year review period. To be eligible for a premium discount under MAP, employers must have been in continuous operation for the three year review period and must be in compliance with WSIB reporting requirements. Premium rate surcharges may apply if claims are incurred within a shorter period.

MAP Table of Adjustments - Effective January 1, 2000 - Over \$500

Avg. Premium (1996-1998)	0 Claims	1 Claim	2 Claims	3 Claims	4 Claims	5 Claims	6 Claims	7 or More Claims
\$1,000 - \$1,499	-5%	0%	8%	20%	40%	50%	50%	50%
\$1,500 - \$1,999	-5%	0%	8%	19%	38%	50%	50%	50%
\$2,000 - \$2,999	-5%	0%	7%	17%	34%	50%	50%	50%
\$3,000 - \$4,999	-5%	0%	7%	15%	30%	50%	50%	50%
\$5,000 - \$9,999	-6%	0%	6%	13%	26%	44%	50%	50%
\$10,000 - \$14,999	-7%	0%	5%	11%	22%	38%	50%	50%
\$15,000 - \$19,999	-8%	0%	3%	8%	16%	30%	46%	50%
\$20,000 - \$24,999	-10%	-5%	0%	5%	11%	22%	35%	50%

Note: The claims counted are those costing more than \$500, with an accident date within the three year review period. Negative values are applied as discounts to the basic rate group premium rates; positive values are applied as surcharges to the basic rate group premium rates.

Note: In addition to the values shown above, a further surcharge of 25% is added for a fatal injury claim, and a surcharge of 10% is added for each claim exceeding \$5,000 in cost.

Appendix F

Best Practice Tips and Examples

This appendix contains samples of expectations and processes different organizations have used to address the performance for selected items in the self assessment. The positions, processes and events presented here are just examples: they may help to provide calibration, they may provoke ideas of what might work in your organization, or they may not be suitable at all. It's up to you.

A. Leadership & Commitment

1. The organization believes that accidents, injuries, and occupational illnesses can be prevented.
2. The organization believes that health & safety can be managed.
3. Safe operation is a core value for the organization: it is how the business is operated.
4. Employees understand the expectation to work safely and that working safely is a condition of employment.
5. A health & safety policy is in place and communicated to all employees which reinforces the values and management's commitment to safe operation.
6. A health & safety vision exists that outlines a future state of safe operation, and accident prevention activities focus on steps to reach the vision.
7. Management behaviours clearly demonstrate its expectations for working safely.
 - *Safe operation is a key fundamental objective along with production, quality, and customer service objectives, and allocation of management time, effort, communication etc reflects this position.*
 - *Managers and supervisors adhere to safety rules and safe procedures the same as expected for employees*
 - *Managers and supervisors expectations are consistent (e.g. no trade-offs or compromises of safety – eg production pressures invite safety short cuts, for expediency, excuse of favoured employee).*
8. Health & safety performance has an effect (good or bad) on a person's career (pay, promotion).

Best Practice Examples:

 - *A track record of fulfilling Health & safety responsibilities, just as a track record of fulfilling other responsibilities, is a pre-requisite for promotions.*
9. Management ensures that continuous improvement processes including establishing and implementing improvement goals are used to move the system performance towards the vision.

Best Practice Examples:

 - *Improvement in all organizational processes is an ongoing expectation. Processes are in place to support workplace change – planning, communication, training, problem solving resources etc. (Avoid arbitrary expectations/exhortations).*
 - *Focus is on continuous improvement, not on injury results.*
 - *There is constancy of focus by leaders.*
 - *All levels of the organization are involved in the improvement process.*
 - *Individuals are held accountable for system improvement*

10. Funding and staffing is provided to maintain current performance and implement improvement goals.

Best Practice Examples:

- People have the necessary tools, training and clout to achieve the expected results
- Quality people are appointed to safety leadership roles/positions.

11. Management is committed to meeting regulatory requirements.

- Processes are in place to keep informed of changing regulatory requirements
- Regulatory requirements are incorporated into system success criteria and reviewed during system reviews (audits).

12. There is regular communication and reinforcement to employees of the organization's commitment to safe operation, system status, and issue resolution.

Best Practice Examples:

In general, communication on safety occurs in the same way and frequency that communication takes place for production, quality, customer service etc. For example:

- *If production issues are discussed at daily team meetings, safety issues are also discussed at these meetings*
- *If a manager is giving a group of employees an update on production and quality goals and status, health & safety goals and status are also included.*
- *Some manufacturing sites include a health & safety item on the agenda for all meetings.*
- *Supervisor : employee 1 to 1's include a health & safety discussion and feedback*
- *Health & safety goals, action plans & status are posted for employee review and updated regularly.*
- *Health & safety issues are solicited and action agreed to at team and department meetings, and a follow up system is used to track and report progress to resolution.*

B. Organization & Involvement

1. There is a “system” for managing health & safety. The system describes the key components, outlines performance expectations, assigns responsibilities, describes activities and procedures for achieving safe operation and how persons will be held accountable.

Best Practice System Characteristics:

The System:

- *meets the needs of the organization*
- *is comprehensive: success will be achieved by following the system*
- *is easy to describe and understand*
- *describes expectations, criteria for success and where necessary, the processes to be used*
- *includes the ability to measure performance and identify opportunities for improvement*
- *includes expectations and processes for continuous improvement of the system.*
- *is compatible and where possible be integrated with other organizational systems.*

2. The system has an “owner” who with the support of management has the responsibility for facilitating knowledge and use of the system and maintaining and developing the effectiveness of the system.

- *The “owner” is designated and appointed by management. Responsibilities include:*
 - *educating the organization in the system*
 - *developing organizational procedures to meet system criteria*
 - *coordinating system wide events/requirements e.g. audits, goal setting processes etc.*
 - *reporting to management on system status*
 - *recommending actions for improvements and*
 - *otherwise be responsible for the care, health and effectiveness of the system in achieving safe operation.*

3. Health & Safety responsibilities have been established for all levels of the organization

Best Practice Examples

- *Health & safety responsibilities are written and in place for the senior managers, other managers, supervisors, employees, safety system owner, safety coordinator(s)*
- *Health & safety responsibilities are incorporated into individual job descriptions.*
- *Responsibilities include how the individual will be held accountable.*

4. Individuals are aware of, and understand their health & safety responsibilities.

Best Practice Examples

- *All employees receive a written copy of their health & safety responsibilities and how they will be held accountable*
- *Description and explanation of health & safety responsibilities and accountabilities is included in job and/or new position orientation.*
- *Responsibilities & accountabilities are re-enforced in postings, performance reviews, meetings etc.*

5. Line management is the responsible and accountable for the implementation of health & safety systems in their area, and for the performance of the systems.

Best Practice Examples

- *Health & safety performance is one of the measures for which line managers and supervisors are held accountable.*
- *The measures of accountability focus on the actions the manager has taken to prevent accidents: e.g. steps taken to improve the health & safety system in his/her area of responsibility.*

6. The organization has a capable, qualified resource for health & safety technical knowledge to assist in hazard identification and control, best practices, and regulatory compliance. This would include in-house health & safety staff and qualified consultants.
7. Employees are involved and consulted in the health & safety system through:
 - the day to day integration of health & safety into all activities
 - the joint health & safety committee (or health & safety representative)
 - responsibility to report unsafe conditions and/or unsafe procedures
 - an effective process to receive and respond to employee health or safety concerns
 - after appropriate training, carrying out health & safety activities such as inspections, participating in hazard analyses, participation in accident investigations etc.

Best Practice Examples:

- *Consultation takes place all the time – each day, day to day, week to week:*
 - *management soliciting health & safety concerns*
 - *employee input into assessing health & safety issues with job/task changes or non-normal work*
 - *employee input into projects etc.*
- *The process to receive and respond to employee health & safety concerns (see key element G)*

8. Employees understand and can describe the system for managing health & safety in the organization.

Best Practice Examples

- *Employee training includes an overview of the health & safety system*
- *Employees can describe the relationship between causes of accidents and how the health & safety system is designed to prevent those causes.*
- *Employees can describe how responsibility for health & safety is divided up within the organization.*

C. Planning for Safe Work

1. An assessment of existing and potential workplace hazards has been carried out and documented including input from a knowledgeable person(s)
2. Measures have been implemented to eliminate, control and manage existing and potential hazards which pose risks to people.
 - **Industry standards are used where available**
 - **Care is taken to understand the full scope of control issues**
 - **Care is taken to fully implement details of control procedures**

Best Practice Examples:

- *Hazard assessments, risk minimization, and planning of controls are an integral part of any new project or change from the commencement of plans or design. A primary focus in the design is to incorporate effective engineering controls obviating requirement for administrative controls and/ or Personal Protective Equipment.*
- *Engineering controls are implemented where feasible.*
- *Administrative controls are utilized knowing that there needs to be an investment in developing sound procedures etc and training people, and ongoing costs in ensuring that the administrative procedures are known and used.*
- *Personal Protective Equipment (PPE) is only used as a primary control where absolutely necessary. The main use of personal protective equipment is as a secondary control in case there is a failure of the primary control. There is the knowledge that while the initial cost of PPE may be lower than an engineering control, the ongoing costs of developing procedures for safe PPE use, training of*

people in the use, care and storage of PPE, and the costs of ensuring correct usage can be significant, but are vital for the PPE to be effective.

3. General health & safety rules have been developed, are written, and known by employees.

Best Practice Examples:

- They are established with employee involvement.
- Specify safe behaviour expectations for general or site wide situations.
- The rules are specific, observable, and avoid non-specific (and hence, non-enforceable) wording such as “should”, “watch out”, “be careful” etc
- General safety rules are uniformly enforced across the organization.
- Reviewed with employees and updates solicited at least annually.

4. Safe operating procedures have been developed, are written, and people trained for the tasks, equipment and processes they work with.

Best Practice Examples:

- Developed for all job tasks with injury risk.
- Include information and utilize procedures from relevant industry standards.
- Include experiences from other organizations with similar processes.
- Incorporate learnings from incidents and accidents.
- Employees who do the job are involved in the development of the procedures
- An analytical tool such as “job hazard analysis” is used to help identify hazard issues and safe practices.
- Wording is specific and observable, and avoid non-specific (and hence, non-enforceable) wording such as “should”, “watch out”, “be careful” etc
- Include input from and are reviewed by a knowledgeable safety person for content such as hazard identification, regulatory compliance, and use of organization standards.
- Safe procedures may be incorporated into the standard operating procedures.

5. There is a process for planning health & safety into new projects at the design stage, during installation, and start up for new projects or when changes are made. This process ensures that:

- Safe conditions and regulatory compliance are incorporated into the design, purchase specifications, construction and installation planning.
- Safe practices are developed, written and people trained before equipment, processes or procedures are implemented
- Pre-start up inspections are completed before new equipment/processes/procedures are started up.
- A post start up review is completed on new equipment/processes/procedures to address any health or safety issues discovered during start up

Best Practice Examples:

- The site/organization has a process for early involvement and integration of all requirements into new projects and changes to ensure no surprises and a optimal implementation and start up. This would include environmental, employee relations, training, etc.
- People knowledgeable of regulatory requirements, industry standard safety practices, and ergonomic risks for the equipment or process, are involved in the planning or design process.
- Employees who will be involved in the operation of the new equipment, process etc are consulted and involved early for input into the design, planning.
- Completion of health & safety reviews and action steps are included in project critical paths schedules and budgets.
- Hazard assessment processes use appropriate risk analysis tools and development of safe practices use a tool such as job hazard analysis.

- One or more employees who will be using the equipment/process are included in visits to suppliers for early review of the equipment/processes.

6. There is a process in place to ensure that

- all chemicals and materials are reviewed for their hazards before first arrival at the site,
- procedures for safe receipt, storage, use and disposal are developed and implemented before use of a material or chemical
- employees are trained on the hazards of and the controls and safe practices for chemicals and materials.

Best Practice Examples:

- All site chemicals and materials including: process, maintenance, utility, lab chemicals and materials are included.
- The site maintains an up to date inventory list of all chemicals/materials. the list includes the use or purpose.
- No chemical/material is purchased or brought on site unless it is on the inventory list.
- All chemicals/materials are reviewed for regulatory compliance (e.g. MSDS on site), their hazards and for safe use in the intended application. Safe storage, handling, use and disposal procedures are developed and implemented before a material is entered onto the approved inventory list.
- A new review is completed before a chemical/material is used for a different purpose/application.
- The review includes consideration of possible significant misuses of the chemical/material.

7. A site inspection is carried out monthly, led by the employee member of the Joint Health & Safety Committee. Health & safety issues are corrected or recorded and followed up.

8. There is an effective process for inspection, follow-up and repair/replacement of items that are subject to damage, wear and deterioration.

9. A process is in place such as job planning meetings are used where the work is non-routine, or where an individual or group's job is carried out in non-routine or variable locations. The purpose of the process is to review the hazards or potential hazards of the job or location, and the steps that will be taken to ensure that work can be carried out safely.

E. Training

1. Processes are in place to ensure that

- all employees understand their responsibilities and how they will be held accountable.
- all employees understand the process for managing health & safety within the organization, the expectations for their involvement and how they will be involved.
- new employees receive general and job specific safety training before they start work.
- transferring employees receive job specific training
- returning employees receive refresher training as appropriate
- employees understand the training received

2. Managers and supervisors receive training in their safety responsibilities, the skills to be able to carry out their responsibilities, and how they will be held accountable

3. There is compliance when training is required by legislation (e.g. WHMIS, Certified Members of Joint Health & Safety Committee etc)

4. Employees who carry out special risk jobs or tasks receive specialized training and are qualified to carry out these tasks safely. Examples include lift truck operation, entering confined spaces, welding, using respirators etc.

5. Health & safety leaders and advisors have the necessary knowledge and skills to carry out their responsibilities
6. Employee health & safety knowledge continues to grow and is refreshed at regular intervals.

F. Accountability

1. Management consistently confronts unsafe acts and holds employees accountable for following safe practices

Best Practice Examples:

- Managers/supervisors are trained in effective behaviour performance feedback skills and in issue resolution skills.
- Immediate feedback occurs when an unsafe behaviour is observed. A root cause approach is used to determine reason and action necessary to ensure future safe behaviour.
- Behavioural analyses programs and behavioural change programs, such as behaviour observation programs are used to re-enforce safe behaviours.

2. Management provides frequent feedback reinforcing observed safe behaviours

Best Practice Example

- Correction of unsafe behaviours is balanced with feedback and re-enforcement of observation of people following safe procedures. Carried out on an ongoing basis – day by day.

3. Employees consistently correct unsafe acts by other employees (including management) and hold each other accountable for following safe practices

Best Practice Examples

- All employees are trained in giving and receiving behaviour performance feedback
- Employees are comfortable with providing feedback to peers and management unsafe behaviours. Immediate feedback occurs on an ongoing daily basis (It's alive, well and works!).
- Employees are comfortable and accept behaviour performance feedback constructively.
- Employees participate in a behaviour observation program to re-enforce safe behaviours. At the highest level of performance, employees "own" the behaviour observation program for their team or department – identifying key behaviours and goals for improvement, organizing observation schedules, tracking results and providing team motivation for improvement.

4. Employees give positive feedback to other employees for following safe practices

Best Practice Examples:

- Peer to Peer feedback re-enforcing peer safe behaviour is difficult – but is an expectation, and does occur in organizations with mature relations between employees.

5. Safety performance feedback is part of employee performance reviews

Best Practice Example

- Feedback includes safety behaviour performance, positive participation in health & safety, contributions to safety system.

6. Discipline is used for repeated unsafe behaviour or deliberate disregard for safe practices

Best Practice Examples:

- Expectations for safe behaviour are the same for all employees (no exceptions).
- Consequences of repeated or deliberate disregard of health & safety rules and procedures are understood.
- Organization has a formal (written) staged discipline process.
- Discipline process is utilized uniformly across the organization.
- When necessary, the consequences of the discipline process are uniformly followed through.

7. Completion of regular monthly, quarterly, and less frequent program requirements are tracked and individuals held accountable for their completion

Best Practice Examples

- Checklists, preventative maintenance scheduling programs, report cards are examples of tools that are used to ensure that system requirements such as inspections, training, meetings etc are completed.
- Management reviews completion status on a regular basis and follows up if requirements are not completed.

8. Regulatory reporting requirements are complete and on time.

G. Measurement & Continuous Improvement

1. Employees understand their responsibility to report unsafe conditions and unsafe procedures. Unsafe conditions, unsafe procedures are reliably reported and safety concerns are raised by employees

Best Practice Examples:

- There are clear standards that define safe conditions, and safe procedures
- Employee orientation includes hazard recognition for their work area and safe procedures for their job tasks and standards
- Employee orientation includes the expectation to report unsafe conditions and unsafe procedures, and to raise any concerns about their safety or the safety of others
- Employee orientation and job training is re-enforced through management and peer employee safe performance feedback.
- Immediate action is taken ensure the safety of employees for urgent issues. This would include taking temporary measures until a permanent solution can be devised.

2. There is a process, and the process is used, to address and correct unsafe conditions, procedures and safety concerns.

Best Practice Examples

- There is emphasis on resolving the immediate issue as quickly as possible, and by those directly involved (e.g. by the employee – if it is within their capability to do it safely, or the employee and supervisor; or within the work team etc.)
- There is concern for the systemic reasons for the situation, root causes are considered and plans developed and implemented to correct the systemic causes.
- The process includes a written recording and tracking system for issues requiring follow up (includes any issue not resolved to the satisfaction of the person or persons raising the issue). (Recording system could be on paper; but could be in some other form, for example, on a white board in a team room).
- The process includes follow up steps, responsibilities assigned, expected completion dates.
- The status is tracked and reported to employees on a regular basis. Action is taken to resolve issues impeding resolution.
- There is a workplace agreed process to resolve disagreements
- In some workplaces, employees are empowered to resolve unsafe situations, calling on resources, using budgeted dollars, and involving the team to develop and implement solutions, while keeping management informed or involved as necessary.

3. Accidents resulting in an injury or illness, or incidents that had the potential to have resulted in an illness, significant injury or property damage are investigated and followed up to prevent re-occurrence. Accident investigations determine root causes, and action steps address correcting the root causes.

Best Practice Examples

- *Incidents with the potential to cause injury or illness given the same importance and attention as those where an injury or illness occurred.*
- *Incident investigations are timely – e.g. start within 48 hours.*
- *Are the responsibility of line management to initiate.*
- *Purpose is to determine immediate and basic causes and to develop steps to prevent re-occurrence. It is not a purpose to establish blame.*
- *Includes line management, employee participation, knowledgeable health & safety resource, and other resources (e.g. engineers etc) who can help.*
- *Investigations are complete within seven days, or if this is not feasible, an interim report is prepared summarizing the status, anticipated action steps, timing, and responsibilities for follow up.*
- *The investigation report, or interim report is critically reviewed and concurred to, by the most senior manager at the site, and by line management off site (if any).*
- *There is a tracking system to verify the completion of action plans.*

4. A health & safety system audit is completed at least annually, and audit results are used to develop improvement goals and action plans for the next year.

Best Practice Examples:

- *Some organizations call this process a “system review” since the intent is to come to a common understanding of current performance, strengths and improvement opportunities, and to develop action plans which focus on the improvement opportunities. (Similar to an effective job performance review.)*
- *The review is led by a knowledgeable person(s) who knows system requirements and is calibrated as to the expected levels of system performance.*
- *Although regulatory compliance issues may be identified, the focus of the review is on the system to establish the current system performance level (a rating), to identify improvement opportunities, and to establish priorities for improvement focus.*
- *The system is only as good as it is known, understood, and followed by everyone in the organization. Although, written records are important to set standards and clarify requirements, for tracking performance etc, the true measure is how well it is lived as part of day to day operations. System reviewers spend a significant part of their review time talking with employees “on the floor” to understand how well the system is being “lived”. A system on paper only, is not worth much. Ratings are influenced accordingly.*
- *Many organizations include persons from other departments, other sites, in a small company – someone from another organization, in the review team. It serves two purposes: a fresh set of eyes, and as cross fertilization learning opportunity for all participants. All people participating in the review must be trained in the system requirements and review process. There is two way value to their participation: learning results for all participants.*

5. Occupational health & safety goals focus on making improvements to the safety system. Action plans are developed to achieve the goals. Responsibilities for completing the action plans are assigned. Progress is tracked and reviewed during the year to ensure completion of the action steps. Employees are aware of the goals, action plans and status of completion.

Best Practice Examples:

- *Goals, action plans, and tracking systems are integrated into and agreed to as part of the organization's overall goals, planning, tracking and follow up processes.*
- *Goals and action plans are developed with management and employee involvement*
- *Goals include measurable success criteria*
- *Action plans include the necessary steps that will lead to accomplishing the goals, assignment of responsibilities to individuals who are accountable for completion of each action step, targeted completion dates.*

6. Progress and completion of improvement plans to attain goals are tracked and individuals are held accountable.
7. System performance measurement data includes both accident/injury statistics and “before the fact” data e.g. audit scores, completion of system tasks (training, inspections etc), frequency of performance feedback etc.

Appendix G Sources of Help

Health & Safety Associations (Ontario)

The Construction Safety Association of Ontario (CSAO)

1-800-781-2726 or (416) 674-2726

Fax (416) 674-8866

Web site www.csao.org

Education Safety Association of Ontario (ESAO)

1-877-732-3762 or (416) 250-8005

Fax (416) 250-9190

Web site www.esao.on.ca

Electrical & Utilities Safety Association (EUSA)

1-800-263-5024 or (905) 890-1011

Fax (905) 890-9249

Web site www.eusa.on.ca

Farm Safety Association (FSA)

1-800-361-8855 or (519) 823-5600

Fax (519) 823-8880

Web site www.fsai.on.ca

Health Care Health and Safety Association (HCHSA)

1-877-250-7444 or (416) 250-7444

Fax (416) 250-9190

Web site www.hchsa.on.ca

Industrial Accident Prevention Association (IAPA)

1-800-669-4939 or (416) 506-8888

Fax (416) 506-8880

Web site www.iapa.on.ca

Mines and Aggregates Safety and Health Association (MASHA)

(705) 474-7233

Fax (705) 472-5800

Web site www.masha.on.ca

Municipal Health and Safety Association (MHSA)

(905) 507-1882

Fax (905) 507-2585

Web site www.info@mhsao.com

Ontario Forestry Safe Workplace Association (OFSWA)

(705) 474-7233

Fax (705) 474-4530

Web site www.ofswa.on.ca

Ontario Service Safety Alliance (OSSA)

1-888-478-6772 or (416) 250-9111

Fax (416) 250-9500

Web site www.ossa.com

Pulp and Paper Health and Safety Association (PPHSA)

(705) 474-7233

Fax (705) 472-5800

Web site pphsa.on.ca

Transportation Safety Association of Ontario (TSAO)

1-800-263-5016 or (416) 242-4771

Fax (416) 242-4714

INWATS 1-800-263-5016

Web site www.tsao.on.ca

Appendix H

Sample Assessment, Goals, and Action Plans

Sample Assessment

The Scenario

XYZ company manufactures unassembled wooden furniture – primarily desks, shelving, cabinets etc. The company has 55 employees, with about 45 in production, receiving, shipping and warehousing. There is a general manager whose primary strength is in marketing and sales, a production manager, and three supervisors – one for administration, and two in manufacturing.

The company manufactures its own line of products, but also handles special orders of varying designs. The primary manufacturing operations include cutting, drilling, some assembly of parts, spray painting, packaging hardware, and product component packaging. Some metal parts are stamped on site.

For regular production, there is a logical flow of materials and production steps from receiving and storage, around a horseshoe loop to finished product storage and shipping adjacent to receiving. Special orders often have extra steps involved in their production and sometimes how these will be accommodated is not preplanned, creating a clutter of temporary workstations, materials and parts. Often there is pressure to get the special orders out. The general manager has noted a higher incidence of customer complaints on special orders related to parts not aligning. The production manager has promised to look into the situation, but right now, he is more concerned about getting a fill-in replacement for Harry, the lead mechanic. Harry was injured last week when the temporary supports for a motor he was disassembling broke and the motor fell breaking his leg and bones in his foot. Harry will probably be off three months. An accident investigation indicated that Harry, in a rush to get the motor repaired, had underestimated its weight. Now, the motor has to be replaced and the equipment will be out of service for two weeks – just when it's needed the most. Thank goodness he can always count on employees like Joe who always seems to be able to turn on the afterburners when extra production is needed.

The company has a joint health & safety committee that meets every month. One management and one worker are certified. The company safety policy expresses management's commitment to safe operation. A workplace inspection is carried out monthly. Two years ago, a consultant did a hazard assessment and a health & safety manual was put together. The manual includes policies and procedures for regulatory requirements and good practices for the key hazard issues. The manual describes the responsibilities for each level of the organization, organizational training requirements and includes an audit process. A supervisor has been assigned the responsibility for leading the safety program.

Some good progress has been made on key hazard situations. General safety rules are in place – however, no work has been done yet on job specific safe procedures. Some parts of the operation are noisy, and action was taken to make hearing protection required in those areas. Safety shoes are also mandatory for production employees. Safety glasses are also required for the cutting, stamping and drilling operations. Respirators are available and used for the spraying operation. Care of the respirators has improved due to the implementation of respirator cleaning, storage, and maintenance procedures. All employees have received basic WHMIS training.

There are good physical guards on the stamping equipment which are effective in preventing access during operations. The equipment has local disconnects and locks are available. One of the first priorities after the health & safety manual was adopted, was to implement a lock out policy.

Most new employees receive a safety orientation. Normally, action is taken to address employee safety concerns that are raised. Most of the concerns raised relate to an unsafe condition. However, not many issues or concerns are raised.

The supervisors are always under pressure to get the work out. In theory, it should work, but it seems like there is always a fire to put out – material mix-ups, equipment breakdown's, the new employee who just cannot seem to do her job right twice in a row, absenteeism, and all the time spent getting the special orders set-up. Joan, one of the supervisors commiserates: "We will really miss Harry". Now, business is increasing. A new punch press operator will be required. Joan decides to have Joe show the new person the ropes. He knows how to get the production out.

Sally says it best for the employees: "I like working here – it's a good fast pace. Still, the special orders do give some breaks: it takes the supervisor so long to work out the problems. Sometimes I and the others have ideas about how to solve the problems – but no one wants to hear them. It's as though they think that we do not have brains in our heads. They do listen to Joe though – it seems as though he has an in with them. I do feel sorry for the lift truck operators. It gets so difficult for them to maneuver when it's so congested. One of them just missed hitting Mary yesterday, while backing out of an aisle. Was she lucky!"

Joe also likes his work, and the attention of being a good producer. Joe also likes the second shift – it is quieter with fewer interruptions. Joe discovered that he could increase his production by 50% by removing the guard from the punch press. This made it easier and quicker to get stock in and out of the press and to clear waste material when necessary. He usually removes the guard during second shift when there was no supervisor around, but he is sure that the supervisor has seen him removing the guard and no questions were asked. Joe likes being a top producer – and now they are going to ask him to train the new operator! Joe does not realize that the guard also helps align the stock for accurate stamping.

The production manager realizes that they need to do a better job of planning for new equipment. Last year, the new decorative molding machine start up was delayed two months when it arrived without the right connectors, and then an MOL inspector issued a stop work order until additional guards were installed.

In addition to Harry's injury, XYZ manufacturing had another lost time injury in the last twelve months. In that case an employee was hit by falling material and knocked into a conveyor line sustaining back and stomach injuries. The material fell from racking when the skid it was on was bumped by another being loaded by a forklift on the opposite side of the racking. Forklift operators were cautioned to "be more careful". There are quite a number of damaged rails and uprights in the racking, but these go unnoticed. The company has had eight lost time accidents in the last five years.

The general manager is pleased with the growth of the business, however, profitability is not up to par with competitors. Expansion is going to be difficult to finance and the organization is challenged to meet its current commitments.

XYZ Manufacturing Company
Self Assessment
Health & Safety Management

A. Leadership & Commitment

Rating Criteria:

		Yes	No	Part
1.	The organization believes that accidents, injuries, and occupational illnesses can be prevented		✓	
2.	The organization believes that health & safety can be managed.			✓
3.	Commitment to safe operation is a core value for the organization: it is how the business is operated.		✓	
4.	Employees understand the expectation to work safely and that working safely is a condition of employment		✓	
5.	A health & safety policy which reinforces the values and management's commitment to safe operation has been developed and communicated to all employees.	✓		
6.	A health & safety vision exists that outlines a future state of safe operation, and accident prevention activities focus on steps to reach the vision		✓	
7.	Management behaviours clearly demonstrate its expectations for working safely		✓	
8.	Health & safety performance has an effect (good or bad) on a person's career (pay, promotion).		✓	
9.	Continuous improvement processes (including establishing and implementing improvement goals) are used to move the system performance towards the vision.			✓
10.	Funding and staffing is provided to maintain current performance and implement improvement goals.			✓
11.	Management is committed to meeting regulatory requirements			✓
12.	There is regular communication and reinforcement to employees of the organization's commitment to safe operation, system status, and issue resolution.		✓	

Comments

Strengths	Improvements
<p>1) A hazard assessment has been completed.</p> <p>2) Steps Have been taken to implement Health & Safety Improvements.</p>	<p>1) Management commitment to safe operation.</p> <p>2) Management & supervisor leadership in safe behaviours.</p> <p>3) Reward system does not value safety.</p>

Rating

3

B. Organization & Involvement

Rating Criteria:

		Yes	No	Part
1.	There is a “system” for managing health & safety. The system is written and describes the key components, outlines performance expectations, assigns responsibilities, describes activities and procedures for achieving safe operation and how persons will be held accountable.			✓
2.	The system has an “owner” who with the support of senior management has responsibility for facilitating knowledge and use of the system and maintaining and developing the effectiveness of the system.	✓		
3.	Health & safety responsibilities have been established for all levels of the organization	✓		
4.	Individuals are aware of, and understand their health & safety responsibilities.		✓	
5.	Line management is responsible and accountable for the implementation of health & safety systems in their area, and for the performance of the systems.		✓	
6.	The organization has a capable, qualified resource for health & safety technical knowledge to assist in hazard identification and control, best practices, and regulatory compliance. This would include in-house health & safety staff and qualified consultants.			✓
7.	Employees are involved and consulted in the health & safety system through: <ul style="list-style-type: none"> • the day to day integration of health & safety into all activities • the joint health & safety committee (or safety representative) • responsibility to report unsafe conditions and/or unsafe procedures • an effective process to receive and respond to employee health & safety concerns • after appropriate training, carrying out health & safety activities such as inspections, participating in hazard analyses, participation in accident investigations etc. 			Small ✓
8.	Employees understand and can describe the system for managing health & safety in the organization.		✓	

Comments

Strengths	Improvements
1) Basis for safety System in place. 2) System has an owner. 3) Health & safety responsibilities established.	1) System needs accountability processes. 2) Line management needs to be more accountable for performance. 3) Employees only minimally involved.

Rating
3

C. Planning for Safe Work

Rating Criteria:

		Yes	No	Part
1.	An assessment of existing and potential workplace hazards has been carried out and documented including input from a knowledgeable person(s)	✓		
2.	<p>Measures have been implemented to eliminate, control and manage existing and potential hazards which pose risks to employees and the public.</p> <ul style="list-style-type: none"> • Industry standards are used where available • Care is taken to understand the full scope of control issues • Care is taken to fully implement details of control procedures <p>Note: the results of the assessment for “Standards and Safe Procedures” will provide guidance for responding to this criteria.</p>			✓
3.	General health & safety rules have been developed, are written, and known by employees. See the above note.	✓		
4.	Safe operating procedures have been developed, are written, and people trained for the tasks, equipment and processes they work with. See the above note.		✓	
5.	<p>There is a process, and the process is used, for planning health & safety into new projects at the design stage, during installation, and start up for new projects or when changes are made. This process ensures that:</p> <ul style="list-style-type: none"> • Safe conditions and regulatory compliance are incorporated into the design, purchase specifications, construction and installation planning. • Safe practices are developed, written and people trained before equipment, processes or procedures are implemented • Pre-start inspections are completed before new equipment processes or procedures are used. • A post start up review is completed on new equipment/processes/procedures to address any health & safety issues discovered during start up 		✓	
6.	<p>There is a process in place to ensure that</p> <ul style="list-style-type: none"> • all chemicals and materials are reviewed for hazards before arrival at the site, • procedures for safe receipt, storage, use and disposal are developed and implemented before use of a material or chemical • employees are trained on the hazards of, and the controls and safe practices for chemicals and materials. 		✓	
7.	A site inspection is carried out monthly, led by the employee member of the Joint Health & Safety Committee. Health & safety issues are corrected, or recorded and followed up.	✓		
8.	There is an effective process, and the process is used, for inspection, follow-up and repair/replacement of items that are subject to damage, wear and deterioration.		✓	
9.	A process is in place, such as job planning meetings, which is used where the work is non-routine, or where an individual or group's job is carried out in non-routine or variable locations. The purpose of the process is to review the hazards or potential hazards of the job or location, and the steps that will be taken to ensure that work can be carried out safely.		✓	

Comments

Strengths	Improvements
<i>1) An initial hazard assessment has been completed.</i> <i>2) General Safety Rules are in place.</i> <i>3) Monthly Safety Inspections Occur.</i>	<i>1) Job Specific Safe Procedures need to be established.</i> <i>2) Implement change management process.</i> <i>3) Implement a chemical/material review process.</i> <i>4) Implement a planned inspection process</i> <i>5) Initiate job planning meetings.</i>

Rating

2

D. Standards and Safe Procedures Part 1 - Assessment Form

Hazard Situation/Activity	Applicable? Yes/No	Rating	Rating Comments
1. High Risk Chemical/Material/Process (e.g. flammable, explosive, reactive, toxic, corrosive, designated substance etc) (based on professional judgement that the level of risk/complexity requires a specific control procedures. If more than 3, list on separate sheet.) #1 <u>Paint Spraying</u>	yes	4	Respiratory Protection in Place Area exposure Levels need assessment
#2 _____		-	
2. WHMIS	yes	6	Good adherence for general training. Painters need hazard specific training
3. Machine Guarding	yes	5	Need better understanding of guarding requirements & inspection process.
4. Safe Machine Maintenance (including Lockout)	yes	4	Policy in place – Enforcement needs improvement
5. Lift trucks/Mobile Lifting Equipment	yes	2	Procedures/Training/ Enforcement Required
6. Confined Space Awareness/Entry	no	-	
7. Fire Prevention	yes	7	Sprinkler System tested on schedule, Fire Extinguishers OK and inspected. Procedures in place. Fire Extinguisher Training required.
8. Emergency Preparedness Plan	yes	4	Fire instructions posted. Need fire Drills/ other Emergencies response plans.
9. Noise Exposure	yes	5	Policy/Procedures in Place Improve enforcement
10. Eye & Face Protection	yes	6	Improve enforcement
11. Respiratory Protection	yes	6	Improve Enforcement
12. Working at Heights (Fall Prevention)	no	-	

13. Cutting, Welding, Hot Work	yes	8	Good procedures in place Welders adhere to procedures
14. Compressed Gas Cylinder Usage	yes	4	Cylinder Storage locations need improvement. Procedures need improvement.
15. Storage and Industrial Racking	yes	0	A significant hazard.
16. Ergonomics	yes	2	
17. First Aid	yes	6	First aid stations in place, inspections, supplies OK. _ first aiders overdue for retraining.
18. Contractor Procedures for Health & Safety	yes	0	No procedures in place
18. Lasers	no	-	
19. Radiation Devices	no	-	
20.			
25.			

Standards and Safe Procedures – Part 2 – Safe Procedures

1. General health & safety rules exist, are written, cover site wide issues, are known by management and employees, and are practiced by both management and employees.	6	Good procedures. Employees aware. Some lapses in enforcement.
2. A sampling indicates that safe procedures have been included in operating procedures for jobs/tasks with risk. Operating procedures are written and available.	0	Job Specific safe procedures not developed yet.
3. Employees (and management, where applicable) are observed adhering to the safe procedures.	4	
Over All Rating (use average, unless there is wide variance in ratings. If there is a wide variance (some high, some very low assign rating 1-2 points below average. e.g. If average is '6' assign a '4' or '5' rating.)	80/20 = 4.0	

Comments	
Strengths	Improvements
<p><i>1) Fire Prevention Program</i></p> <p><i>2) Cutting, Welding, Hot Work</i></p> <p><i>3) Progress on respiratory, and eye protection programs</i></p>	<p><i>1) Lift tuck procedures, training and enforcement.</i></p> <p><i>2) Racking Inspection and repair.</i></p> <p><i>3) Lockout Enforcement.</i></p> <p><i>4) Paint Spraying Operation:</i></p> <ul style="list-style-type: none"> <i>- Exposure Assessment</i> <i>- WHMIS Training</i> <i>- Respirator use Enforcement</i> <p><i>5) Ergonomics assessment & safe procedures.</i></p>

E.Training

Rating Criteria:

		Yes	No	Part
	Processes are in place to ensure that			
1.	<ul style="list-style-type: none"> all employees understand their responsibilities and how they will be held accountable. all employees understand the process for managing health & safety within the organization, the expectations for their involvement and how they will be involved. new employees receive general and job specific health & safety training before they start work. transferred employees receive job specific training returning employees receive refresher training as appropriate employees understand the training received 			✓
2.	Managers and supervisors receive training in their health & safety and accountabilities.		✓	
3.	There is compliance when training is required by legislation (e.g. WHMIS, Certified Members of Joint Health & Safety Committee etc)			✓
4.	Employees who carry out special risk jobs or tasks receive specialized training and are qualified to carry out these tasks safely. Examples include lift truck operation, entering confined spaces, welding, using respirators etc.		✓	
5.	Health & safety leaders and advisors have the necessary knowledge and skills to carry out their responsibilities			✓
6.	Employee health & safety knowledge continues to grow and is refreshed at regular intervals.		✓	

Comments

Strengths	Improvements
1) Certified Members 2) New employee orientation in place 3) General WHMIS training	1) Ensure new employee orientation occurs 2) Formalize job specific training (Need safe procedures too). 3) Ensure training for high risk activities e.g. lift truck operation. 4) Improve leadership knowledge: especially accountability processes.

Rating

3

F. Accountability

Rating Criteria:

		Yes	No	Part
1.	Management consistently confronts unsafe acts and holds employees accountable for following safe practices		✓	
2.	Management provides frequent feedback reinforcing observed safe behaviours		✓	
3.	Employees consistently correct unsafe acts by other employees (including management) and hold each other accountable for following safe practices		✓	
4.	Employees give positive feedback to other employees for following safe practices		✓	
5.	Health & safety performance is part of employee performance reviews		✓	
6.	Discipline is used for repeated unsafe behaviour or deliberate disregard for safe practices		✓	
7.	Completion of regular monthly, quarterly, and less frequent program requirements are tracked and individuals held accountable for their completion			✓
8.	Regulatory reporting requirements are complete and on time.	✓		

Comments

Strengths	Improvements
<i>1) Regulatory reporting on time.</i>	<i>A fundamental improvement opportunity. Management, supervisors and employees all must be held accountable for safe operation.</i>

Rating

1

G. Measurement & Continuous Improvement

Rating Criteria:

		Yes	No	Part
1.	Employees understand their responsibility to report unsafe conditions and unsafe procedures. Unsafe conditions, unsafe procedures are reliably reported and health & safety concerns are raised by employees.		✓	
2.	There is a process, and the process is used, to address and correct unsafe conditions, procedures and health & safety concerns.			✓
3.	Accidents resulting in an injury or illness, or incidents that had the potential to have resulted in an illness, significant injury or property damage are investigated and followed up to prevent re-occurrence. Accident investigations determine root causes, and action steps address correcting the root causes.			✓
4.	A health & safety system audit is completed annually, and audit results are used to develop improvement goals and action plans for the next year.			✓
5.	Occupational health & safety goals focus on making improvements to the health & safety system. Action plans are developed to achieve the goals. Responsibilities for completing the action plans are assigned. Progress is tracked and reviewed during the year to ensure completion of the action steps. Employees are aware of the goals, action plans and status of completion.		✓	
6.	Progress and completion of improvement plans to attain goals are tracked and individuals are held accountable.		✓	
7.	System performance measurement data includes both accident/injury statistics and “before the fact” data e.g. audit scores, completion of system tasks (training, inspections etc), frequency of performance feedback etc.		✓	

Comments

Strengths	Improvements
<p>1) Accident investigations do occur.</p> <p>2) Reported unsafe conditions etc. are addressed.</p>	<p>1) Improve process for reporting unsafe conditions and practices. and raise employee expectations for reporting.</p> <p>2) Strengthen audit process, and formalize goal setting.</p> <p>3) Prioritize issues to be selected as goals – safety improvement and business improvement</p> <p>4) Track action step progress & completion</p> <p>5) Implement a system performance tracking system.</p> <p>6) Get Accident/Incident investigation training – focus on determining basic causes and follow up steps to prevent re-occurrence.</p>

Rating

3

Summary Ratings and Overall Assessment

Enter the element ratings from the previous pages below and calculate average.

A.	Leadership and Commitment	3
B.	Organization and Involvement	3
C.	Planning For Safe Operation	2
D.	Standards & Safe Procedures	4
E.	Training	3
F.	Accountability	1
G.	Continuous Improvement	3
Average of the Above Ratings:		2.7
Overall Rating <i>(Take the lower of the "Average" and "D. Standards and Safe Procedures")</i>		2.7

XYZ Manufacturing Company

Setting Priorities

Improvement Opportunity	Assessment Rating	Priority	Notes
Leadership & Commitment 1) Management commitment to safe operation. 2) Management & supervisor leadership in safe behaviours 3) Reward system does not recognize safety	3		
Organization & Involvement 1) System needs accountability processes. 2) Line management needs to be more accountable for performance. 3) Employees only minimally involved.	3		
Planning for Safe Operation 1) Job Specific Safe Procedures need to be established. 2) Implement change management process. 3) Implement a chemical/material review process. 4) Implement a planned inspection process 5) Initiate job planning meetings.	2	2	
Standards & Safe Procedures 1) lift tuck procedures, training and enforcement. 2) Racking Inspection and repair. 3) Lockout Enforcement. 4) Paint Spraying Operation: - Exposure Assessment - WHMIS Training - Respirator use Enforcement 5) Ergonomics assessment & safe procedures.	4	3	
Training 1) Ensure new employee orientation occurs 2) Formalize job specific training (Need safe procedures too). 3) Ensure training for high risk activities e.g. lift truck operation. 4) Improve leadership knowledge: especially accountability processes.	3	3	
Accountability A fundamental Improvement opportunity. Management, supervisors and employees all must be held accountable for safe operation.	1	1	

Improvement Opportunity	Assessment Rating	Priority	Notes
Continuous Improvement 1) Improve process for reporting unsafe conditions etc. and raise employee expectations for reporting. 2) Strengthen audit process, and formalize goal setting. 3) Prioritize issues to be selected as goals – safety improvement and business improvement 4) Track action step progress & completion 5) Implement a system performance tracking system. 6) Get Accident investigation training – focus on determining basic causes and follow up steps to prevent re-occurrence.	3		

XYZ Manufacturing Priority Health & Safety Improvement Areas

Safety Management Improvement	Business Benefit
1. Accountability – Hold all levels of the organization accountable for safe operation.	<ul style="list-style-type: none"> • Improve quality • Improve trust & respect • Reduced accident & injury cost
2. Improve Planning Processes - Initiate Job Planning Meetings - Formalize planning for new projects	<ul style="list-style-type: none"> • Reduce errors & rework in non-routine work • Reduce rework in new project implementation • Shorten start up curve • Improve quality in start ups • Reduced accident & injury cost
3. Implement Training for Lift Truck Operators	<ul style="list-style-type: none"> • Reduced damage & injury costs
4. Start to Implement planned inspection process - Racking – 1st priority	<ul style="list-style-type: none"> • Reduce risk of racking collapse & risk of material/product damage
5. Start job specific safe procedures - Involve employees - Training required – Job Hazard Analysis - Include documenting best operating practices.	<ul style="list-style-type: none"> • Develop standard operating procedures: • Reduce accident & injury cost • Improve quality • Through employee involvement, increase organization capability & problem solving capacity.

XYZ Manufacturing Company Action Planning Chart

Improvement Opportunity Being Addressed: Hold All Levels Accountable for Safe Operation

Action	Success Criteria	Target Completion Date	Responsible Person	Resources/Budget	Follow-Up
1. Review expectations and responsibilities with managers and supervisors	All management included	June 1	General Manager		
2. Develop Plan for instituting pro-active feedback.		June 15	Administration Mgr		
3. Obtain training in effective giving & receiving performance feedback.	All management trained	July 3	Administration Mgr	\$1000	
4. Communicate expectations & Reinforce safe operation responsibilities with all employees.	Communicated to all employees	July 6	Supervisors		
5. Review safe procedures with employees	Review complete with all employees	July 13	Supervisors		
6. Train employees in giving & receiving safety performance feedback	All employees trained	July 13	Administration Mgr		
7. Establish targets for # of safety performance feedback given	Target established	July 13	General Manager (with other mgt)		
8. Start pro-active safety performance feedback	Started	July 16	All management		
9. Track # of times feedback provided	All management providing data	July 16	All management (including Gen Mgr and Production Mgr)		
10. Celebrate success & Continue performance measurement	Target: Celebration August 30	August 30 and on-going	All employees		

[illegible]

Notes:

[illegible]

[illegible]

