



**FINAL REPORT FROM SITE SAFE NZ INC TO
THE CANTERBURY REBUILD CHARTER LEADERSHIP WORKING GROUP**

MAPPING EFFECTIVE LEADERSHIP FOR
CANTERBURY REBUILD SAFETY CHARTER
SIGNATORIES

OCTOBER 2014

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PART ONE

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1. Executive Summary

Rebuilding after the devastating earthquakes in Canterbury is a massive task that will take years to complete and involve tens of thousands of workers. Based on past performance, it's estimated that 1-2 construction workers may die each year on the rebuild and many more will be seriously injured or will suffer a life-changing work-related illness.

Determined to reduce the severity and impact of serious workplace injuries during the rebuild, the leaders of a number of government organisations and construction and associated companies formed the Canterbury Rebuild Safety Charter (the Charter) in 2013.

On behalf of the Charter Leadership Working Group (the Working Group), WorkSafe NZ commissioned Site Safe to develop guidance to industry about effective health and safety leadership practice at four organisational levels (senior, middle (team leader/supervisor), worker and contractor (including sub-contractor and hired labour)) within the construction industry.

Directors have been subsequently identified as an important category and have been included because they have a major influence on many businesses involved in the rebuild (including small operations) and as such, are in a position to provide leadership that will improve health and safety outcomes.

Simply defining effective health and safety leadership and providing guidance as to what that looks like at all relevant levels of the construction industry is not enough. This paper examines what measurable leadership looks like across the rebuild workforce and provides a self-assessment tool for businesses to use when examining their own health and safety leadership roles and responsibilities.

In addition to examining the challenges present in the rebuild work, Site Safe has considered recommendations in light of the proposed changes to health and safety legislation scheduled for mid-2015.

The Approach – What we did

- Engage with and evaluate perceptions of effective health and safety leadership with Charter signatories.
- Conduct a literature review of effective health and safety leadership practice.
- Investigate health and safety leadership training and development options available to those working on the rebuild and make recommendations as to any gaps in training availability and delivery.

Findings – What we discovered

- Outcomes from the Charter signatory engagement phase of the project demonstrated a consistent understanding of what effective health and safety leadership should be, despite the participants' different roles and perspectives within the industry.
- Common themes emerged during the engagement and were mirrored (albeit with different phrasing) in the findings from the literature review:
 - visibility
 - accountability
 - being involved (or hands-on)
 - realistic and achievable measures
 - the importance of creating a culture of health and safety.
- It is clear that there isn't enough accessible and effective health and safety leadership training across all operational levels.
 - It is also apparent that whilst some organisations exhibit great health and safety leadership, there are significant gaps across the industry.

Conclusion – What is effective health and safety leadership?

Effective health and safety leadership is the commitment, attributes and behaviours of people in the construction industry that develop a culture of safety.

Because leadership drives culture, and culture drives performance, effective health and safety leaders:

- Are visible with exemplary behaviour
- Provide clear expectations of the vision, safety procedures and behaviours
- Empower people
- Educate people (coaching and mentoring)
- Monitor safety performance
- Provide clear accountability
- Communicate safety
- Demonstrate that safety is a value
- Participate in Charter and other industry activities – Active involvement.

The research undertaken in this project has highlighted a number of behaviours required of effective health and safety leaders in the construction industry at all levels. These behaviours can be grouped into three key areas: visibility, accountability and measurement.

When health and safety leadership is visible, accountable and measurable across all levels of operation in a construction environment or organisation, a culture of safety is created.

Recommendations – How to improve health and safety leadership on the rebuild

This report outlines steps the Charter and signatories can take to see an across-the-board increase in effective health and safety leadership:

- Encourage signatories to undertake self-assessment
- Identify and promote safety champions
- Strengthen and expand provider programmes
- Engage with Industry
- Promote health and safety as an investment
- Provide health and safety leadership resources for businesses working on the rebuild.

2. Background

The Charter is an agreement on health and safety between the leaders of a number of government organisations and companies engaged in the rebuild. The Charter includes a vision, ten aspirational commitments and detailed actions designed to meet those commitments.

The Working Group has been set up to consider what great health and safety leadership looks like in the rebuild; to benchmark leadership performance and empower health and safety leadership at all levels; and to support Charter signatories in developing and delivering their own health and safety leadership programmes.

New Workplace Health and Safety legislation will come into force during 2015. This legislation provides a framework to consider changes to the way the construction industry (and Charter signatories) approach health and safety leadership.

Whilst the legislation is still in draft form, it is likely that the officer's duty to undertake due diligence to ensure the PCBU (Person Conducting a Business or Undertaking) is meeting its legal obligations will become a reality. This due diligence duty complements and supports the primary duty of care for worker health and safety that PCBUs will have, but it does not replace it.

The PCBU and worker engagement elements of the draft Bill are likely to remain in any final Act and these elements will require a focus on leadership at all levels to ensure compliance.

3. Scope

WorkSafe NZ, on behalf of the Working Group, has contracted Site Safe to:

Develop guidance to the industry about leadership practice at four organisational levels (senior, middle (team leader/supervisor), worker and contractor (including sub-contractor and hired labour)).

Deliverables:

1. Develop key effective health and safety leadership practices for the following four levels:
 - Senior leadership
 - Middle management/supervisor
 - Worker
 - Contractor (including sub-contractor and hired labour)
2. Develop a higher standard of effective health and safety leadership practices in the four levels above
3. Provide a report which includes the findings of 1 & 2 above and recommended next steps.

NOTE:

- 1 Site Safe was also initially asked to identify any gaps in training provision of effective health and safety leadership available to organisations and individuals engaged on the rebuild.

The researchers have carried out an initial assessment of what training is provided to support/ improve health and safety leadership.

For an in-depth analysis to be effective, an agreement and sign-off on a definition of effective health and safety leadership must first be provided. Therefore the scope on this item has been replaced with a recommendation that providers be offered the definitions of leadership at all levels (as outlined in this report) and be invited to include these elements into their own training/development materials.

A recommended next step following this report is to engage with training providers to ascertain whether the training already being provided supports effective health and safety leadership and whether there is any new training required which supports the findings in this report.

- 2 Site Safe was also subsequently asked to develop a tool for businesses working on the Canterbury rebuild to be able to assess effective health and safety leadership capabilities across all levels of their own organisations. The tool is the Effective Health and Safety Leadership Matrix, and it represents the findings of this report. It is included as Part Two of this report. The tool represents a practical option that can be presented to Charter signatories and can be used immediately.

4. Approach – What we did

Site Safe entered into this work in collaboration with Dr Kyle McWilliams and Auckland University of Technology (AUT).

The work included the following research activities:

- An electronic survey of all signatories to the Charter with a 30% response rate
- Two focus group sessions with a selection of 18 people working across the four main categories (senior management, middle management/supervisors, workers and contractors/subcontractors)
- In-depth interviews with four participants from a senior management level in Canterbury
- A literature review of international and local research on the subject of health and safety leadership across each leadership level (see Appendix E for Bibliography).
- Desktop research into existing training and learning/development providers in the Canterbury region
- An assessment of the current levels of effective health and safety leadership presently available throughout rebuild organisations.

Findings from the research led to the production of the following outputs:

- Three case studies for distribution to Charter signatories as relevant examples of effective health and safety leadership in the unique Canterbury rebuild setting
- The development of a leadership matrix tool that clearly demonstrates what effective health and safety leadership looks like at each of the operational levels of the construction industry supply chain.

This report describes the process and findings of each of the items above and makes recommendations as to next steps to how best the Charter can promote and improve effective health and safety leadership.

This report also provides some recommendations as to possible next steps to ensure that the profile of highly effective leadership practice is raised and how it may be implemented in a way that achieves a successful culture of safety.

5. Findings – What we discovered

Findings from interactions with Charter signatories, staff, contractors and others working on the Canterbury rebuild.

The research for this section evoked a fairly consistent response from the three different formats of investigation (interviews, focus groups and survey), demonstrating that staff and contractors at all levels held similar views about what effective health and safety leadership should be, despite their different perspectives.

Common themes emerged during the engagement and were mirrored (albeit with different phrasing) in the findings from the literature review:

- visibility
- accountability
- being involved (or hands-on)
- realistic and achievable measures
- the importance of creating a culture of health and safety.

These themes are described in Table 1 on page ten.

For a more comprehensive view of the collated findings from these interactions, please see Appendix C. It is also useful to note that this piece of work also generated some comments around the importance of leaders developing leaders which did not make the table two, but have been included in Appendix C as an important factor when considering worker level engagement in leadership and how other categories may foster improvement.

The quality of responsiveness and the high level of engagement of all participants was an encouraging factor in the process.

WHAT IS A HEALTH AND SAFETY LEADER?
COMMON THEMES FROM CONSTRUCTION STAFF AND CONTRACTORS

Is an exemplar for safety performance
Demonstrate safety as a value
Provides a high level of enthusiasm and visibility for safety
Coaches and develops others in safety performance

DIRECTOR	SENIOR MANAGER	MIDDLE MANAGER/ SUPERVISOR	WORKER	CONTRACTOR/ SUBCONTRACTOR
Clarify vision and focus Understand the business' operations and risks involved Treat health and safety as an investment Get personally involved Recognise contributions and achievements Ensure the business has the resources to manage the risks Ensure the business effectively operates its health and safety system and meets its obligations Monitor the right health and safety outcomes Let people get on with it	Set safety strategy and safety behaviour expectations Provide resources for safety Engage the organisation Encourage, recognise and reward safe performance in others Monitor and provide accountability for organisational safety performance Listen and act on safety suggestions Address at-risk performance Develop, resource and implement well-being programme Ensure resources for H&S are applied (used)	Set safety procedures and safety behaviour expectations Plan, implement and resource site safety Monitor, encourage and provide accountability for site safety performance Listen and act upon site safety suggestions or concerns Address on-site at-risk performance Implement and participate in well-being programme	Participate in planning Report risks and incidents Follow safety procedures Stop work and speak up when required Look after mates Participate in and follow well-being programme	Set safety strategy and safety behaviour expectations Follow defined safety procedures Plan, implement and resource site safety Monitor, encourage and provide accountability for organisational and site safety performance Listen and act upon site safety suggestions or concerns Address site at-risk performance and own company performance Develop own resources and participate in well-being programme

Table 1

Findings from the literature review

As with the interactions with staff and contractors, the literature review identified a number of common themes, and these are compatible with those outlined in Table 1, and are summarised here in Table 2.

EFFECTIVE HEALTH AND SAFETY LEADERSHIP COMMON THEMES FROM LITERATURE REVIEW	
DEFINED LEADERSHIP	A leader that adopts all the principles in this table is able to drive a positive safety culture, which will lead to high levels of safety performance. Health and safety leadership must be defined clearly and applicable across all levels within an organisation.
UNDERSTANDING BENEFITS	Until recently, the primary benefit of safety to an organisation was considered to be preventing injuries and the related direct and indirect costs. Whilst this remains true, the literature is showing that the positive benefits stemming from improved employee/contractor relationships, increased focus on quality, lower time off work and turnover rates also matter. A supported employee is more likely to expend a higher level of discretionary effort which has a direct impact on improved productivity.
VISIBLE INVOLVEMENT	Leaders who are personally involved in safety activities and actively demonstrating the value that they place on these activities are more effective across the board. Safety teams do not drive organisational values, rather they implement them on the basis of visible leadership.
ACCOUNTABILITY	Integrating accountability into a safety system or programme is a key to the success of the system. Accountability must have effective standards, adequate resources, a measurement system with appropriate consequences and be applied at all levels of an organisation.
CULTURE	An organisation's safety culture originates in the values and beliefs of its leaders, its safety and productivity measures, and the behaviours for which all staff are accountable.
KEY PERFORMANCE INDICATORS	Historically, lag indicators such as lost time incident rates have been the main measures of safety performance, but are now considered weak because they don't measure behaviour prior to incidents, nor overall safety performance. We are seeing a move to using 'a basket of measures' including lead indicators that measure positive prevention behaviours.

Table 2

Findings from the training gap analysis

Site Safe was initially asked to identify any gaps in training provision of effective health and safety leadership available to organisations and individuals engaged on the rebuild. The researchers have carried out an initial assessment of what training is provided to support/improve health and safety leadership.

For an in-depth analysis to be effective, an agreement and sign-off on a definition of effective health and safety leadership must first be provided, so the scope on this item has been replaced with a recommendation that providers be offered the definitions of leadership at all levels (as outlined in this report) and be invited to include these elements into their own training/development materials.

Based on our investigations, it is clear that there isn't enough accessible and effective health and safety leadership training across all operational levels.

Findings from our assessment of the current levels of effective health and safety leadership present in the rebuild

The presence of effective health and safety leadership throughout rebuild organisations is variable at best with a significant gap in the contractor/subcontractor/hired labour space. Some large companies demonstrate excellent health and safety leadership internally, but they find it difficult to pass this on to their contractors, subcontractors and hired labourers.

Our own experience tells us there is a very big challenge for those at the worker level to both demonstrate effective health and safety leadership and be enabled to practice it.

We arrived at this conclusion by conducting a gap analysis using Table 1 as the base, and dividing Canterbury rebuild organisations into two categories: small/medium (SME) and corporate. These groups were then analysed on their performance in both systems and practice for health and safety leadership. This coding procedure enabled us to view gaps and determine training needs for each leadership theme.

6. Conclusion – What is effective health and safety leadership?

Highly effective leadership requires a belief in purpose and an ability to influence change in behaviour using a variety of methods. It's expressed at each level of an organisation – not just from the top.

The construction industry (and more specifically, the Canterbury rebuild operation) has its own unique set of challenges when describing what effective health and safety leadership looks like. This is thanks to the complex supply chain and variable staffing and contractor numbers onsite at any time.

The Canterbury rebuild provides a tangible opportunity to create a culture of health and safety and embed it into the operations of the whole construction industry in New Zealand. Because leadership drives culture, and culture drives performance, it's important to be clear about what effective health and safety leadership is.

Canterbury Rebuild Safety Charter
EFFECTIVE HEALTH AND SAFETY LEADERSHIP: A DEFINITION

Health and safety leadership is the commitment, attributes and behaviours of people in the construction industry that develop a culture of safety.

HEALTH AND SAFETY LEADERSHIP:

- Is visible with exemplary behaviour
- Provides clear expectations of the vision, safety procedures and behaviours
- Empowers people
- Educates people (coaching and mentoring)
- Monitors safety performance
- Provides clear accountability
- Communicates safety
- Demonstrates that safety is a value
- Participates in Charter and other industry activities - Active involvement



Table 3

Leadership is expressed differently at each level of work within the construction industry although the elements of leadership are essentially the same for each. Leadership at a worker and subcontractor level is more clearly linked to the ability and willingness to take personal responsibility for health and safety actions. Accordingly, senior management must enable, acknowledge and value the efforts displayed by their workers and contractors.

The research undertaken in this project has highlighted a number of behaviours required of effective health and safety leaders in the construction industry at all levels. These behaviours can be grouped into three key leadership concepts: visibility, accountability and measurability.

When health and safety leadership is visible, accountable and measurable across all levels of operation in a construction environment or organisation, a culture of health and safety is created.

CREATING A CULTURE OF SAFETY

EFFECTIVE HEALTH AND SAFETY LEADERSHIP BEHAVIOURS CONTRIBUTE TO SUCCESS

If accountable, visible and measurable health and safety leadership is demonstrated across all levels of the workforce, the outcome is a robust health and safety culture.

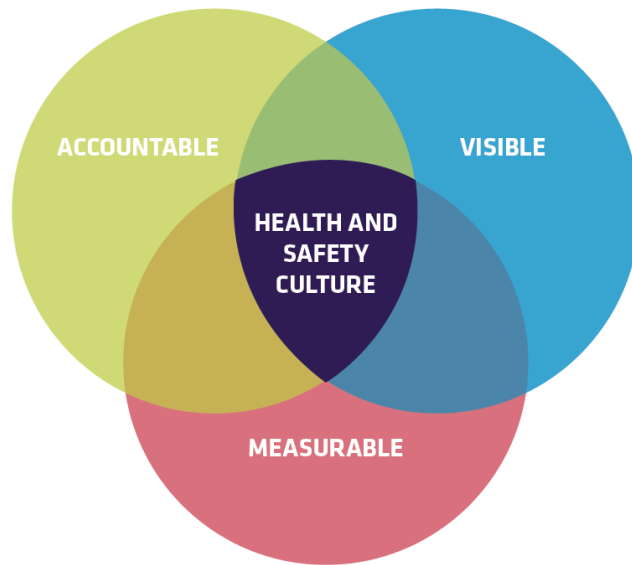


Table 4

7. Recommendations – How to improve health and safety leadership on the rebuild

Now that a definition of effective health and safety leadership has been established for Charter signatories, the next steps require a desire to improve and a measurable pathway to do so.

The desire to improve is evidenced by the number of signatories to the Charter, however tangible support, on-going encouragement from the Working Group and a form of accountability must be provided to achieve this.

To motivate and/or influence staff and contractors at all levels requires positive action from the industry and from agencies that work with the industry.

Just as senior management must set the agenda, model great health and safety leadership behaviour and provide the tools and resources to allow all staff and contractors to practice leadership within their own organisations so to, the Charter Signatories and the Working Group must do the same across the rebuild. It is important that the Working Group continue the face-to-face conversations with rebuild organisations that have begun with the engagement phase of this report.

Encourage signatories to undertake self-assessment

Charter signatories must take a good, hard and honest look at their own health and safety leadership performance across all aspects of their organisations and this should be encouraged by the Working Group in a practical way that could include:

- Leading by example
- Ensuring all written and verbal communications to the signatories addresses the need for a cultural change which requires honest self-assessment.
- Promoting the use of the tool mentioned below and other self-assessment tools that have already been developed
- Identifying ways for signatories to share this information in a way that supports learning from each other.

The themes and behaviours described in Tables 1 & 2 (section 5) have contributed to the development of a tool that can be used by signatory organisations wishing to improve health and safety leadership at all levels.

This leadership matrix tool (found in Part Two of this report) provides a practical definition of an effective health and safety leader at the following levels:

- Director/Owner
- Senior Management
- Supervisor
- Worker
- Contractor/subcontractor

This tool provides industry-specific examples of visible, accountable and measurable leadership, and if applied with consideration to each organisation's unique operations, can provide a leadership framework that will generate a culture of safety both internally and across the rebuild operations.

Identify and promote safety champions

A number of existing leaders are already exhibiting great health and safety leadership and there is potential for them to become champions for wider improvement. This is true, both across the rebuild operations and within each organisation or worksite.

In terms of the rebuild-wide recognition of effective health and safety leadership champions, **the Working Group should identify and then promote these champions in a way that highlights their contribution to effective health and safety and a change in culture.**

Three such champions are included with this report in the form of case studies – see section 4 of this report.

Case studies like these should be made available to everyone in formats that are easily accessible and engaging. For example, using social media applications such as YouTube to tell these success stories.

The Working Group should also encourage Charter signatories to do the same within their own organisations. Identifying and then supporting champions at the supervisor, worker and contractor/sub-contractor levels are important steps to demonstrating that everyone is able to contribute to the culture change required for the rebuild.

Strengthen and expand provider programmes

Training

Because it is clear that there isn't enough accessible and effective training available for health and safety leadership across all levels (and especially in the contractor/subcontractor/hired labour space), further work with training providers is required.

It is recommended that the Working Group extend an invitation to all available providers to examine the definition of effective health and safety leadership outlined in this report and then encourage them to provide solutions to address the gaps.

Presence and depth of existing health and safety leadership throughout the rebuild

The presence of effective health and safety leadership throughout rebuild organisations is variable at best with a significant gap in the contractor/subcontractor/hired labour space. Some large companies demonstrate excellent health and safety leadership internally, but they find it difficult to pass this on to their contractors, subcontractors and hired labourers.

Our own experience tells us there is a very big challenge for those at the worker level to both demonstrate effective health and safety leadership and be enabled to practice it.

The Working Group is encouraged to consider how they can support and promote those providers who offer training and development at this level and to encourage Charter signatories to enable their staff to take advantage of this training.

Engaging with industry

The Charter is already demonstrating good leadership in its engagement with the construction industry in Canterbury, however on-going interaction is also essential to develop any steps towards improving effective health and safety leadership.

This on-going interaction needs to be regular and a mix of face-to-face and other methods of engagement. Utilising Champions to promote active engagement with industry is one way of addressing this.

Promote health and safety as an investment

Research demonstrates that many in the industry (both here in New Zealand and internationally) are coming to the view that safety is an investment rather than a cost.

Many large construction companies describe safety as an element of their business that is not competitive and there is tangible evidence that improved safety practice also improves profitability for a company.

The Charter should use this “investment” language and encourage the industry to do the same.

Provide health and safety leadership resources for businesses working on the rebuild

In addition to the leadership matrix tool (see Part Two), **the Charter must provide a range of health and safety leadership resources (including digital and printed material) that can make it as easy as possible for everyone involved in the rebuild to become an effective health and safety leader in their own right.**

Any resource produced needs to be practical and practice-based with examples of “how-to”. They must be user-tested and easy to use. This is particularly essential for small to medium sized businesses (the contractor/subcontractor group as identified in Table 1). Some suggestions as to how this might happen include:

Communication to Signatories

The Charter should engage with signatories in a face-to-face manner, and back up those interactions with written collateral that can be taken away and examined in greater detail by the wider organisations.

These discussions could be in the form of seminars and/or work-shops to gain the best uptake of the information. Use the Charter website for information sharing as well.

The information provided to signatories by the Charter should cover the summary of the findings of this report and include the definition of health and safety leadership (once it is signed-off by the Working Group).

The Charter should also provide useful suggestions on how to create practical on-site tools and resources that promote great health and safety leadership across all levels of signatories’ organisations

Communication to Providers

The Charter should consider the development of a checklist which describes the elements of best practice leadership as endorsed by WorkSafe NZ and the Working Group and invite providers to review their training / development material to ensure they are included.

Communication to Wider Canterbury region

Noting the latest Charter newsletter references this research it is appropriate to share this research with Charter members. There are also opportunities to consider seminars and or workshops to present this information and discuss its implications.

8. Acknowledgements

Site Safe wishes to thank its partners, Dr Kyle McWilliams and AUT for their efforts on this project, as well as Julian Hughes of the Business Leaders Health and Safety Forum for his input relating to the leaders/chief executive elements of this report.