

PART FOUR

Case Studies

**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

From skeptic to health and safety evangelist: How working with a commercial builder helped a residential expert see the light

Fowler Homes

Ivan Stanicich, Managing Director



Driving force behind the initiative

After the earthquakes, Fowler homes began working with Hawkins Construction. Fowler Homes Managing Director, Ivan Stanicich, found that early interactions between the two companies was frustrating, because he felt that Hawkins Construction's health and safety requirements and expectations were excessive and frustrating.

Ivan felt these requirements weren't necessary, and was relying on his 32 years in residential building as evidence. It didn't take long for him to change his mind.

Ivan started looking at how residential builders were doing things, and he saw the value in raising the safety bar – not just for improved business outcomes, but actually keeping people safer. He set himself the challenge of making commercial building safety standards work in the residential sector.

The Initiative

Integrating effective health and safety leadership practices into his business wasn't something Ivan could do overnight. Over the next 18 months, Ivan undertook a range of activities designed to lift health and safety within his own business, and into the residential building sector in Canterbury.

Increased Safety Talk

Ivan started talking safety in everything he does. He compares it to driving a car where, for example, putting on a seat belt is now habitual. Talking about safety in meetings, in tool box talks, with clients, with builders, with subcontractors is now habitual. "It blows me away how I talk about safety now compared to 18 months ago," Ivan explains.

Improved Planning

"We have a really strong focus on planning," says Ivan. "We plan for the week - safely, and then we plan for the day - safely, and finally we plan for the task - safely. For example, the client now has to perimeter fence three sides of the property (which they will need to do sometime) prior to us starting. This allows us to keep the site much safer, and it educates the client about our safety expectations."

5 x 5

Ivan now scans each site before he enters. He asks himself, "What is the risk, what do I need to look out for?" He encourages everyone on-site to complete a 5 x 5 before entering the site, and before any task they complete. He says, "Basically, before doing anything, stop and think. It's really quite simple."

Training and Support

To improve his business and his own knowledge, Ivan undertook a Site Safe passport course. "It was basic stuff, yet no one had ever described that information to me before. It was like an evangelical moment."

As a result of the course, Ivan invited Site Safe to review and evaluate his systems, documents and site specific plans. Fowler Homes now have updated and improved their health and safety operations across the board.

Internally, there has been a shift to a coaching clients and staff to improve safety. Ivan focuses on what is going right, and he coaches to generate improvements, all the while encouraging personal responsibility. Ivan says, "Don't be afraid of health and safety. Follow the basics and it will work."

Monthly Focus

Fowler Homes now has a monthly safety focus, allowing them to drill down into particular issues more thoroughly and lift health and safety knowledge and practice. These are discussed in the tool box talks, on-site, and in 2-way text conversations. There is also now a constant focus on housekeeping. This has improved safety, as well as customer relations because the client is happy to see their site clean and tidy.

Better Safety Equipment

The business pays for better safety gear. For example, the top plate must now have a net and a full scaffold, something that wasn't occurring 18 months ago. "This is a quantum of change for us. I feel bloody good about it. I know the families of all my builders, so it is important to me they go home safely," explains Ivan.

Participating in Industry Safety Leadership

Ivan participates in Canterbury Rebuild Safety Charter Leadership Working Group. He says, "I want people to go home safe, and to know their workmates are much safer. This is a way I can help this."

Communication

Health and safety is now communicated throughout the business verbally and physically on every job and confirmation. Ivan attends tool box talks, and looks for opportunities to talk about health and safety in planning.

Measures of Success

The measure of success is higher quality work and better productivity. Builders and subcontractors are more productive and less fatigued due to improved health and safety processes. For example, subcontractors now use scaffolds instead of walking up and down ladders all day. One or two more gutters are installed per week using scaffolds as opposed to ladders. In addition, quality has improved as the spouting and flashes can be checked for quality and scratches. These are things that were never seen before.

- Increased safety conversations.
- Increased quantity and quality of planning.
- Tidier sites.

Summary

"It's not about the money – it is about us knowing that the client, the builders and subcontractors have greatly reduced the risks. I'm not perfect but I am much better than I was, and am constantly improving. I am much more aware and I am always learning, and I continue to look for safety improvements. It's about looking after everyone, and I am really, really proud of this."

Changing a health and safety culture through a shift in accountability and commitment

Stronger Christchurch Infrastructure Rebuild Team (SCIRT)

Dennis Henry, Safety Quality and Environment Manager



Driving force behind the initiative

SCIRT wanted a fundamental and aspirational change in safety performance by (a) shifting safety accountability from the safety advisors to line managers, and (b) moving from a compliance (have-to) performance culture towards a commitment (want-to) culture.

The Initiative

Five key components of this initiative are currently being implemented in SCIRT.

1. *Implementing the RAPID decision making model. This model shifts responsibility to a single point person who has authority and is accountable to make a safety decision.*

Recommender	The person who initiates the process.
Accountability	The person who has ultimate responsibility for making the decision.
Performs	The person who carries out the decision.
Informs	The person/people who need to be consulted with about the decision.
Decision	The person who makes the decision.

For example, if a person was not wearing the correct PPE on a site, using the above model, the question of who has control over this site is asked. The answer would be the supervisor of the site, which is where the ultimate accountability of the site lies.

To implement the RAPID model, SCIRT have conducted workshops that focus on the contexts of decisions and where the accountabilities are held. These workshops have included mock court cases where participants (senior and frontline leaders) have had to provide evidence of what actions they took to prevent incidents from occurring. As part of their role, line managers now provide an evidence trail of the safety decisions they have made.

2. *Leaders and Safety Culture Programme.*

This programme is based on four safety practices.

Walk the Talk - Leaders being role models for the correct safety practices.

Don't Walk By - Leaders intervening when practices or conditions do not meet their expectations.

Get it before it Gets You - Leaders having a critical unease to proactively address potential issues before they occur.

Never Again - Leaders changing and monitoring systems to ensure incidents don't happen again.

As part of this programme, leaders self-assess their performance to determine at least three areas to work on to be included in their Personal Safety Plan. These are signed off by the person's manager and are included in the performance appraisal process.

3. *Incident Investigation Root Cause Tool.*

Managers are trained to avoid only looking at the immediate cause of incidents, and instead to investigate the root causes. This means a shift from only on-site causes towards management level system causes. This process is focused on "control for the future" rather than "blame for the past."

4. *Safety Conversations Programme.*

This programme aims to increase the safety conversations on-site by generating want-to and meaningful health and safety interactions to encourage continued safe performance and address any concerns.

5. *Critical Risk Focus.*

A critical risks overview has been mapped against SCIRT business processes. This allows critical risks to be identified proactively during planning to avoid incidents. In addition, frontline staff meet during daily pre-starts to identify and manage critical risks that may occur during the work.

Communication

The initiatives have been formally communicated throughout the organisation by linking the expected safety leadership performance KPIs into performance appraisals. As communication is an integral component of the initiative, this occurs daily as part of the implementation of the initiative.

Measures of Success

- It is expected there will be a decrease in incidents once the initiative has been fully implemented.
- Critical risks are now being proactively lead by delivery teams.
- Frontline managers (rather than safety advisors) are now proactively conducting safety audits.
- When safety issues occur, managers contact line managers to account for and address the issue, rather than contacting and expecting safety advisors to address the issue.



June 2014

Improving contractor safety across an industry – the Canterbury rebuild

Graham Darlow – Fletcher Construction



When rebuilding work began in Christchurch there were predictions that the construction industry's poor safety record meant 1-2 workers could die each year of the rebuild. Many more would suffer life-changing illnesses.

That prospect was unacceptable to me. I was determined to use the rebuild as an opportunity to make long overdue changes to our industry that could transform construction's poor health and safety track record, and could be replicated outside of Canterbury.

“We’re working to engage sub-contractors and their employees in the health and safety process so they know how to keep themselves safe.”

Graham Darlow

Chief Executive – Construction
Fletcher Building



■ The challenge

Being appointed lead contractor on the Earthquake Commission's *Canterbury Home Repair Programme* is probably the biggest health and safety challenge Fletcher Construction has ever faced.

The programme involves repairing or rebuilding 80,000 earthquake-damaged Christchurch homes and the sheer scale of the work has required us to engage a large number of sub-contractors – more than 1100 firms who together employ about 8000 workers.

When we started the programme it became clear safety standards among these small residential construction firms were generally pretty low – much lower than the standards we set for ourselves. Many weren't aware of their legal obligations and didn't take even basic safety precautions. Safety was frequently viewed as a cost to be avoided, and many sub-contractors resented us asking them to change work-habits of a life-time.

But things did need to change. The regulator had warned us that – based on the residential construction industry's poor past performance – an estimated 1-2 workers could die each year of the rebuild. Many more would suffer life-changing illnesses. Contractors and their employees were most at risk because they were doing most of the construction work.

I found those predications totally unacceptable. Early in my career there were three occasions when I nearly died on construction sites. Those experiences instilled in me a determination that, when I moved into a position of leadership, I'd do everything I could to keep the people working for me safe from harm.

Fortunately, there were many other people involved in the rebuild from business and government that also wanted to make sure those injury predictions

didn't come true. Importantly for us this included our client EQC, which gave us a mandate to make health and safety a priority and has worked shoulder-to-shoulder with us to try to deliver a safe rebuild.

■ Transforming an industry – it's hard yakka

As you can imagine, trying to transform the health and safety culture of an industry while delivering a massive earthquake rebuild is no easy task. In fact, it's been really hard work.

I won't pretend we've got everything right or that we have all the answers. We don't. There are no roadmaps for us to follow here, and no easy answers. But we're determined and we're learning – and we're making progress.

The approach we're taking in Christchurch is to leverage our influence over our sub-contractors, to set high health and safety standards and to ensure certain levels of performance. We're working to engage sub-contractors



and their employees in the health and safety process so they know how to keep themselves safe.

We started off by just trying to get all our sub-contractors meeting core legal obligations around health and safety – like using personal protective equipment and reporting incidents. This was a big step-up for some of them, so we provided resources and support – like template health and safety plans and information on how to deal with specific hazards.

We used a combination of persuasion and consequences to motivate sub-contractors to lift their game. Those who didn't comply risked losing their accreditation to work for us. Those who did were encouraged and offered additional work.

As the pace of the rebuild picked up, our focus moved from basic compliance to lifting standards, and trying to convince sub-contractors this new way of working was good for their businesses. We held forums where we talked about why safety was important, and invited feedback from sub-contractors on hazards and problems they wanted us to address through our safety initiatives.

■ Building capability – helping contractors help themselves

Fletcher Construction is devoting significant resources to building the health and safety capabilities of our Christchurch sub-contractors.

“The charter is a really interesting initiative because it involves companies that compete fiercely for business, but are working together on safety.”

We have more than 20 health and safety professionals involved in the rebuild, mentoring our staff and supporting sub-contractors. We provide a huge range of resources – everything from site hazard boards to in-depth information on managing specific hazards. We also run regular training sessions – for example 10,000 people attended our asbestos information-sharing events.

One particularly successful initiative, done in partnership with EQC, was the creation of *Safe6*. This package

of resources was written specifically for small operators and provides easy-to-understand advice on how to manage the six key fatal risks workers face during the rebuild. About 2500 of our sub-contractors and their employees attended the *Safe6* launch and they have free access to booklets, posters, DVDs, and website material.

Another important initiative I've been involved in is the *Canterbury Rebuild Safety Charter*. The charter aims to get leaders committed and involved in working towards a safe rebuild, and to set consistent health and safety standards across all Christchurch building sites. It involves key companies and government agencies participating in the rebuild, including the regulator WorkSafe. Signatories like me agree that their organisations will adopt the charter's standards as a minimum, and will apply them in their contracting chains. The charter is a really interesting initiative because it involves companies that compete fiercely for business, but are working together on safety.

■ Measuring safety so you can manage it

There's an old saying in business that “if you can't measure it, you can't manage it”.

That's absolutely true for safety – and it's why at Fletcher Construction we report on employee and contractor safety in exactly the same way. My reports to the board cover both employee and contractor safety, and my performance is judged on the safety performance achieved by both groups.

I won't pretend that creating a reporting culture among sub-contractors is easy. In the early days, we just focused on getting our sub-contractors to meet legal requirements to report injuries and hazardous work. But over time we've lifted the standards. Now every project reports against a series of key safety indicators, with the emphasis being on lead indicators like near miss reports.

We investigate incidents involving both employees and contractors using the ICAM (Incident Cause Analysis Method) approach. This helps us identify the root causes – including any human and organisational factors that contributed to the incident. I get reports from these investigations, and the learnings and the improvements made are shared with our sub-contractors.



› Industry leaders in a poster from the Charter safety campaign



› The Canterbury Rebuild Safety Charter

■ The CEO's role in driving contractor safety

The biggest influence a CEO can have on safety is to demonstrate through their actions that they genuinely believe good safety is good business.

For me, that includes choosing to spend time talking to sub-contractors about safety. In fact, I have personal objectives to hold a certain number of safety observations and conversations, and to attend toolbox meetings and other events.

Having a CEO go onsite and strike up a conversation about safety – rather than deadlines or costs – sends a very clear message about your priorities. It can have a profound effect on the way safety is regarded by your contractors. I also get significant insights from meeting with front-line workers, supervisors and leaders of our contracting firms.

■ Outcomes

We've seen a big turnaround in attitudes towards safety among our sub-contractors. Some of the people who initially complained loudest now acknowledge that better health and safety has been good for their business.

The benefits of not hurting people or having them off work injured are obvious. But there are other productivity gains – like how much faster people can work from scaffolds than ladders. In our experience, over time the savings more than pay for the cost of the equipment.

You can see the changes when you walk onto a residential construction site in Christchurch now. Before the earthquakes you might've seen people working without hard-hats, possibly wearing jandals, and unaware of asbestos hazards in the house. Now the standard of PPE is consistent, work won't start until asbestos is contained and people are aware of other hazards in the house.

The changes are also coming through in our data. As our efforts to improve incident reporting began to bear fruit, the total recordable injury frequency rate for the home repair programme began to climb. Importantly, so did the near hit frequency rate – suggesting we're succeeding in starting to build a reporting culture.

Encouragingly, both the injury and near hit frequency rates appear to have peaked, with the total recordable injury frequency rate starting to come down this year. This suggests our various safety initiatives are starting to have an impact on reducing incidents.

Despite all the challenges, being involved in the rebuild has been a great opportunity for Fletcher Construction and for me personally. I'm hopeful that what's happening with safety in Christchurch today will provide a role model for the residential construction industry throughout New Zealand. We'll be able to demonstrate that it is possible for our industry to work safely and keep its contractors safe.

Contractor health and safety – the CEO’s role

Own it

Holding myself and my organisation to account for the health and safety of people in our contracting chain.

Manage it

Using my influence to ensure attitudes and behaviours in my contracting chain drive safe practices.

Measure it

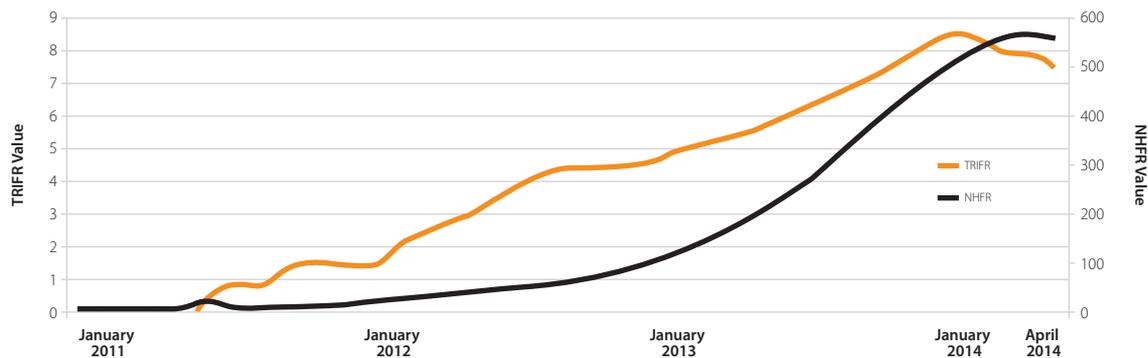
Creating visibility of contractor health and safety with my organisation, governing body, clients and shareholders.

KEY LEARNINGS

This case study highlights key success factors shown to deliver superior contractor safety:

- **Build capability** – Graham and Fletcher Construction devote time and resources to building up the health and safety capabilities of their sub-contractors.
- **Shared information** – Fletcher Construction shares outcomes from incident investigations and requires the use of site specific safety plans to ensure information on hazards is shared among contractors.
- **Recognition and accountability** – Contractors who perform on health and safety win new work. Those who don’t risk losing their accreditation to work on the programme.
- **Robust regulatory environment** – Fletcher Construction initially focused on getting contractors to at least meet core legal obligations.

Fletcher’s Canterbury Home Repair Programme - Near hits and total recordable injury frequency rates



■ More information

Watch the video case study: www.zeroharm.org.nz/leadership/case-studies/fletcher-construction/

See contractor safety resources including *Safe6*:
www.eqr.co.nz/our-contractors

More about contractor safety: www.zeroharm.org.nz/our-work/contractor-safety/

“The biggest influence a CEO can have on safety is to demonstrate through their actions that they genuinely believe good safety is good business.”



Leaders make a difference

The Business Leaders' Health and Safety Forum inspires and supports its members to become more effective leaders on health and safety. The Forum has more than 170 members, who are Chief Executives or Managing Directors of significant New Zealand companies.

Contact us

Julian Hughes, Executive Director

Email: julian.hughes@zeroharm.org.nz

Mobile: +64 27 248 9545

Or find out more at: www.zeroharm.org.nz



Business Leaders'
Health & Safety Forum

CONTRACTOR INITIATIVE