

## Safety and Performance Excellence: Safety vs. Productivity: If Either Wins, Both Lose

Terry L. Mathis

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The word "balance" does not find its way into many corporate strategy statements, but maybe it should. Some issues that tend to compete for priority are not mutually exclusive. Productivity and safety are examples of such issues. Balancing these two priorities tends to enhance both, while letting either one triumph over the other will not only damage these efforts but also create collateral damage in other areas of the organization.

Thinking safety can be ignored in production is akin to saying that efficiency and the cost of production don't matter. A safety mishap severely can impact both the volume and cost of production like few other things can. The small gains made in production by shortcutting safety seem to be worthwhile until an accident occurs. Then the gains disappear or even become losses in many cases.

Lost productivity is not the only cost of safety failures. There are direct costs such as emergency response and medical care, lost time of employees in production, workers' compensation insurance premiums, potential fines from regulatory agencies and litigation from injured workers or their families. There also are possible indirect costs of accidents, such as reduced production due to using less-experienced workers in the absence of injured workers, lowered morale in the workplace, problems recruiting new workers and bad PR from news agencies.

Trying to create safety at the cost of productivity equally is destructive. Few organizational leaders truly want to be the safest company to ever go bankrupt.

Obviously, many methods of producing goods or services have inherent risks that cannot all be completely removed. A tolerance for a certain level of risk often is necessary to get anything done. The costs for total, conditional safety is too great for most organizations to bear and those who try often are replaced by those with a more realistic notion of safety.

### Safety vs. Production

Many employees feel productivity pulls them in one direction while safety tugs in the other. The creation of this safety-vs-production dichotomy usually comes from one of three sources:

**Lack of strategy:** Effective strategy gives direction to everyday choices. The lack of strategy can cause confusion when two priorities seem to conflict. Workers who have been given no strategy have no vision of the relationship between safety and productivity that leaders would prefer. Leaders with no safety strategy often are specialists in one aspect of the business who tend to delegate the other aspects to specialists.

Such delegation creates silos, and safety is one of them. Silos create dichotomies that only overarching strategies can fully overcome. When supervisors direct production and safety professionals direct safety, workers are faced with choices that are incorrect or incomplete.

**Conflicting organizational and safety strategies:** In organizations that have safety strategies, all too often they were developed by the safety department while organizational leaders created the business strategies with no

correlation between the two. Although strategy can create direction, conflicting strategies don't. In fact, when strategies conflict, the dichotomy is even more confusing for workers. Do they do what is good for the business or follow the safety plan?

Production leaders can give raises and promotions and are more visible in the workplace. The safety folks aren't as visible and can't reward workers like supervisors can, but they can administer discipline. If production wins the contest, the safety record may suffer. In some industries, poor safety performance eliminates the potential for business from the most desirable clients who demand safety excellence from their contractors and suppliers. If workers focus on safety at the expense of production, the business can suffer. The decisions of which strategy triumphs over the other may be made at the lowest level of the organization rather than in the boardroom.

**Disconnect between strategy and practice in the workplace:** In the rare organization that has a safety strategy that is aligned with the organizational strategy, there is another problem. The strategy is not followed by workers in the workplace. This problem can arise from several sources. Poor communication of the strategy is a common cause. Few organizations communicate effectively from the boardroom to the shop floor. Many leaders tend to believe that a clear message sent once is communication. The lack of follow-up communication can completely undo the initial message. Another common cause is a lack of accountability. Even if strategy effectively is communicated, accountability is what gives it traction. Constantly reinforcing the level of expectation through feedback and coaching are necessary to make strategy turn into practice.

## Safe Production

The idea of "production vs. safety" must give way to the vision of "safe production."

Many organizations give this concept lip service, but don't do what is necessary to make it reality. Too few organizations carefully define the roles, responsibilities and results (RRRs) they expect of each position in safety. Excellent organizations carefully define these RRRs and constantly enforce and improve them. They refer to them in informal conversations and formally include them in performance appraisals.

This whole issue is complicated by the tendency to define safety as "the lack of accidents." Many organizations think setting a goal of zero accidents is somehow a strategy that will inspire workers continuously to improve. The problems with zero goals are too numerous to address here, but suffice it to say, lagging indicators can mislead thinking by confusing performance with luck. Organizations that go a few months without serious accidents fool themselves into thinking they are already doing everything they need to do, and fail to create and utilize meaningful leading metrics for safety.

Ask your employees which is more important: safety or productivity. Listen closely to their answers and probe to understand the influences on their perceptions. Remember that your workplace perfectly is aligned to give you the performance you currently are getting, and to change performance you must change the factors forming the ideas around productivity and safety.

*Terry Mathis, founder and CEO of ProAct Safety, has served as a consultant and advisor for top organizations. A respected strategist and thought leader in the industry, Mathis has authored four books and numerous articles and blogs and is known for his dynamic and engaging presentations. EHS Today has named him one of the "50 People Who Most Influenced EHS" four consecutive times. Mathis can be reached at [info@proactsafety.com](mailto:info@proactsafety.com) or 800-395-1347.*

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