



# Strategic Safety Management

## Part: Two

By Wayne J Harris

When it comes to strategic planning for safety it is not uncommon to find people floundering due to lack of understanding or knowledge of strategic safety management. The main purpose of this document is to keep things as uncomplicated as possible and present it in an easy to understand “How to” format rather than a PhD paper on corporate strategy in the 21st century. One thing for sure you must be able to justify the ROI (return on investment).

### The Strategy Hierarchy

Before we go into any detail we need to understand there can be several levels of safety strategy that can apply within an organisation depending on their size, geographical presence, and organisational structure. Strategies can be formulated and implemented at three different levels:

#### Level 1: Corporate Safety Strategy

The corporate safety strategy is the highest level as it applies to all parts of the organisation. The strategy is concerned with high level safety governance and stakeholder engagement. In addition the corporate level is responsible for creating the overall safety vision, values, goals and safety policies of the business and financially supports the corresponding strategies of the organisation.

#### Level 2: Business Safety Strategy

This is where the main focus is on developing appropriate safety strategy plans by defining the tactical approach to ensure advantage or gain within the industry. The difference from a corporate safety strategy is that it may be purely focused on either a single or multiple business units within an organisation. Budget control is often forecast and managed at this level to enable key performance indicators (KPI's) to be established to measure the ROI.

#### Level 3: Operational Safety Strategy

From a safety strategy view point this level is often considered the key foundation stone behind the success of higher tiered corporate and business strategies. The operational safety strategy is directly dealing with operational activities. Operational level strategies apply across departments such as finance, marketing, human resources, operations, manufacturing, and of course the safety department. The prominence is given to short and medium term safety plans, and is limited to the day –to-day sphere of activity under each department's operational responsibility.

## **So how do we go about setting up a Safety Strategy?**

In today's tight commercial environment we have to be both innovative and dynamic. Strategy is a way of thinking, not just a safety management procedure or a set of policies to rollout every two or three years. To succeed a strategy must be financially viable, planned, implemented, managed, operationally evaluated, and when needed revised.

### **Key steps in formulating your Strategy Approach**

#### **1. Creating Strategic Alliances**

Before you even start on setting a safety strategy you will need to know and understand your organisation's main corporate strategy for running and growing the business. By aligning with other strategies you will be in a strong position to justify financial support as well as senior management buy-in. Remember it's about creating strategic alliances and ensuring a return on investment (ROI). Get this right and your chances of success are greatly increased.

#### **2. Identify the Value Added Benefits**

Any safety strategy must be able to demonstrate a return on investment, including business growth and value added opportunities that will contribute to the various stakeholders within your organisation. If your safety strategy is conceived around sound risk management principals it can place your organisation ahead of the competition as a market leader in the industry.

#### **3. Identification and Utilisation of Resources**

The importance of aligning your strategy to the required resources cannot be overstated. There are many great ideas that have failed due to poor resource allocation and inadequate planning. If you are to succeed you have to consider two aspects of resource allocation:

- **Strategy Implementation Resources**
- **On-going Management Resources**

Identifying the appropriate resources to implement and maintain your safety strategy. Quite often we see people propose safety strategies based purely on direct cost and they forget the peripheral on-going cost involved in manpower, training etc. Whatever resources you decide upon have to be based on sound analytics and market realities, otherwise you might end up going cap in hand asking for more money.

#### **4. Identify where you want to be in the future as an organisation**

This element of strategic planning is vital as you have to focus on the market sectors you are working within including; geographical locations (local and international), workforce culture, size, organisational structure, technology, and political societal requirements. The safety strategy should reflect a clear understanding of where you want to be and how you will achieve the KPI's and ROI. Remember a one size fits all safety strategy rarely works, so be ready to adapt and improvise where necessary, especially if operating on an international basis.

## 5. Set the standards and become an industry leader.

Never fall into the trap of following everyone else's ideas, trends or gimmicks, as it is often viewed as the "nail in the coffin" when it comes to safety strategies. At first glance it might look like you playing it safe by following what everyone else is doing, but in reality you may not achieve very much.

We have to remember if the safety strategy is to be viable to any organisation it's got to be custom made or else you will place limitations on both implementation and compliance. The strategy should be able to meet present and future demands and be formulated accordingly.

## 6. Getting commitment and buy-in.

Make sure your strategy can be easily understood and avoid technical jargon. Involve the team who will deliver the plan from the offset in order to get their full commitment. You need to take into confidence the department heads during your planning stage. Try where possible to take on board their views, and where feasible implement them within your strategy plan. By encouraging involvement of department heads and senior management at the planning stage it will naturally ensure ownership and constructive support during implementation.

So far we have covered the general points of creating a strategy. We know that it is a process that requires more than a 3 or 4 page report suggesting safety ideas for improvement. It is actually aligned with your organisation's overall corporate strategy and can apply at different levels.

I have mentioned many times about a safety strategy being a ROI and financial viable. The reason for this is should be obvious. All companies need to make a profit and every penny you spend on your strategy has to be recovered. If you start by following the above you will definitely be on the right road to success.

In Part 3, *(yes there is still one more paper to go before I have finished)* I will be going through developing a strategy proposal report and setting a budget. In addition I will be sharing with you several templates that you can adapt and use for your safety strategy.

About the Author: Wayne J Harris



Wayne is a highly regarded international specialist in developing corporate risk and HSE management systems with over 30 years' experience within high-risk environments. He has advised major organisations both private and governmental, on key issues of strategy and organisational risk and safety management.

Wayne's experience in dealing within the international arena and multiple cultures from Europe, Asia-Pacific, to the Middle East has given him a comprehensive understanding of the global risk issues facing an organisation in today's business economy. He has held various senior corporate roles, and has sat on the Board of Directors of several companies including a Chamber of Commerce. He is also the Chairman of ISQEM, and a Director of the World Safety Organization (WSO) UN-NGO.