



MAKING THE CASE FOR CULTURE

**Constructing a business case for
measuring your safety culture**



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Introduction

For many years, the Health and Safety Laboratory (HSL) has been at the forefront of understanding organisational safety culture and its impact on business performance.

Not only have we developed our highly respected Safety Climate Tool, which gives organisations a measure of their safety culture at a particular point in time, we also help companies like yours to measure and improve safety culture through the application of evidence-based approaches and effective behavioural change programmes.

In this, the second in our series of papers about safety culture, we focus on constructing a robust business case for measuring your safety culture.



About the authors

Karen Roberts

Karen Roberts is a Product Manager at HSL. Karen works with the Laboratory's scientific and technical experts to produce product solutions that help organisations become healthier, safer and more productive.

Karen was part of the team that took HSL's Safety Climate Tool online, and was co-author of HSL's first white paper on safety culture, 'Measuring Safety Climate in Organisations'. She is currently working to produce the Safety Climate Tool in a number of languages, as well as developing a toolkit that helps businesses to effect sustainable change in employee behaviour.

Prior to her current role, Karen was a Business Development Manager at HSL, focusing on the UK chemical, pharmaceutical and manufacturing sectors.



Derek Morgan

Derek Morgan is Head of Products at HSL. A statistician, Derek was Head of HSL's Mathematical Sciences Unit, with research interests focusing on developing novel quantitative solutions to real-world problems.

More recently, Derek has taken more commercially-focused roles. He was initially responsible for developing strategic business partnership opportunities for HSL in the UK and overseas.

Currently, as Head of Products, Derek is responsible for delivering innovative products incorporating HSL's intellectual property and knowledge to HSL's customers.

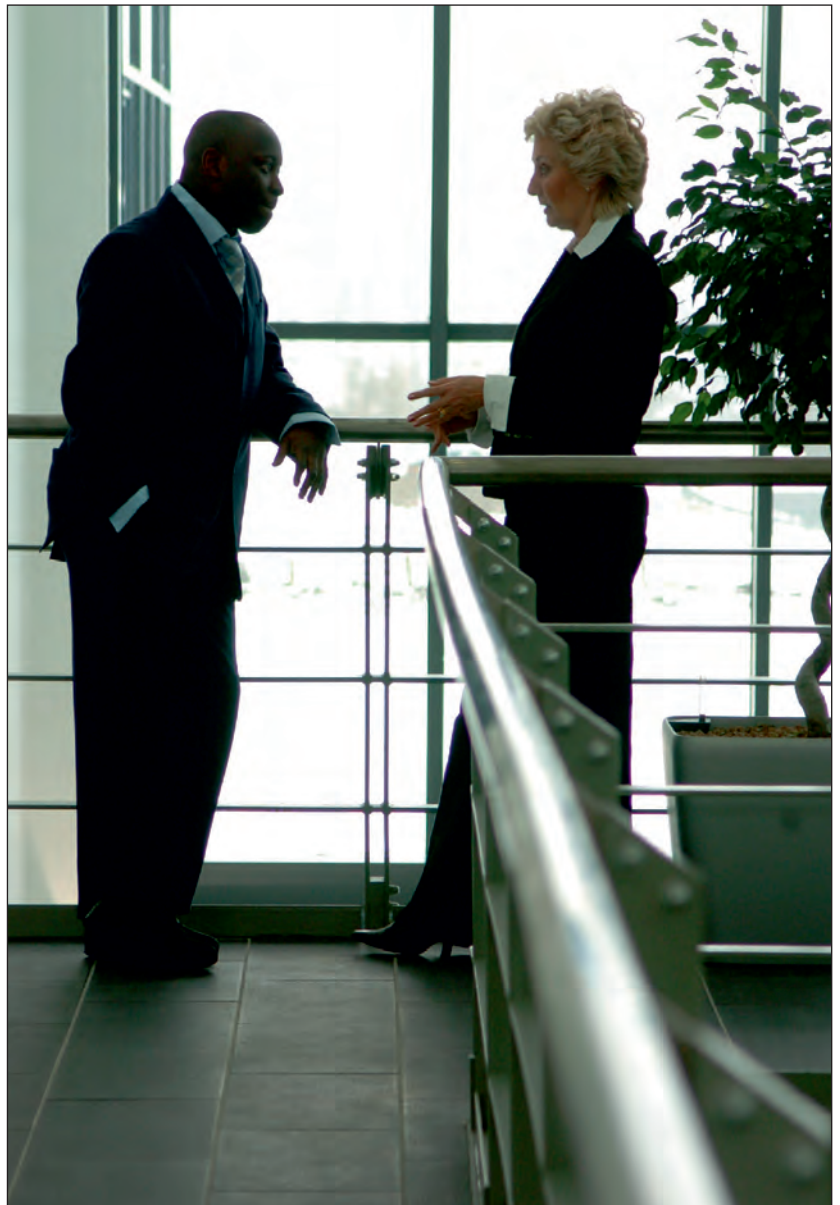
Steven Naylor

Steven Naylor is a Senior Scientist at HSL. His principal areas of expertise lie in epidemiology and statistics. His role involves applying them in profiling risks of workforce injury and ill-health, and the wider measurement of organisational health and safety performance.

Making the case for culture

As a health and safety professional within a company, you will know that a positive safety culture is good for your business, not only from an ethical standpoint, but also in terms of productivity and efficiency. But how do you convey that to the decision-makers within your organisation, to allow you to invest in resources to measure your safety culture, and improve it?

Decision-makers are usually motivated by one of three arguments: legal, moral and financial. In this paper we look at each of these three arguments as they relate to improving your company's safety culture, to help you convince colleagues, up and down the management chain, of the value of a positive safety culture.



The legal argument

Under the Health & Safety at Work Act 1974, employers have a legal obligation to ensure that the health and safety of their workers is protected, and by law they must have policies and systems in place to ensure this.

These legal requirements do not extend to safety culture and its assessment, despite the fact that it is often the culture of an organisation that determines whether policies and systems are adhered to, and are practical.

But whilst it is not in itself a legal requirement, it is interesting to note that, in the event of an incident, standards of safety culture can be investigated and could contribute significantly to any prosecution, as is shown by a number of high-profile cases.

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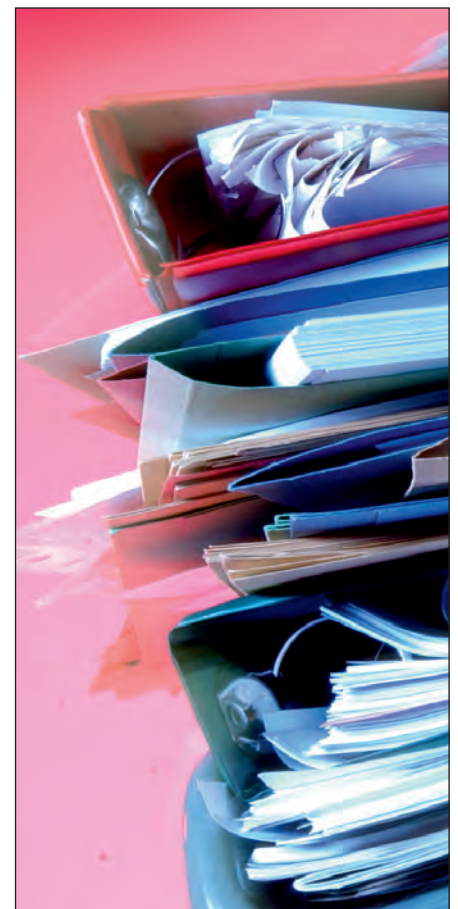
Incidents at Chernobyl, King’s Cross, Texas City and, more recently, Deepwater Horizon have highlighted the effect of organisational factors on safety performance, with numerous inquiries identifying safety culture as having a significant impact.

Another important organisational driver for measuring health and safety performance is to help decide whether risks to workers’ health and safety are as low as reasonably practicable (often referred to as ALARP).

The concept of what is ‘reasonably practicable’ lies at the heart of the UK health and safety system. It is key to the general obligations imposed under the Health and Safety at Work Act 1974 and many sets of health and safety regulations enforced by the Health and Safety Executive (HSE) and by local authorities.

HSE’s policy is that any proposed actions that organisations are asked to take, including through regulations, Approved Codes of Practice (ACOPs), guidance and campaigns, should be based on what is reasonably practicable for them.

Although it is not identical to ALARP, the concept of safety culture is closely related to it as a fundamental principle of health and safety. Putting a programme in place for measuring and improving your safety culture can help to demonstrate that your organisation takes health and safety seriously, and goes beyond its minimum legal duty to ensure the safety of its workforce.



The moral argument

In a perfect world, the moral argument would win every time. As an employer, your workforce place in you a trust that they should be able to perform their work without fear of becoming ill, seriously injured, or worse. You therefore have a moral duty to do all you can to protect their health and safety at work.

A civilised society operates on the basis that all members have a moral duty not to kill or do harm to others. Yet poor health and safety can result both in injuries and ill-health, and sometimes even in death. Workers who face poorly controlled risks to their health and well-being at work are unlikely to be satisfied and content, and may not work to their full capacity.

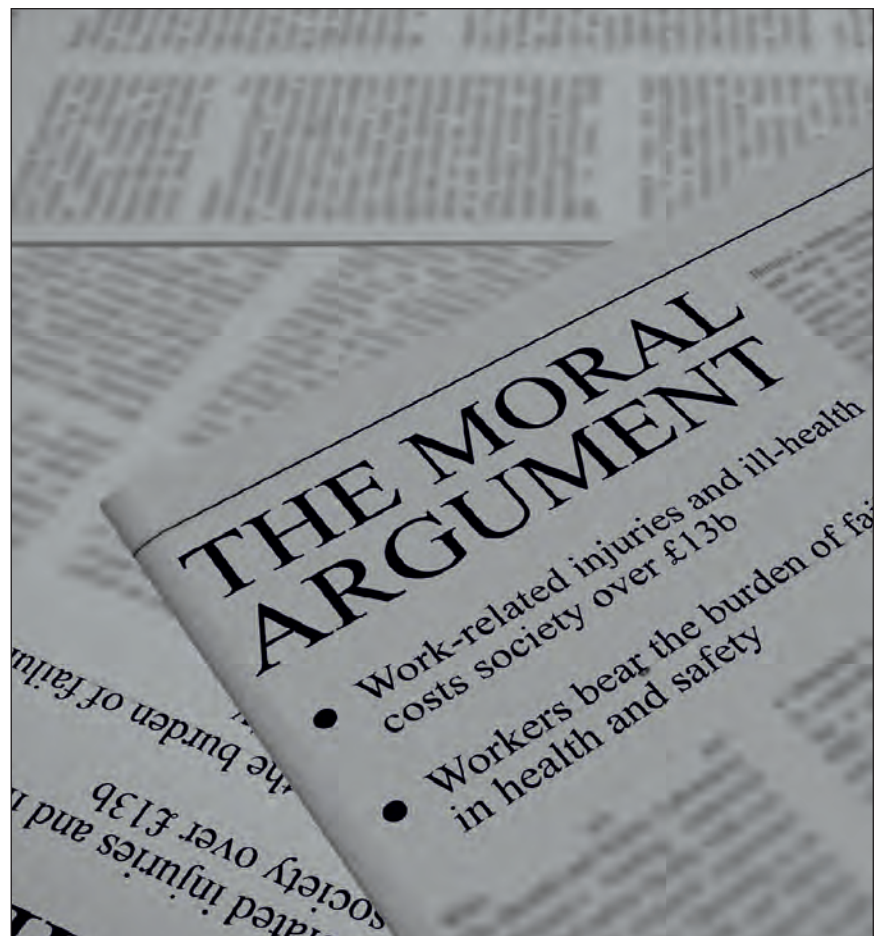
HSE estimates that the total costs to society of work-related injuries and ill-health are around £13.8 billion, over half of which (£7.9 billion) is borne by workers themselves, with the remaining £5.9 billion being borne by the state and employers. It seems somewhat unjust that it is workers who bear the bulk of the burden of failures in health and safety.

As well as the cost to society, it is also worth considering the emotional and practical implications of a work-related injury or fatality for the victim, or for their colleagues, friends and families, who have to live with the consequences.

Many professional motivational speakers, who retell their personal experience of being involved in a workplace accident, often talk about the importance of creating positive

safety cultures in the hope that others won't suffer a similar fate.

Their stories are the perfect example of why the moral case ought to be the most compelling, and the reason why employers should do their utmost to uphold the highest standards of health and safety in the workplace.



The financial argument

In the current economic climate, it can seem difficult to justify all but essential expenditure. However, there are several financial reasons why investing in improving your safety culture makes good business sense.

It helps to reduce accidents

Research shows that weak safety culture has a direct impact on the number of injuries suffered by workers. Several studies suggest that it underlies between 20 and 30 per cent of injuries suffered by workers.

Several other reports show a strong organisational safety culture to be associated with reduced risk-taking behaviour by workers, and fewer injuries to them. This is partly because organisations with strong safety cultures tend not only to have well-developed and effective health and safety management systems, but because their leaders are good at sending messages to employees about their commitment to health and safety.

Accidents at work are costly to your business. Whether it's a fatality or something relatively minor, there is a significant business cost involved. And it's not just the direct costs that can be significant. Anyone who's ever had to deal with such an incident will tell you about the paperwork involved, the time spent on the phone liaising with insurers and lawyers, the costs of hiring additional staff, or

not having enough staff, not to mention the damage to your reputation as an employer.

HSE estimates that cases of work-related injury and ill-health cost UK employers approximately £2.8 billion per year. But what does that mean for you and your organisation?

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HSE estimates that, on average, a single fatality costs a business £138,000, a single reportable injury £3,700, and a single case of work-related ill-health £4,000.

Based on average rates of fatalities, reportable injuries and cases of ill-health, an organisation employing 1,000 people would be likely to face costs of just under £70,000 per year.

Such costs, however, are dwarfed by the estimated cost of a major accident at a manufacturing plant, which HSE estimates to be around £2 million in total.

And it's not just accidents or dangerous occurrences that are costly to your business. From our extensive experience of working with industry, we know that significant failures of plant, processes and people can often be attributed to failures in safety culture across all levels of an organisation.

It has been estimated that just one full day of downtime, easily accumulated over the course of a year, costs the average chemical plant in the UK around £2.8 million.

The financial argument

It's good for your bottom line!

There is increasing evidence that building a positive culture of health and safety provides a competitive advantage in the marketplace. Research shows that companies that build a culture of health, for example by focusing on the well-being and safety of their employees, yield greater value for their investors.

It helps you to win business

Increasingly, a good health and safety record can help you to secure new business, particularly in specific sectors such as the construction industry. Customers are looking increasingly for good health and safety performance from their suppliers, and many users of our Safety Climate Tool have reported using evidence of their excellent safety culture to differentiate themselves from their competitors, to help them win new and additional business. Furthermore, a good health and safety record can also support and improve your reputation for Corporate Social Responsibility (CSR).

It helps you to put a number on safety

'If you can measure it, you can manage it' is a well-known saying, highlighting the potential for metrics to improve business decisions. However, health and safety performance differs from many other areas that are measured by managers, in that success is counted by the absence of certain outcomes rather than their presence. This makes measuring health and safety performance challenging. However, if organisational health and safety performance is going to influence strategic decision-making, a way needs to be found to measure it effectively.

Historically, when measuring health and safety performance, organisations have tended to focus on the reactive monitoring of adverse events, such as injuries, cases of ill-health and dangerous occurrences. This is despite the fact that the absence of such events can often provide a deceptive sense of health and safety performance being adequate. For example, whether an adverse event results in a reportable injury is often a matter of chance, and therefore might not necessarily reflect whether a particular risk to health and safety is under control.

This is particularly true in organisations where low-probability/high-impact events are on the risk register. In such organisations in particular, health and safety decision-making needs to be more focused on what might have happened or what could happen in the future, rather than on the consequences of the event being observed, where a high-impact event might have been avoided by luck rather than because of good management.

Another limitation of over-reliance on reactive monitoring for measuring health and safety performance is that the effective use of failure rates to measure health and safety performance obviously requires most of the failures that have happened to be reported, which is often not the case.

For these reasons, it is widely regarded as good practice when measuring health and safety performance to combine reactive monitoring of failure events (lagging indicators) with more proactive monitoring of events, which aims to prevent failures in the first place (leading indicators). Measurement of safety culture is one such leading indicator.

The financial argument

It helps you target your resources more cost-effectively

By running a safety climate survey, you can give some objectivity to your perceptions of your company's safety culture. Survey results provide tangible evidence on which to base productive discussions with your workforce about how health and safety is managed within your organisation. The outcome of these discussions can form the basis of targeted action plans that focus your resources on those areas that genuinely need attention, and those that will have most impact on improving safety performance. The results can also help justify taking action in new areas, such as embarking on behavioural safety programmes.

It engages your workforce

Many users of our Safety Climate Tool report increased levels of worker engagement as part of the process of running a safety climate survey. By asking your workforce for their opinions, sharing the results with them and involving them in your solutions and action plans, improves the level of engagement throughout the company. Evidence suggests that there are fewer accidents and increased levels in productivity in companies with high levels of employee engagement.



HSL's Safety Climate Tool

Given the powerful legal, moral and financial arguments in favour of measuring safety culture, what is the best way of carrying it out?

When it comes to measuring your culture, it's important to get it right. But thankfully, there's no need to reinvent the wheel. Over 250 organisations have chosen to measure their safety culture using HSL's Safety Climate Tool. Why?

It's an HSL tool. HSL has been developing health and safety solutions for over 100 years. We know what goes wrong in the workplace and why, and we know why understanding your safety culture is important for your business. HSL is an agency of HSE, and working with the regulator gives us a unique insight, as well as a duty to support HSE in its mission to prevent death, injury and ill health in the UK's workplaces. Helping organisations to measure and improve their safety culture is an important part of this process.

It's underpinned by robust science. HSL's Safety Climate Tool is a revised version of HSE's Climate Survey Tool; produced in 1997, the original HSE tool was widely adopted and quickly became a byword for best practice. Using our specialist knowledge of organisational safety culture, we have refined the tool to make it a more reliable and robust instrument for measuring safety culture.

It's validated. Face validity, statistical validity and construct validity were highly important considerations in the revision of the Safety Climate Tool. Face validity relates to a test being widely seen as measuring what it claims to measure, statistical validity is the degree to which it is supported by objective evidence, and construct validity has to do with the lessons that can be learned from what the test shows. This means you can have genuine confidence in its results.

It helps you to put numbers to your safety culture. HSL's Safety Climate Tool makes it easy to measure your safety culture by putting numbers to it. Results from your surveys can therefore become important key performance indicators (KPIs) for monitoring and improving your health and safety performance.

It benchmarks your performance. The results from the Safety Climate Tool allow you to benchmark your performance internally, as well as against other companies that use the tool. At present, our benchmarking dataset contains over 48,000 results, and we are constantly adding to the breadth and depth of the dataset.

It's easy to use, easy to set up and easy to tailor. The tool is accessible via an online account, which is securely hosted, and there is no software to install on your computers. Once you've logged in, you can begin to create your survey using a step-by-step intuitive design wizard.

It's anonymous, and easy to survey all your staff at the same time. Your safety culture is a product of everyone who works within your business, not just a subsection of them. The survey is carried out completely anonymously, to encourage open and honest responses. By surveying online, as a paper-based exercise or through a combination of both methods, you can quickly and easily survey all your staff rather than just a sample, allowing you to get a comprehensive picture of your safety climate.

HSL's Safety Climate Tool

It does the hard work for you. Once your responses are in your account, all you need do is select the analysis function to generate your results within seconds, saving you hours of complex data analysis.

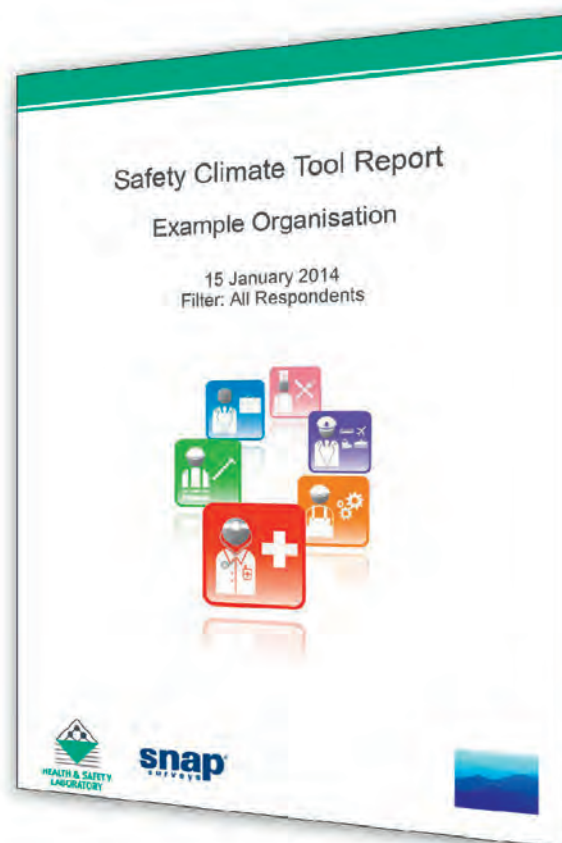
The auto-generated report also provides you with benchmarking data, as well as helpful suggestions on the next steps to take to improve your company's safety performance.

The report can be filtered by demographic, making it a very powerful tool to help you target areas of your business that require most attention.

It provides positive messages. As well as areas that need improvement, the report also highlights areas of good practice in your company. This allows you to incorporate positive messages into your survey feedback, employee engagement programmes and actions plans, which all help to boost employee engagement.

It can be used internationally. We have launched the Safety Climate Tool in a number of languages, making it possible to survey your global workforce.

It's sensibly priced. A licence to use HSL's Safety Climate Tool is priced according to the size of your organisation, making it affordable for all types of businesses. The licence is valid for five years, allowing you to survey your workforce frequently. It's simple to use, analyses your results automatically, and provides an objective insight into your organisation's safety culture. As such, it is a very cost-effective way of helping you improve your safety performance.



A view from the top

In this paper we have attempted to give you several constructive arguments for investing in the tools to run a successful safety climate survey. But don't just take our word for it.

Dr Peter Bonfield, Chief Executive of research and consultancy establishment BRE, recently used the Safety Climate Tool in his organisation. What he says illustrates why it's so important for senior managers to understand what safety culture is and how it can help to improve their business.



“I wanted to know what my team really think about health and safety,

I wanted to know whether my commitment was shared at all levels. I wanted to understand more about our culture and attitudes and where we are doing well and where we need to improve. And I wanted it, warts and all, from my people.

A great deal of health and safety performance is related to culture and behaviours.

Understanding more about these matters gives leading indicators of where risks are and where problems may arise. The Safety Climate Tool allows that to be determined, and allows us to identify where mitigating actions are required.

You will see from our own results that the organisational commitment is very strong, but there are a number of areas to improve on. This we will now do, informed by the tool, and we will use the tool to measure improvement regularly, to inform us of progress and what we need to do to continually improve.

In my view the tool is a ‘no-brainer’ investment.”

Get in touch

Join the growing number of organisations using HSL's Safety Climate Tool to measure and improve their safety culture.

Here is a small selection of organisations currently measuring and improving their safety culture using HSL's Safety Climate Tool.



HSL has experience and knowledge of a wide range of industry sectors. Using our expertise in safety culture, cultural change, behaviour change, leadership and worker engagement, we can work with you to build a solution that will encourage a world-class safety culture. This will include quick wins, as well as producing a sustainable improvement in worker practices and performance.

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