



Business Leaders'
Health & Safety Forum

ZERO HARM WORKPLACES

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Co-designing H&S with your supply chain

Wellington Water

A resource CEOs can use to support discussions with their executives, directors, contractors, workers and worker representatives.



In 2016, shortly after it was formed, Wellington Water identified a weakness in how it engaged with its contractors and suppliers, potentially affecting delivery and health and safety. CEO Colin Crampton wanted to change what was a 'master, servant' model to a peer-to-peer approach focusing on one vision for everyone.

“My advice to any CEO is that a peer-to-peer relationship with your supply chain by building trust and relationships, and making it personal is going to get much better results than driving it through a mechanical system, contract or framework.”

Colin Crampton

Wellington Water



■ The problem

Wellington Water manages the water infrastructure for five client councils.

It was established in late 2014 inheriting the systems and processes from two previous entities – and ran its contracting model as a traditional hierarchy system.

But we were missing the synergy by working together with our contractors and consultants to focus on one vision, and to look after each other.

We were also facing the risk of losing contractors to major regional infrastructure projects across the region like Transmission Gully which was drawing on resources. Water was being seen as a lesser infrastructure entity, which was a strategic risk.

■ Bringing everyone together

The number one thing I needed to do to turn things around was build a relationship with the suppliers who worked with Wellington Water.

I decided I needed to visit them all personally. I went to the leaders of each business, direct to their place and explained what we wanted to do – to have a conversation outside the contract. I felt it was really important to walk in their shoes to see how they work, build trust and then take action.

We brought together 15 contractors, suppliers and consultants for the first time in February 2016.

“At that first meeting, everyone came in, took a seat, and there was just silence. Dead silence,” recalls David Howard, Managing Director, Construction Contracts

The first few meetings I did have to step in and lead like a traditional chair, but over time the now bi-monthly meetings have morphed into group discussions. I’m now able to be the catalyst for ideas and can sit back and take part in the genuine conversation around the room.

We started by focusing on developing a vision for us all to work to – *people first, every time*. We built that together, a co-design process. And that’s the model we’re continuing to use – it’s not just Wellington Water making decisions and telling everyone. As a group we consider our options and make decisions together.

Michelle Hoffmann, Project Manager at E.N Ramsbottom, says the change has been extensive, “(At the) first meeting ... no one wanted to say anything, now the meetings flow freely, ideas are shared, and there’s no fear of retribution.”



■ Trust and share

One of the great benefits of the approach has been to build honesty and transparency into the way incidents on site are reported.

We wanted to be authentic and open about the real learnings from events – one way we did that was to create an instant blog that everyone in the wider group had access to.

People needed to build trust that they were not going to be judged or have to defend themselves by being open.

Michelle Hoffmann agrees. *“People are now more willing to report incidents and near misses. Previously we were scared there was going to be retribution or a black mark against our name. Now we’re encouraged to report them which is great as you can learn a lot from a near-miss and potentially stop a serious incident from happening.”*

Gerry Friel, Managing Director of G.P Friel Limited, says the new approach has raised the bar. *“Our relationships with each other have definitely improved, we’re not just out to compete, we’re out to help. If there’s a near-miss on one of our sites we report this information and get it out there – we may prevent a serious accident somewhere else.”*

■ What we’ve learnt

We’ve seen some great results, and I know this model has the potential to continue to improve safety, health and productivity for Wellington Water and our contractors.

We’ve seen:

- An increase in near-miss reporting – and sharing these near-misses among the whole Wellington Water family to understand why things happen, and prevent reoccurrences on other sites
- Contracts with suppliers and consultants have been upgraded to reinforce the peer-to-peer model. Some contracts have KPIs that focus on collaboration, not just with Wellington Water but with us all as a family

- Greater sharing of ideas, health and safety models and plans with others in the Wellington Water family
- Our contractors report wider benefits for their own businesses and other clients they work with.

“Now we bring to other companies in the area a high level of professionalism and health and safety management, it’s not just how we do business with Wellington Water, but how the whole company runs now – it’s business as usual.” Gerry Friel

One thing I want us to keep working on is how we manage the peer-to-peer relationship when it’s really tested, for example in the event of a significant incident. We want to ensure there’s still a ‘just culture’ of learning but that there is also accountability without turning to a judgemental approach. That would see these issues go to ground. I wouldn’t say we’ve solved that issue properly, but we’re endeavouring to try and make that work as best as we can.

“I feel we’ve now got true believers – people that are passionate about getting everyone home safely every night and we’re doing that together.”
David Howard

■ The role of the CEO

While this new way of working was led by me, as CEO, it takes the trust of the supply chain to make it work.

Some key advice I would offer to other leaders considering a similar approach would be:

- **Make it personal** – You're going to get far better outcomes if you build trust with your supply chain. Don't make it simply a mechanical health and safety process. It needs to go beyond contracts and compliance. Prove that you value human life above everything else.
- **Be patient** – Trust does not happen overnight. I think it took us between 12-15 months to really build the relationships with everyone around the table to start to see progress.
- **Get the Board involved** – This will also take time, but if your Board understands what you're trying to do, and why, it will help significantly. One thing I do, is ask a different contractor to attend our monthly Board meetings – as we're trying to operate the peer-to-peer model in the Board room.

■ How to use this case study

With your leadership team, directors, contractors, workers and worker representatives read the case study and watch the video version at www.zeroharm.org.nz/case-studies.

Then discuss the following:

- **Question 1** — Right now, how are we working alongside our supply chain? How do we get a clear picture of this relationship?
- **Question 2** — What could we do to demonstrate respect and collaboration to our suppliers and clients?
- **Question 3** — How would we know if a peer-to-peer relationship approach with our supply chain is working? What could we monitor?



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The Business Leaders' Health and Safety Forum inspires and supports its members to become more effective leaders on health and safety.

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