



Business Leaders'
Health & Safety Forum

ZERO HARM WORKPLACES

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What is safety leadership?

Rob Jager — Chair,
Shell Companies in New Zealand



Working for a global oil and gas company like Shell Group has exposed me to some well-developed thinking on the leader's role in promoting workplace health and safety.

I'm not suggesting Shell has all the answers. Despite the global company having an aspiration of Goal Zero (no harm and no leaks), it is still experiencing fatalities. In New Zealand we haven't had a fatality in 20 years, but our injury rate isn't yet where we want it to be.

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Chair, Shell Companies in New Zealand



■ The role of the leader

Safety is important to me because I genuinely care about the people who work for me. Getting safety right is also essential for Shell to maintain its “social licence to operate”. If we lose the confidence of our workers, local community and regulators, we also lose the support we need to grow in New Zealand.

My experience at Shell has taught me that leadership plays a critical role in promoting workplace health and safety. As CEOs and directors we set the conditions and expectations in our businesses. We shape the culture. If we want our organisations to be safe we've got to demonstrate that safety is our number one priority.

From my perspective, safety leadership is not that different from any other kind of leadership. It is about setting the example, clarifying expectations, monitoring performance, and holding everyone to account. It can be summarised by what leaders say, do and measure.

For me safety leadership is about a mindset. I sum this mindset up as having a passion for safety, caring about your people, being rigorous about compliance, and adopting an attitude of “chronic unease”.

Passion and commitment

Safety needs to be something you personally and passionately believe in. When safety is a core value it becomes a natural part of your decision-making process, and it will be taken into account in all areas of the business.

Shell has an organisational commitment to safety. It has guidelines that articulate what safety leadership is, and how to demonstrate it. Shell sets high expectations, and holds its leaders to account against these expectations. Safety is a measurable performance indicator; a significant part of our bonuses are based on our performance against these indicators.

Investing in people

If you want your workplace to be safe you have to spend time and money on your people. This investment includes the obvious things like training, protective clothing, and safe equipment. But it also means paying attention to the emotional welfare of your people – for example if they're having problems at home. My experience is that the investment you make will be paid back in spades in terms of productivity and quality.

Compliance

Compliance is a much maligned word. People think it means a tick-box culture. At Shell we look at it differently. We see enforcing rigorous compliance with key processes and practices as being one of the best ways to create a safety culture.

For example, the Shell Group has 12 life-saving rules around activities that have caused the most fatalities and serious harm in its global operations. These rules are simple, easy to understand, and easy to enforce. Anyone who chooses not to follow the rules chooses not to work for the company. The life-saving rules have had a huge impact, helping Shell Group's fatalities drop from more than 30 to less than 10 in just a few years.



Chronic unease

At Shell we talk about adopting a mindset of “chronic unease”, which can best be described as a healthy skepticism about what we’re being told. It’s about not just accepting things at face value, but digging deeper to make sure you really understand the risks.

It means resetting your tolerance to risk, so you are constantly questioning whether what you are doing is enough. A state of chronic unease means leaders are alert to even the slightest signals of potential failure, and intervene accordingly.

■ Leadership in action

So what can leaders do to demonstrate their personal passion for safety? I believe the only way you can credibly demonstrate a passion for safety is by getting personally involved. It’s about boots on the ground and skin in the game.

What we say

I take every opportunity to talk passionately about safety to my staff and contractors. This includes talking about what I’m doing to help them stay safe.

“We have a scorecard for how well we’ve performed on health, safety and the environment, and our bonuses are partly based on this.”



It’s not hard for leaders to create opportunities to talk about safety, and to show people you really mean what you say. For example, Shell has an extensive health, safety and environment plan that’s linked to our risk areas and objectives. All senior managers, contractors and sub-contractors are asked to physically sign our annual safety plan. This is a great way to make a statement, focus their attention, and turn a paper document into something tangible and relevant.

What we do

Shell works hard to build safety leadership capability, and has a good programme to achieve this. Senior managers are given specific and practical information on the things they can do on a day-to-day basis to demonstrate safety leadership.

For example, all senior leaders are expected to actively participate in a wide variety of safety meetings. For me this means things like leading one or two of our annual Safety Day sessions and talking about Goal Zero at various project induction programmes. I take part in one of our annual back-to-work breakfast sessions and am a member of incident review panels.

Once a month I visit an operational site. I attend the toolbox meeting and spend the morning talking with staff and contractors. I ask them to tell me about the hazards they face and what they’re doing to keep themselves safe.

What we measure

Monitoring is critical. But it’s also critical that you monitor the *right* things. At Shell we monitor leading indicators, as well as lagging indicators. Leading indicators help us measure the impact of our safety programmes, and pinpoint areas where we need to improve. Using a mix of lead and lag indicators provides us with a much more dynamic picture of our performance.

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Contractors

Shell’s approach to contractor safety is underpinned by contracts that set clear standards. But what really drives safety performance on our projects is the relationships we establish with our contractors that are based on shared values. For me that relationship approach is demonstrated by having meetings with the CEOs of our contractor companies to discuss health and safety, and always being available if they want to raise a safety issue with me.

■ Summary

I'm not pretending that maintaining a passionate commitment to safety is easy. Like everyone I constantly juggle competing calls on my time, and the pressure goes on when the workload increases. This is something I know I need to monitor – because the decisions we make about how we spend our time are the ultimate test of our safety leadership.

And I'm not suggesting Shell has all the answers. Certainly here in New Zealand our safety performance is not where it needs to be.

But I do believe in the power of leaders to create a culture of safety. We can do this by what we say, do and measure, and if we have a mindset of passion, compliance, chronic unease and of genuinely caring about our people.

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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 200 members, who are CEOs or Managing Directors of significant New Zealand companies.

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