Safety Goals and Objectives

Performance measures can be broadly classified as safety goals and safety objectives. Goals are more long range than objectives and they may or may not be quantitatively measurable, while objectives cover a shorter term and are always measurable (Pierce 1995, 125). Most often, objectives are goals that have been broken into small, progressive pieces. Six guidelines for setting goals and objectives are as follows (Pierce 1995, 127):

1. Set goals and objectives as part of the planning process.
2. Word the goals and objectives clearly.
3. Goals and objectives must be realistic.
4. Accomplishing goals and objectives must be under the responsible person’s influence or control.
5. Objectives must be assigned to someone.
6. Completion dates must be established for each objective and goal.

ESTABLISHING EFFECTIVE SAFETY GOALS

Establishing goals for the safety performance program provides a vital blueprint for implementing and directing the organization’s resources in order to achieve desired outcomes. The most commonly found goals in any safety and health program include lost-time injury rate, lost workdays, recordable injury rate, and total injury rates. Safety goals can also be vague. Some examples that fall into this category include goals “to achieve compliance” or “to provide a safe environment” (Pierce 1995, 122).

When establishing goals, it is important to identify those measures that are indicative of a good program. They must emphasize activities that are needed to meet the goals. A common downfall is to develop broad-ranging goals with no clear understanding of the activities that impact the outcomes, which in turn determine whether or not the goals are met. The best results for a metrics program can be achieved when the goals set are appropriate.

Guidelines for developing effective goals and objectives have been presented in this chapter. The following are some examples of poorly constructed and well-constructed safety goals and objectives:
• Poorly constructed safety goal: “Improve the safety record of the organization.” This is considered a poorly written safety goal since it does not establish a time frame for completion. It also does not provide a specific outcome that would be indicative of meeting the goal.

• Well-constructed safety goal: “Over the next five years, the organization will reduce OSHA recordable injuries by 10 percent.”

This is considered a well-constructed safety goal because it establishes a fixed, long-term focus for the safety program. The desired outcome for the goal is also measurable.

• Poorly constructed safety objective: “The organization will increase employee safety training offerings.”

This is considered a poorly written safety objective since it does not establish a time frame for completion. It also does not provide a measure by which success or failure of meeting the objective can be ascertained.

• Well-constructed safety objective: “During this fiscal year, the organization will provide twelve monthly safety-training programs at which 90 percent of the employees shall attend.”

This is considered a well-constructed safety objective because it establishes a fixed, short-term focus for the safety program. The desired outcome for the goal is measurable.

ESTABLISHING SAFETY OBJECTIVES

In order to develop an effective safety metrics program, the objectives of the organization must be clearly established. Business objectives typically state and define underlying organizational “values” and quality factors such as safety, rework, environmental soundness, and customer satisfaction. The development of these business objectives usually begins with the stated mission for the organization. This organization’s mission statement will provide the overall guidance for not only the safety program but also any other program developed to meet the organization’s overall goals and objectives.

While the business side of the objectives may be stated in terms of productivity, costs, or profits, safety objectives can be stated in terms of losses, accidents, safe behaviors, or increased costs.

THE BALANCED SCORECARD APPROACH

Organizations need to recognize that there is no single, reliable measure of health and safety performance. One method of developing safety objectives is through the use of the balanced scorecard approach. The balanced scorecard approach to
strategic management was developed in the early 1990s by Drs. Robert Kaplan and David Norton [Balanced Scorecard Institute 2001]. The concept “translates” the planning perspective of an institution (mission, strategic vision, and goals) into a system of performance indicators that cover all-important perspectives of performance (i.e., finances, users, internal processes, and improvement activities) [Poll 2001, 709].

The balanced scorecard management system provides feedback concerning internal business processes and external outcomes. To improve performance, continuous improvement strategies are incorporated into the model. The process involves defining the mission and goals for the organization. As with other performance improvement processes, the activities necessary to meet the goals are developed and measures indicative of that performance are identified. Continual improvement is incorporated into the model, which balances financial and non-financial demands of the organization with performance.

What is required to develop a “balanced scorecard” is a “basket” of measures that provide information on a range of health and safety activities [Health and Safety Executive 2001, 5]. The balanced scorecard assists organizations in overcoming two key issues: effective organizational performance measurement and implementing strategy [Niven 2002, 3]. An organization can use the balanced scorecard tool as a framework for translating its vision and strategies and clarifying its strategy through selected objectives and measures [Gunduz and Simsek 2007, 622]. The balanced scorecard utilizes four perspectives:

- Financial perspective
- Customer perspective
- Internal perspective
- Innovation and learning perspective

These four perspectives are all tied to the organizational mission and vision. Within each perspective, goals can be developed and the appropriate metrics can be identified.

**BENCHMARKING**

Benchmarking is an ongoing process of measuring one company’s safety performance against that of competitors or organizations that are recognized as industry leaders. The benchmarking process requires an organization to identify other organizations that are considered best in their field, identify what makes the others the best, then work to attain that same level through a continual improvement process. In other words, benchmarking is simply learning what other programs and organizations are doing to be successful and using some of those successes in one’s own program or organization [Pierce 1995, 176].

Benchmarking serves as a measuring stick for the organization by identifying those organizations that are viewed as the best. Benchmarking can also be used to identify areas of weakness and assist in prioritizing program improvements.
Finally, benchmarking provides a mechanism for continuous improvement. It serves as a continuum toward achieving and maintaining excellence in the program or organization (Pierce 1995, 179).

When benchmarking safety performance, the safety manager identifies the organizations that can be considered the leaders in terms of various safety performances. One should keep in mind that while one organization can be considered the best in terms of lost workday cases, another company can be considered the best in another aspect of the safety program. The overall purpose and intent of benchmarking can be summarized as the (Holloway, Lewis, and Mallory 1995, 128):

- Development of an understanding of the fundamentals that create business success, based on an objective measurement of relative performance (both real and perceived) against relevant companies, in areas involving critical business processes
- Focus on continuous improvement efforts, based on an ongoing analysis of the essential differences between similar processes in comparable businesses and of the underlying reasons for these differences
- Management of the overall change process and of the individual changes involved in achieving the improvements, based on the development and implementation of action programs to close the gap between a company and the “best-in-class” companies with the most relevant key performance variables

Benchmarking can readily be applied to the safety function in an organization. A structured approach should be followed for selecting measures for which the benchmarks are based. Examples of benchmarks in safety include outcomes-based measures such as accident rates and losses and performance-based measures such as the implementation of a hazard recognition program or employee training programs. Prior to making changes in the workplace, the safety manager must carefully select the proper performance measures that are indicative of the benchmarks established. For example, a safety manager has been experiencing a high frequency of back injuries in the facility and decides to establish a benchmark for the company for this area of the safety program performance. The safety manager obtains accident data from a variety of other organizations related to their back injury experience and information pertaining to the accident prevention activities that the companies engage in to control back injuries in the workplace. To effectively reach the benchmarks, the safety manager must decide if the activities the other organizations are engaged in are adequate or if there are other activities that should be implemented that are unique to the company (e.g., material handling hazards). The safety manager must then develop performance measures for activities in order to determine if they help to reach the benchmarks.

DEFINING SAFETY BENCHMARKS

Benchmarking can be undertaken in almost any area of business and organizational endeavor, including safety performance. The basic requirement is that key
performance variables are identified, measured, analyzed, and compared to pro-
vide a basis for planned performance improvement. An optimum benchmark can
be characterized by the following (Holloway, Lewis, and Mallory 1995, 134):

1. The benchmark should be measurable in terms of cost, time, value, or
   some other quantitative parameter.
2. The benchmark should be meaningful and relevant.
3. Benchmarks that use simple performance measures are often the best and
   the most easily accessible.
4. The benchmarks should be available in external and competitive environ-
   ments.
5. If an actual external measure cannot be obtained, a well-founded estimate
   should be used as a substitute.

In many companies, such safety performance variables are found internally
through accident reporting and safety recordkeeping. The safety manager needs
to identify those measures that are key to safety performance success. The key is
to be clear about the needs and what is important to improve. Overall, there
are four different types of benchmarking that a safety manager can use: internal,
functional, competitive, and generic (Holloway, Lewis, and Mallory 1995, 129–
30).

**Internal benchmarking** is done within an organization and typically between
closely related divisions, similar plants or operations, or equivalent business
units, using common or shared performance parameters as a basis for comparison.
Because of the relative ease of starting a new activity internally, the lower re-
source implications, and the higher assurance of gaining cooperation, this is the
area in which many organizations choose to start benchmarking activities. This
is valuable in gaining initial knowledge, experience, and commitment, but it is
limited to internal criteria only. Examples of internal benchmarks for safety in-
clude accident data and activity measures such as training programs completed
and hazard surveys conducted.

**Functional benchmarking** is a comparison of performance and procedures be-
tween similar business functions, but in different organizations and industries. It
represents a more positive approach than internal benchmarking by being exter-
ernally focused. However, in relating only to specific functions, it may not be of
wider benefit in other areas of the organizations concerned. Functional bench-
marks for safety could involve making comparisons to different organizations
and industries in terms of lost workdays, recordable injuries, and workers’ com-
pen sack losses.

**Competitive benchmarking** generally focuses on direct competitors within
the same industry and with specific comparable business operations, or on indi-
rect competitors in related industries (perhaps key customers or suppliers) having
complementary business operations. There are often practical difficulties with
sourcing information, and activities may be limited to arm’s-length comparisons.

**Generic benchmarking** is undertaken with external companies in different
industries, which represent the “best-in-class” for particular aspects of the se-
lected safety measures.
BENCHMARKING PROCESS

The benchmarking process involves comparing a company’s safety experiences with other companies and organizations. Organizations use the performance results from others to define their benchmarks and strive to meet those levels. Best practices in benchmarking can be set, at each stage, by posing four fundamental performance questions (Holloway, Lewis, and Mallory 1995, 129):

- Are we performing better than we ever have?
- Are we performing better than other plants or business units in the company?
- Are we performing better than our competitors?
- Are there any other industries that are performing well, and from whom we can learn?

Benchmarking can be defined as a six-part process. They are surveying, identification, prioritization, developing a plan, implementing a plan, and follow-up (Pierce 1995, 177–78). These steps in the benchmarking process are described in detail in the following sections:

Surveying: The first part in benchmarking is surveying “front-running” programs or organizations. There is a critical need to identify the programs or organizations that are truly front running. Once front-running organizations or programs are selected, the sites are visited or telephoned to see how they operate. A survey is used to gather information and determine how other safety programs operate.

Identification: The second part of benchmarking is identifying the complementary solutions used by the target organization or program. The solutions are only “complementary” because the purpose of benchmarking is not to build a replica of the target.

Prioritization: Part three of benchmarking is prioritizing the “growth opportunities” from the list of complementary solutions. This step involves determining where the safety program weaknesses exist.

Developing a plan: Develop a plan to achieve growth. The plan can be used to identify the areas to pursue.

Implementing the plan: This step involves the implementation of the plan that has been developed.

Follow-up: Benchmarking is a dynamic process. Once the plan has been implemented, the next step is the ongoing aspect of the process, the follow-up. At regular, scheduled intervals, resurvey, reprioritize, refine the plan, and redirect the implementation.

Motorola has developed their five-step benchmarking plan. This plan consists of the following steps (Hodgetts 1998, 196):

1. The topics that are to be benchmarked are identified.
2. The approach to be used for gathering data is determined.
3. Benchmarking partners who are the best in terms of the functions and
processes being studied are identified, and a partnering agreement is formulated for the mutual exchange of information.

4. The benchmarking partner’s approach is carefully studied in order to answer two questions: What enables them to be the best? How do they do it?

5. An action plan is created for both analyzing the data and implementing follow-up action.

CONTINUOUS IMPROVEMENT PROCESS

Benchmarking uses total quality management principles to integrate safety management techniques and existing improvement efforts and technical tools into a disciplined approach focused on continuous improvement. Continuous improvement is essential in increasing safety performance and alleviating waste of employee time and company resources (Kaufman, Thiagarajan, and MacGillis 1997).

An underlying premise of continuous improvement process can be depicted in terms of the classic plan-do-check-act (PDCA) management cycle. This PDCA cycle can also be found as a management strategy in various ISO standards, including ISO 9000. With this strategy, the following steps are implemented as a means for meeting this continuous improvement (Juran and Godfrey 1999, 41.3–41.4):

- Plan objectives for quality safety and the methods to achieve them
- Do the appropriate resource allocation, training, and documentation
- Check to see if the things have been implemented as planned, objectives are being met, and the objectives set are relevant to program needs
- Act to improve the system as needed

BENCHMARKING PITFALLS

Some of the major pitfalls identified with benchmarking include the costs associated with its implementation, the lack of predictive power, the potential difficulty in obtaining information for which to benchmark against, and a significant lag time between implementation and results.

Compared with other types of analysis techniques, benchmarking does not have any predictive power to anticipate future performance, results, or benefits (Holloway, Lewis, and Mallory 1995, 148). Although great care may have been taken in the analysis of other companies and the activities they developed to reach certain performance levels, there is no guarantee that those same activities will yield the same results in another organization. The differences may be due to a number of reasons, including a perceived cause and effect between performance and the activities that really do not exist, differences in the organizations’ safety climates, and differences in the exposure levels to various hazards in the workplace.

Costs have also been identified as a potential problem with benchmarking.
When done properly, the benchmarking process requires a substantial amount of time and resources analyzing other companies’ data and activities, developing and implementing new activities in the workplace, and improving continually the process of data collection, analysis, and modifications.

A third area that can become a problem for benchmarking is the availability of valid data from other organizations. In order to establish effective benchmarks, one must know the performance levels of other organizations. It may be difficult to obtain the necessary data from other companies, and if it is obtained, comparisons may be difficult due to differences in measurements used across industries.

Fourth, the benchmarking process requires a considerable amount of time from when the decision is made to benchmark to when measurable results are realized. As with any safety program activity designed to improve performance, the results of the performance may not be evident for some time. In the case of measuring activities designed to increase the workers’ use of personal protective equipment, results may be evident in a relatively short period of time following the implementation of the program. Supervisors can go out to the production areas and observe worker performance. However, in the case in which the activity is supposed to reduce the number of recordable injuries, the lag time may be a year before the decrease in cases can be substantiated.

SUMMARY

For safety performance to improve, the safety manager must establish goals. Benchmarking is the process through which the organization identifies the best safety performing companies and strives to meet or exceed their performance levels. Continual improvement is the process through which benchmarking can be used to improve performance. While it can be a time- and resource-consuming process, benchmarking is a successful and worthwhile endeavor for a variety of organizations.

CHAPTER QUESTIONS

1. Define the terms safety goal and safety objective.
2. Define the term benchmarking.
3. What functions does benchmarking serve for an organization?
4. An optimum benchmark can be characterized by what qualities?
5. Differentiate between internal benchmarking, functional benchmarking, competitive benchmarking, and generic benchmarking.
6. Describe the six steps in the benchmarking process.
7. Describe the "continuous improvement process."
8. Describe the PDCA management cycle.
9. Describe some disadvantages to benchmarking.
10. Describe the five-step benchmarking process used by Motorola.