



The Efficient
Workplace

Start with Safety

Improve your productivity by building a safety culture

White paper by Kimberly-Clark Professional*



Exceptional
Workplaces

Introduction

Starting with Safety

Everyone who works in manufacturing has seen someone risk safety in the name of productivity.

It seems intuitive that constraints we put on ourselves and our coworkers to keep each other safe hinder our efficiency. We reach around a machine guard to keep a process running. We bypass lockout procedures to save minutes because minutes count in productivity. Most in manufacturing could tell a story about how this behavior has led to accidents.

This mentality is not only dangerous. It's short sighted.

In fact, it's flat out wrong. In high-performance manufacturing organizations safety and productivity goals are not in conflict. They work together. These goals are an outcome of continuous improvement efforts focused on day-to-day changes that achieve both. Safety enhances productivity. And productivity improves safety.

Not only is safety an important part of a highly functional continuous improvement program. It's also a great place to start. In this paper we'll explore the link between safety and productivity and how starting with safety can help engage employees to improve the productivity of your operation.

Rethinking the Cost of Failure

Everyone is talking about the cost of accidents.

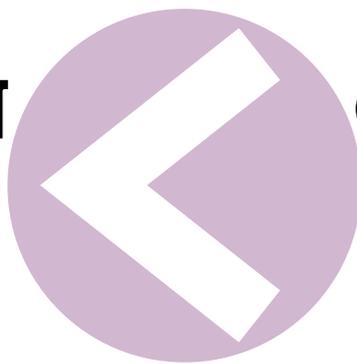
Safety organizations think if employers understand how much accidents cost them then they will take action to avoid them. The Association of Workers' Compensation Boards of Canada reports that Canadian employers spent over \$5.5 billion on workers compensation in 2011. The 2012 Liberty Mutual Workplace Safety Index estimates that the most disabling workplace injuries and illnesses in 2010 amounted to \$51.1 billion in direct US workers compensation. When you factor in lost time and lost production the cost of accidents skyrockets to over \$250 billion per year in North America.

These macro figures are useful but it's hard to apply them to the impact at one facility. So what's the cost of a common accident to an individual facility? Right now the estimated employers cost of a hand injury, including workers compensation, lost time, and lost production, is about \$16,000. \$16,000 is a lot of money. But it's not as compelling as a number with 9 zeros. For most manufacturers a \$16,000 cost is unwelcome but isn't going to shut the plant down.

Looking at the cost of accidents in workers compensation, lost time, and lost production misses the point. World class manufacturing operations don't just look at the cost of failure. They look at the possibility of gains to be made

from improvement. When they do think about cost they think about the opportunity cost of not improving—forgoing all the gains that could be made in both safety and productivity if continuous improvement doesn't happen. What is the real cost of not building a workplace that is as safe and productive as it could be? That's harder to quantify but in aggregate it's much larger than the \$250 billion estimate for the employer cost of accidents. And at the facility level it could very well lead to obsolescence. It could cost you everything.

**COMMON
COST**
of accidents



**OPPORTUNITY
LOST**
for not building a
culture of continuous
improvement

Lean Continuous Improvement that Works

Lean manufacturing may be old news but it still hasn't been adopted by every manufacturer.

And in many places where it has been tried it hasn't lived up to the hype. Why not? One recent study suggests that lean programs fail when they focus on big projects driven down by management instead of engaging front-line

employees in daily improvement of their their day-to-day work. High-performance lean organizations take advantage of the fact that front-line workers know their jobs better than anyone else. The study showed that around 80% of their improvement is generated by a continuous stream of small projects that engage workers. And most of the benefits of big lean projects disappear within 6 months.¹

So what does a successful lean program look like? The study showed that successful lean programs include a high-performing idea system. This isn't a suggestion box. It's a system that empowers front-line employees to identify and implement opportunities for improvement. A high-performing idea system includes four important components:

1

Ideas are integrated into everyday work.

This means the workday is designed around capturing and executing on ideas from the front-line with an escalation process to management when support is needed.

2

The emphasis is on small ideas.

Small ideas can be implemented quickly and workers can immediately get excited about the benefits. Implementing many small ideas to improve a process is also a competitive advantage because they are more difficult for competitors to spot.

3

Front-line performance metrics focus ideas on what is important.

This typically includes efficiency but lean programs are also used to tackle safety, quality, and cost goals.

4

Both managers and workers are held accountable for their roles.

Workers generate ideas and try to implement them without help. If they need help, management is there to supply it.

Lean isn't just about productivity. It's a continuous improvement system that can tackle other problems like quality and safety.

¹ Source: The Role of Front-Line Ideas in Lean Performance Improvement, Robinson & Schroeder, 2009

Why Start with Safety?

High-performing manufacturers build a culture that engages front-line employees to identify and solve problems every day. But the engagement part can be the hardest. Workers have to rally behind improvement and see immediate benefit from their efforts for this to work.

Safety is a great place to start.

It's just more engaging emotionally than productivity and quality improvement, which can be seen as serving only the company, especially when things aren't going well. A focus on safety can reinvigorate a low-morale workplace. Safety culture is about that obligation to protect each other in what can be a dangerous work environment. It's about a desire to return home to our families in one piece. It's about soft skills in action—teamwork, building trust, and focusing on a common goal.

Safety to Productivity in 4 Steps

Building a continuous improvement program that integrates safety and productivity isn't easy. But the rewards can be big. Here are four steps you can take to get started:

1. Set Expectations with Safety

Start with a communication campaign at all levels of the organization that safety is going to be a focus. This includes direction of what is expected of every one employee. The goal is to get workers to start thinking about safety every day.

At Kimberly-Clark we developed our Three Safety Obligations as a focus for all of our safety efforts—both in communications and in practice on the shop floor.

Kimberly-Clark's Three Safety Obligations

- A.** You are obligated to refuse to take any action you consider unsafe.
- B.** You are obligated to confront anyone performing or about to perform an unsafe act.
- C.** You are obligated, if confronted, to immediately stop what you are doing and resolve the concern.

The Three Safety Obligations are all about helping each other stay safe in the workplace. This teamwork approach has generated significant engagement—and significant results. Kimberly-Clark has a recordable injury rate that is more than 10 times better than the average for our industry.

2. Prove that Safety is Important

You can't just talk about safety. You have to live it. This means being willing to make tough decisions when safety seems to conflict with other priorities. Walk the talk. Communicate that you are willing to shut down equipment instead

of risking injury. Then consistently do it when the opportunity arises. Walk frequently through the facility to reinforce the obligation that workers have to protect each other. Point out when someone should have stopped someone else from

working. Every leader should become a safety coach, not an enforcer, on the floor. Word will quickly get around that things are changing.

Safety to Productivity in 4 Steps - continued

3. Build an Integrated Safety Ideas Program

Build a program that solves safety problems every day by empowering workers to identify and implement ideas. Remember the model for a high-performing, integrated ideas system:

- **Ideas are integrated into everyday work.**
- **The emphasis is on small ideas.**
- **Front-line performance metrics focus ideas on what is important.**
- **Both managers and workers are held accountable for their roles in the idea process.**

4. Add Productivity

Once you have employees engaged in day-to-day problem solving you can expand the scope of the program to include other performance metrics. Workers may even start doing this on their own once they see the power of

continuous improvement making their jobs better. Add front-line metrics around productivity and quality and start the ideas flowing.

Conclusion

Safety and productivity aren't at odds at high-performance manufacturing companies. They reinforce each other. Continuous improvement programs that work solve both safety and productivity problems every day. The key is to engage front-line employees to lead the effort. Getting them to own their personal safety and the safety of their coworkers is a great way to get a winning continuous improvement effort off the ground.

About Kimberly-Clark Professional*

Kimberly-Clark Professional* provides essential solutions for a healthier, safer, and more productive workplace.

Want help uncovering hidden opportunities? Get started with The Efficient Workplace program.

The Efficient Workplace from Kimberly-Clark Professional* is an innovative program that combines proven lean manufacturing principles with industry best practices and customized product solutions. It's designed to help you uncover the hidden opportunities that can make a big difference in safety and efficiency. It helps you see industrial supplies through a different lens. So you can turn your attention to places you may never think to look.

For additional information on The Efficient Workplace, visit www.kcprofessional.com/efficientworkplace