TRANSFORM YOUR MANUFACTURING OPERATION WITH A CULTURE OF SAFETY

Field-tested safety principles that power performance excellence

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The daily safe return home of every worker is the goal of every U.S. manufacturer.

Yet the gap between that goal (i.e., zero recordable incidents) and practice remains alarmingly wide: Over 370,000 cases of nonfatal manufacturing injuries and illnesses were recorded in 2020, according to the U.S. Bureau of Labor Statistics. And fatalities? Over 340. That represents nearly one manufacturing worker killed each calendar day.

The fallout from these tragedies takes many forms, from heartbreak and concern ("Am I next?") to the financial toll exacted by worker compensation rates, healthcare insurance, litigation, staff recruitment and training, among other costs.

It's not surprising that more manufacturers pledge to advance their safety programs beyond the compliance levels set by the Occupational Health and Safety Administration (OSHA) or their manufacturing trade association. The catalyst to go beyond compliance often includes:

- **A RESPONSE TO PERSISTENT WORKPLACE INJURIES OR A MAJOR TRAGEDY.** An organizational reckoning can become an inflection point in the life of a company, as leadership rallies the company to observe a higher safety standard.

  For example, Roger Milliken, former chief executive officer of South Carolina-based Milliken, a leading textile, chemical, floor covering and healthcare manufacturer, vowed, "We must make certain that an incident will never occur, ever again ..." in a passionate response to an injury at one of the company's finishing plants in the late '80's. His declaration sparked what is arguably today the manufacturing gold standard for global plant safety.

- **RECOGNITION THAT A GOOD SAFETY RECORD CAN — AND SHOULD — BE IMPROVED.** A world-class safety program is more than a firm's 'people above profits' declaration. It's a smart business investment. Not long ago, researchers analyzed the stock performance of 26 publicly traded companies that won the C. Everett Koop National Health Award, a national honor for exceptional health behavior change and risk reduction. A 15-year study concluded Koop Award winners produced returns that topped the S&P 500 index by 235%. Koop Award winners also held their stock value better in down markets and recovered faster in improving markets.

The business case for crafting a culture of safety is a powerful one. Yet, what is a culture of safety? How does that translate across senior leadership, manager ranks and frontline workers?

This playbook explores those questions and more, sharing field-proven insights gleaned across dozens of leading manufacturers in paper and packaging, food and beverage, chemicals, CPGs, medical devices, building and construction, metals and others.

A CULTURE OF SAFETY

A best-in-class safety program starts with a simple, non-negotiable commitment: zero workplace injuries.

How companies work backward from that can take various forms, explains Dede Ericson, director of engagement for Performance Solutions by Milliken, a global leader in manufacturing safety consulting. "Are the people doing the work actively engaged in developing and leading the safety process?" Ericson asks. "They know the hazards. They have ideas on how to help solve those risks. Their perspective may be in contrast to the company's health and safety professionals, who may be more focused on meeting compliance objectives."

Scott Houston agrees. Houston is a UK-based senior practitioner at Performance Solutions by Milliken (PSbyM). The 30-year industry veteran offers a perspective informed by experience at Tetra Pak, the Swedish food and beverage packaging giant, and with Schmalbach Lubeca PET Containers supporting the European bottling operations of Coca-Cola and PepsiCo.

"The key is to get early buy-in from frontline associates," Houston explains. "Line workers are used to having corporate programs imposed on them from above. It's better to demonstrate a process that produces early wins in order to overcome natural skepticism and inspire involvement."

What can an early safety win look like? That requires a rapid understanding of the challenges frontline folks routinely face. For Ericson and Houston, that means administering and reviewing a week's worth of one-on-one assessments. "What's life really like for a third-shift employee at 2:00 a.m.? What's weighing on associates' minds? You'd be surprised how quickly certain issues emerge. That presents early win opportunities," Ericson says. "What hazard can we quickly reduce or eliminate?"

The win could be a relatively small matter, like fixing a long-faulty door. "You're not even talking about moving the needle in terms of near-misses, accidents or hazards," Houston reports. "Now you have line workers' attention. The win helps free conversation for deeper discussions."

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DEDE ERICSON
DIRECTOR OF ENGAGEMENT
PERFORMANCE SOLUTIONS BY MILLIKEN

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SCOTT HOUSTON
SENIOR PRACTITIONER
PERFORMANCE SOLUTIONS BY MILLIKEN

FRONTLINE WORKER LEADERSHIP

Why all the attention on frontline staff? Why not engage line supervisors and middle management? The construction of a safety culture is a bottom-up process. The key to culture development that outlives senior leadership changes, acquisitions/mergers and consulting coaches is a frontline staff whose safety mindset can't be easily shaken by inside or outside forces.

Central to that mindset is a reliance on leading safety indicators, which can often be a sharp counterpoint to more commonly applied lagging indicators — like the ubiquitous safety sign "XXXX days without an accident." "How is that sign useful?" Houston questions. "It's reactive. It looks backward, not forward. You need proactive leading indicators like the percentage of associate engagement in safety audits, corrective actions performed, risk assessments, safe behavior observations and so on. You want folks looking forward, working on issues before an injury happens."

There's another reason why the frontline is center stage: Call it the Snowman Effect.

"Imagine a three-part snowman. In every organization I've worked with the top snowball — senior leadership — has full buy-in on a safety transformation. They understand the cascading effect a safety culture has in building workforce involvement, engagement and empowerment, all organizational positives. The bottom snowball — the hourly workforce — are the primary beneficiaries of a safe work environment, so they're all-in," explains Phil McIntyre, managing director of Performance Solutions by Milliken.

What's less certain is the middle snowball — middle management. "Call them first-line supervisors. They often struggle with change. It's difficult to allow people who answer to them to act with autonomy in creating a safety-based culture," McIntyre says. "It's not easy to win these folks over. The best you can usually hope for is they'll see the transformation taking place, with or without them. Smart middle managers quickly see it's in their best interest to get on board."

RECOGNIZING THE SNOWMAN

A SACRED COMMITMENT

Advancing safety as a way of life requires a "sacred" operational commitment to affect lasting change. This means all frontline staff are expected to dedicate time and energy to safety, daily, at a space expressly set aside for safety committee gatherings.

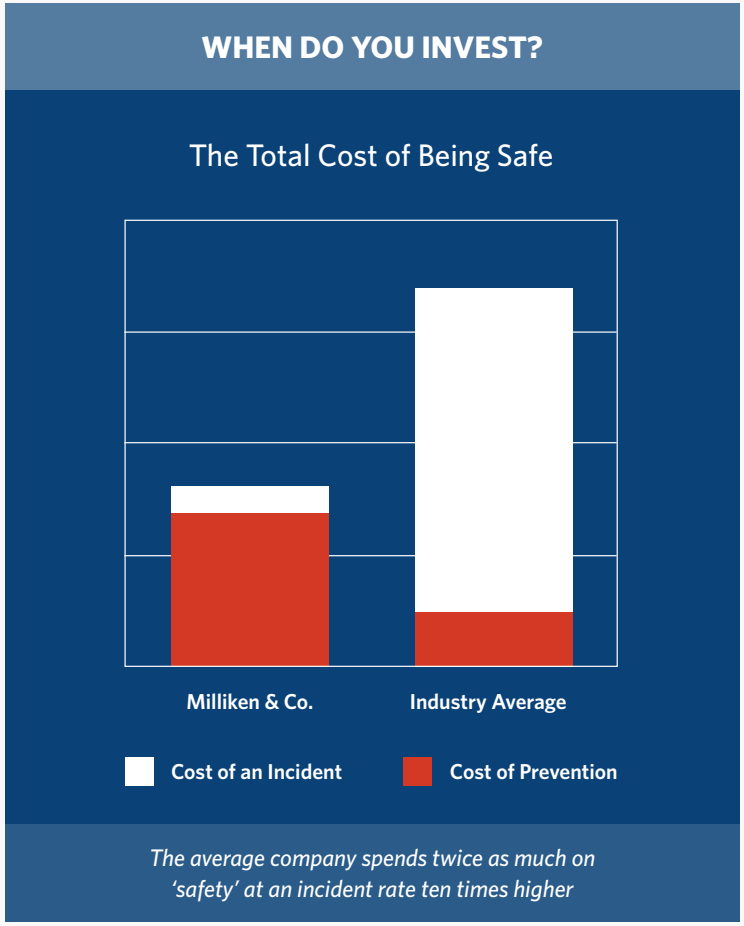
No more corner of the company bulletin board or ad hoc breakroom sessions. Floor space is now reserved for meetings and measurement boards displaying the latest leading indicator results.

Sacred time and space are substantial company commitments. Is it worth it?

"Safety isn't free," Houston states simply. Yet, as the Koop Award investment example shows, few expenditures have more certainty of return than safety. A few recent examples of PSbyM's safety engagements in action:

- **FOOD AND BEVERAGE:** A 400-employee plant achieved 100% safety subcommittee participation by all plant employees (hourly and salary) within a few months, along with a 63% reduction in hand injuries.
- **PAPERBOARD AND PACKAGING:** Safety dramatically improved across dozens of plant locations, including some reporting no incidents. Corollary benefits included rework reduced by 50%, waste decreased by 80% and equipment changeover times decreased by up to 60%.
- **CONSUMER PACKAGED GOODS:** A safety focus helped achieve approximately $2 million annualized savings through improved productivity with five million safe work hours logged.

Milliken's long-time dedication to its in-house safety program, called The Milliken Safety Way, illustrates another kind of outcome.



Milliken's aggressive investment in hazard prevention is offset by dramatically less dollar impact on the incident side, as this chart shows. What's more, the attitudinal by-product of a safety culture is a more cohesive, integrated and can-do workforce, now accustomed to sustainable team-building and unified goal setting.

For Ericson and Houston, these intangible rewards impress the most. Ericson, for example, notes "The frontline folks don't think about it in monetary terms. They live the results. They feel safer. They feel valued and protected by their line manager. As Milliken performance and safety practitioners, we must show a dollar return to management. But it's a result we typically don't discuss with frontline workers, unless instructed to do so."

9 SAFETY CULTURE PRINCIPLES

Over 30 years of working with hundreds of companies worldwide have demonstrated the efficacy of The Milliken Safety Way, the embodiment of the organization's hard-won safety lessons. These nine tenets have proven adaptable across all industries and safety engagements.

1. Establish safety leadership in your plant.
2. Design safety ownership into everyday life.
3. Commit to a sacred time and place.
4. Measure the right safety metrics.
5. Give feedback the right way.
6. Maintain constant focus on awareness activities.
7. Make safety highly touchable.
8. Present safety education for all.
9. Define care management processes.

Performance Solutions by Milliken

LISTEN ... IT'S THE SOUND OF AN UNSAFE PLANT.

It could be a squeak, squeal, bang or hiss.

It's the sound of something-isn't-right. There's danger around the corner.

For seasoned safety and performance practitioners like Ericson and Houston, a discordant machine noise piques ears trained by countless factory floor walk-throughs. "Safety is a proactive process," Scott Houston says. "If everything sounds, feels and smells fine, you know the plant is probably 90% of the way there for safety.

"In plants with safety challenges, an odd sound, sight or smell immediately puts you on alert for safety hazards."

A SAFETY RENAISSANCE

As you consider the means and methods to advance your safety program, keep in mind the benefits of a frontline staff-owned, managed and sustained safety culture.

The involvement, engagement and empowerment of all hourly and salaried plant staff on safety is essential — and it makes sense. After all, why shouldn't the people who benefit the most operate your safety program? Who better to identify and reduce hazardous situations? When all are agents of safety, risk falls away, productivity soars and the corporate mission is more fully realized.

Ask around. Weigh your options. Benchmark leading safety advisors. Consider the advantages of working with veteran industry practitioners schooled in plant operations and personnel dynamics across a diverse range of safety applications, including:

- **Process safety management (PSM)**
- **Contractor safety**
- **Psychological safety**
- **Safety audit processes**
- **Behavioral safety**
- **Safety accident investigation**

No manufacturing organization can claim a mission accomplished in matters of worker safety. Now more than ever, it makes sense to let practitioner experts guide your safety transformation with confidence, focus and result.

> **"Empowerment is the ultimate training goal. "It signals, 'Yes, I get it.' The light bulb goes on, 'Hey, we own this process. We'll take it from here.'"**

PHIL MCINTYRE
MANAGING DIRECTOR
PERFORMANCE SOLUTIONS BY MILLIKEN

INVOLVE. ENGAGE. EMPOWER.

Winning the hearts and minds of a plant workforce can be seen as a continuum.

On the far-left side, the starting side, is workforce involvement. "That's characterized by activities like, *'Did you attend a safety meeting?' 'Did you make a safety suggestion?'"* Phil McIntyre explains.

Next up: engagement. McIntyre says that's revealed by a raised hand, asking *'What do you mean by that?' 'How does that apply?' 'What happens next?'*

Empowerment is the ultimate training goal. "It signals, 'Yes, I get it.' The light bulb goes on, *'Hey, we own this process. We'll take it from here.'"*

Performance Solutions by Milliken practitioners like Ericson and Houston work step-by-step to advance the continuum all the way through frontline staff empowerment. Management moves to the back of the room, allowing hourly staff to transform organizational safety.

ABOUT MILLIKEN & COMPANY

Milliken & Company is a 159-year-old privately owned and technology-based company headquartered in Spartanburg, South Carolina. The firm employs over 8,000 associates worldwide and is considered one of America's Most Innovative Companies by Fortune, just one of 11 manufacturers on the 2023 list. The company holds 2,500 U.S. patents and more than 5,500 patents worldwide.

The firm is relentlessly dedicated to manufacturing quality across its global manufacturing network. It closely studies production methods worldwide and aggressively implements 'the best of the best' practices in its plants, which are frequently used as educational and training showcases. The approach has garnered numerous industry honors, including the Malcolm Baldridge National Quality Award, European Quality Award, British Quality Award, Canadian Quality Award, Japan Institute of Plant Maintenance TPM Excellence Award, America's Safest Company, Fortune's 100 Best Companies to Work For and is included on World's Most Ethical Companies list, among other distinctions.

As the former CEO Roger Milliken summed up the Milliken philosophy, "Operational excellence secures the present. Innovation excellence secures the future."

Connect with Performance Solutions by Milliken today to explore how your manufacturing operation can build a culture of safety.

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