



AUSTRALIA – ARE WE LEADERS OR FOLLOWERS IN MEASURING SAFETY?

If safety performance is measured only on results, including lead and lag indicators, then the table below shows Australia as a global safety leader. And we should therefore congratulate ourselves as the safest mining country in the world, as measured by Fatality rates and Lost Time Injury Frequency.¹

However are results measured by lag indicators an accurate reflection of our safety leadership and culture?

We have some of the worlds leading mining organisations based in Australia who have helped develop the global maturity of safety in mining and mining services, many of whom hold Injury Frequency Rates in the single digits. Yet we continue to have fatalities.

We know <10% of organisations measure any form of Safety Culture or Safety Leadership as a standard management metric for evaluating organisational safety performance. Of those organisations that do measure safety culture, it is often as a subset of an overall employee engagement survey, with limited insight offered.

This continued focus in measuring outputs (lead and lag Indicators) versus inputs (behaviours, culture and leadership) suggests we are still focused on reactive results.

With the recent fatalities in NSW, WA & QLD we are again reminded of the importance of truly understanding CAUSE and EFFECT. Cause, such as behaviours, culture and skills/competence. Severity and frequency when considering effect.

An alarming statistic that demonstrates the importance of understanding CAUSE can be highlighted from the 2013 GSI Outlook Survey of Safety Leadership². Here <2% of Australian operational leaders considered themselves to have the necessary skills and competencies required to call themselves 'High performance safety leaders'. In fact 50% rated themselves as 'Novice' or 'Developing' safety leaders. Confronting, when you consider the importance

safety plays in the daily responsibilities of every operational leader.

Organisations such as Anglo America, Rio Tinto and BHPB amongst others have recognised this very fact and for some time have invested heavily in building the safety leadership competence and capability of their workforce. Examples such as Anglo Americas "Visible Felt Leadership" and Rio Tinto's "Leading Zero Harm" programs are targeted at just this.

Unfortunately many of these investments are 'Point in Time' and have a diminishing impact unless refreshed or supported with personal accountability plans. Even with ongoing support the question remains 'How are organisations tracking the Safety Leadership Competence and capability of their workforce?' Is it getting better? Is it affected by seasonality or workload pressure? And do we have a difference in competence and capability across geographies, tenure or organisational levels?

Managing Director at Global Safety Index, Ben Wilson, notes, "it is ironic that organisations have the ability to tell you the exact time, location, person, task, piece of equipment -down to serial number of the drill bit used- when an incident occurred, yet they do not have the same level of detail, discipline or analysis to determine the at-risk behaviour, competence or capability level, or even how the operator was feeling prior to the time of the incident/injury. We are great at reporting the effect but not great at understanding, tracking and reporting the cause".

This is alarming, considering we already know the vast majority of incidents and accidents occur primarily as a result of human error or at-

risk behaviour, and we can absolutely measure, track, analyse and report in real-time these very factors; including safety leadership-competence, capability and safety culture.

We need to consider what Safety Performance Measurement Leadership will look like in the Mining Industry moving forward.

As recent as February of this year, governing bodies and agencies have begun to shift their expectations around what is measured and where organisations should begin to focus, to ensure all aspects of safety are considered and controlled in an ongoing fashion. Cause and Effect!

A good example of this is the recent Mine Safety Alert from NSW Mine Safety "...mine management should consider undertaking a safety culture survey in order to understand, quantify and assess workers' perceptions and attitudes towards risk taking behaviour and the subsequent management thereof".³

The real leaders of the mining industry are committed to driving a culture of high performance safety and embracing a more holistic measure of safety that includes CAUSE and EFFECT, from safety leadership competence and capability to safety culture.

Global Safety Index and its growing global membership base are evidence of this as more and more organisations take up this challenge and begin to measure both Safety Leadership and Safety Culture on the organisational scorecard along side traditional Lead and Lag Indicators. The potential safety and productivity gains for the Mining Sector from adopting such practice are considerable.

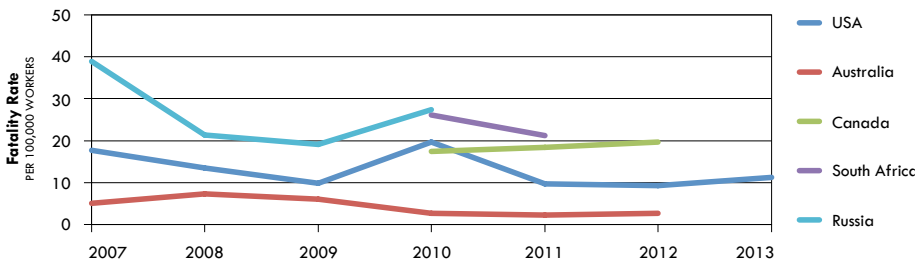


TABLE 1

MINING INDUSTRY FATALITY RATE COMPARISON

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