

# Leveraging Health & Safety as a Competitive Advantage

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# Premise

Can Health and Safety be a Magic Bullet or is it just a Bullet that goes to the Bottom Line?

If the answer is Yes...  
then your total H&S  
expenditure to comply with  
OSHA regulations should  
reap an increase in employee  
morale and productivity.



# H&S Perspective

## Traditional View

## Competitive Advantage

Cost vs. Value Multiplier

Isolated vs. Integrated

Risk Management vs. Productivity Enhancer

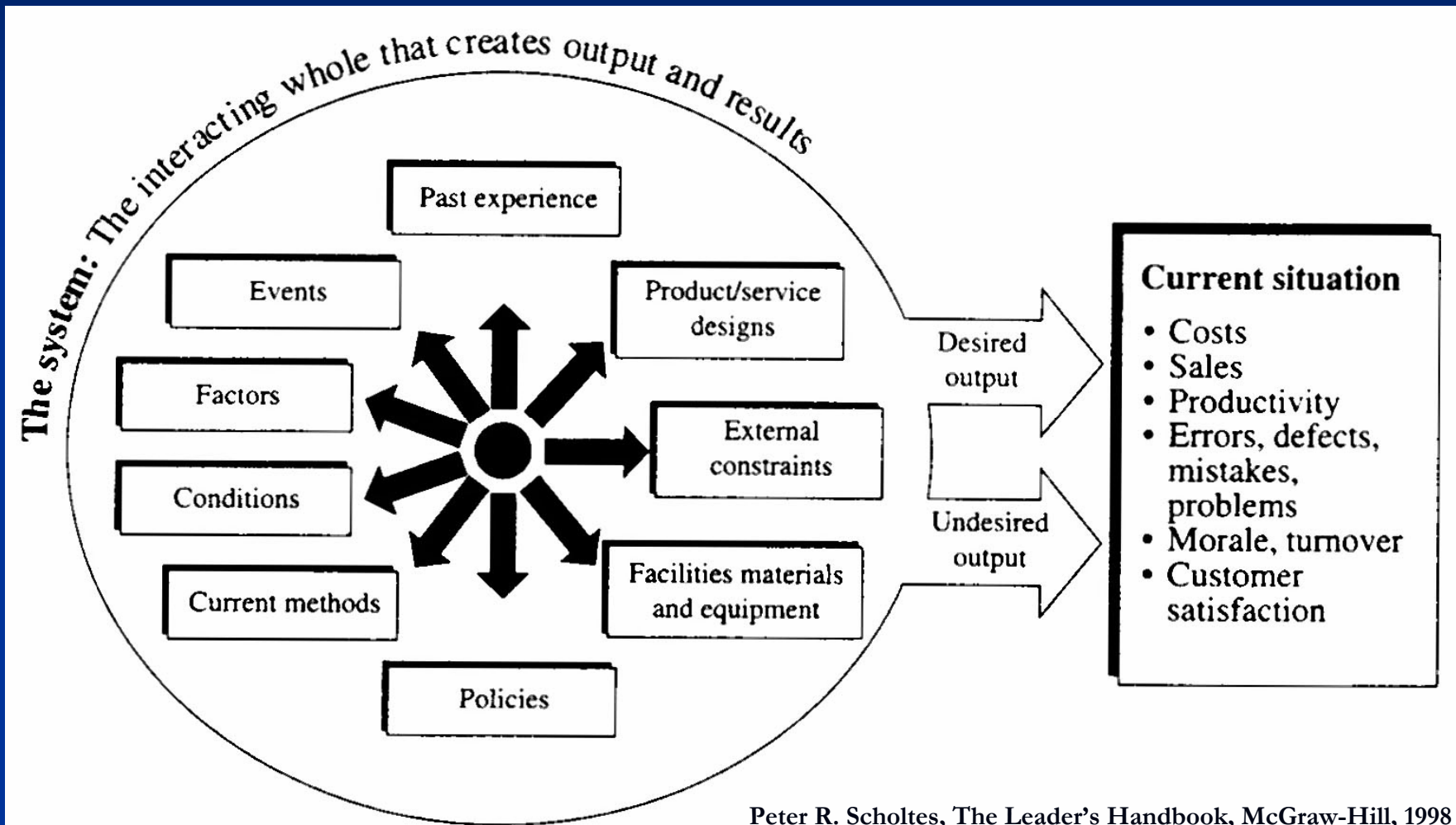
Reactionary vs. Strategic

# One Company's Perspective

“The Foundation for employee support of management strategy is an iron clad commitment to employee well being.”

Paul O'Neill  
US Treasury Secretary  
Former CEO of ALCOA

# A “Systems” Approach



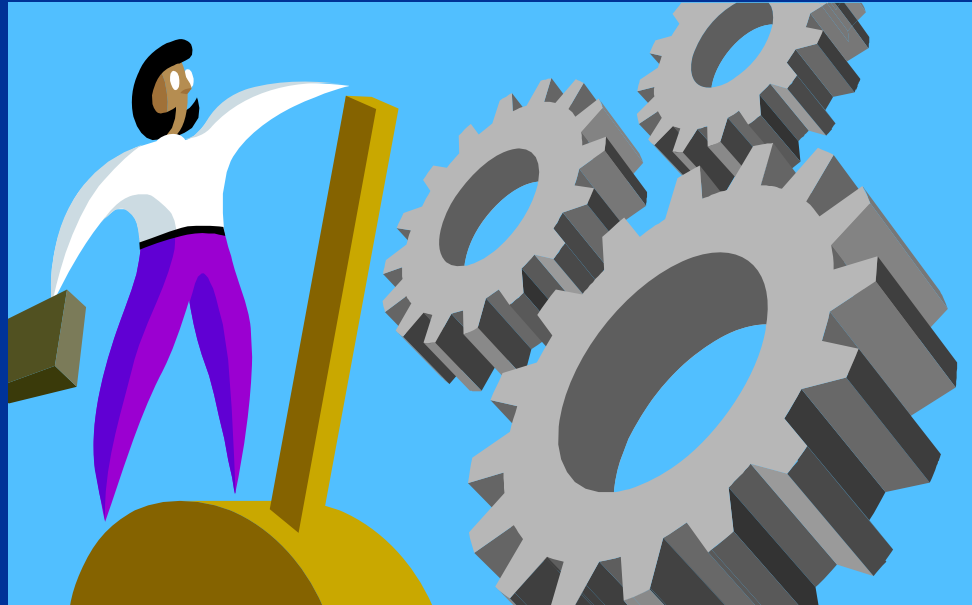
# Understand this.....

“All of the empowered, motivated, teamed-up, self-directed, incentivized, accountable, re-engineered and re-invented people you can muster cannot compensate for a dysfunctional system.”

Peter R. Scholtes

The Leader's Handbook, 1998

# How do we change the system?



# What is a “Leverage point”?





# What is a “Leverage point”?



# A Leverage Point is...

- A place to intervene in a system
- A place where a small shift in one thing can result in a big change in many other things.
- “People know intuitively where leverage points are... [however] complex systems are counterintuitive.” Jay Forrester/ MIT
- A point of power/ legend

# The Questions Are:

Where are the leverage points?

How do we find them?

# Overview of Leverage Points Table

- Notice the leverage points in the first column are descending in order of increased effectiveness.
- The second column provides additional descriptive language and examples to illustrate the point
- Column three offers some examples of operational leverage points
- The fourth Column provides examples of Safety Leverage points,
- the fifth column are examples of legal leverage points

# Overview of Leverage Points Table

- the sixth column is a space for you to capture any ideas, questions, observations you might have.
- You'll notice that Leverage points 12 through 9 are primarily about physical parameters, leverage points 8 through 4 are about an organization's system or cultural rules, which may be either written or unwritten.
- Leverage points 3 through 1 are about the mindset and values of the organization's leadership which lay the foundation for the organizations culture and system.

# Summary

- There are no single right answers.
- You must look at the whole and preferably with a team of people with different perspectives.
- Cause and effect will not be closely related (go upstream).
- Time delays and other subtle aspects only become apparent with time and experimentation.
- As you move to more intangible elements, leverage increases.
- System dynamics are hard to accept because they point out vulnerabilities, fallibilities and weaknesses.

# Conclusion

As Paul O'Neil recognizes;

A company which demonstrates respect for its workers well being can leverage commitment, loyalty and even whole hearted participation into powerful system multipliers of quality and productivity.