Safety Management Systems

How to Get Started

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Safety Manager – McNeilus Steel Inc. - Fargo

WHO AM I?

McNeilus Steel, Inc.

WHAT TO EXPECT?

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WHAT IS A SAFETY MANAGEMENT SYSTEM?

What is a Safety Management System (SMS)?

- *A systematic, explicit and comprehensive process for managing safety risks that provides for goal setting, planning and measurement of performance against defined criteria.*
- *A formal method of measuring and evaluating individual and organizational safety performance with an emphasis on continuous improvement.*

Source: National Safety Council

EVALUATE THE CURRENT SAFETY MANAGEMENT SYSTEM

SMS Evaluation

- Gather feedback
  - Management
    - What's the Vision?
  - Supervisors
    - What are their concerns?
    - What do they need from Safety?
  - Employees
    - Perception Surveys
    - Give respect to get respect!
    - Follow through on concerns to gain trust!

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SMS Evaluation

- Review:
  - Safety policies/procedures/forms
    - Are they Compliant? Federal, State, Local
    - Does it address all hazards/risks?
    - How often is it updated?
    - How are disciplinary/performance corrections performed?
  - Training (New Hire/On-going/Annual/Equipment Specific)
    - Is it compliant?
    - Can it be improved?

SMS Evaluation

- Conduct Risk Assessments
  - Review JHA, SOP, job procedures
- Evaluate Inspection programs
  - Equipment
    - Pre-shift
    - Monthly
    - Annual
  - Facility
    - Quarterly
    - Annual (Inside/Outside)

SMS Evaluation

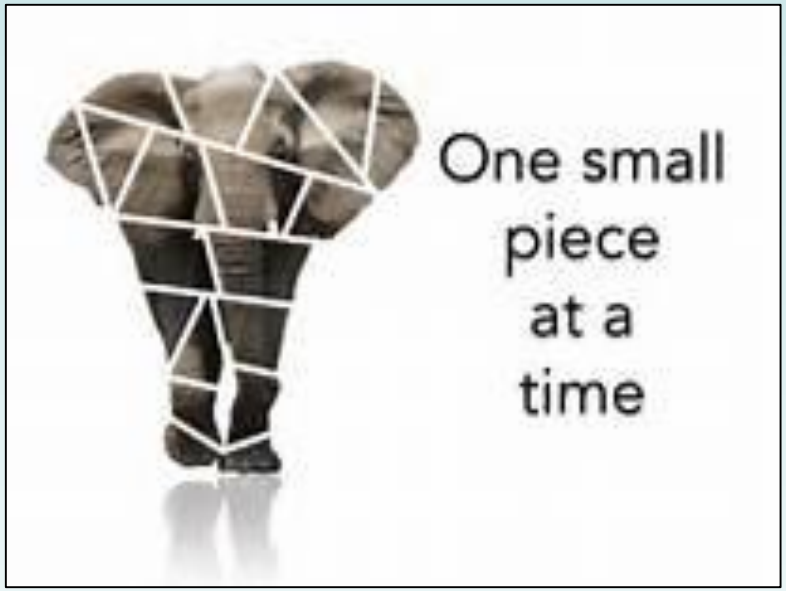
- Review/Track
  - Past Injuries
    - Trends by injury type, body part, department, facility
  - Past Property Damage
    - Is it being tracked?
    - Are $ being tracked accurately?
  - Past Proactive Reporting/Observations
    - Do employees feel comfortable sharing hazards, near misses, unsafe conditions/acts, suggestions?
    - Does the organization share positive feedback? How?
    - Dig to understand the barriers of communication – where are the gaps?

SMS Evaluation

- Safety Committee
  - Create, review, update Charter (Safety Committee Plan & Procedures)
  - Create Sub-committees, Task Forces, or Special Project groups to tackle large projects

SMS Evaluation

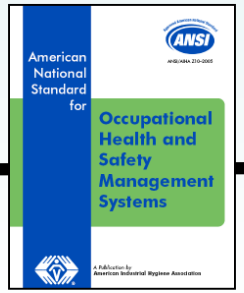
- Most importantly
  - Take it a day at a time
  - Baby steps
  - Remain positive
  - Keep communicating
  - Document clearly
  - Don’t take it personally
  - Embrace change

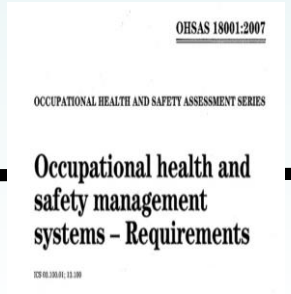


EFFECTIVE SAFETY MANAGEMENT SYSTEM ELEMENTS

Safety Management System(SMS) Models

- What SMS model do you want to install?
  - Common Management Systems
    - OSHAS 18001/ISO 45001
    - OSHA Guidelines
    - ANSI Guidelines
    - Hybrid





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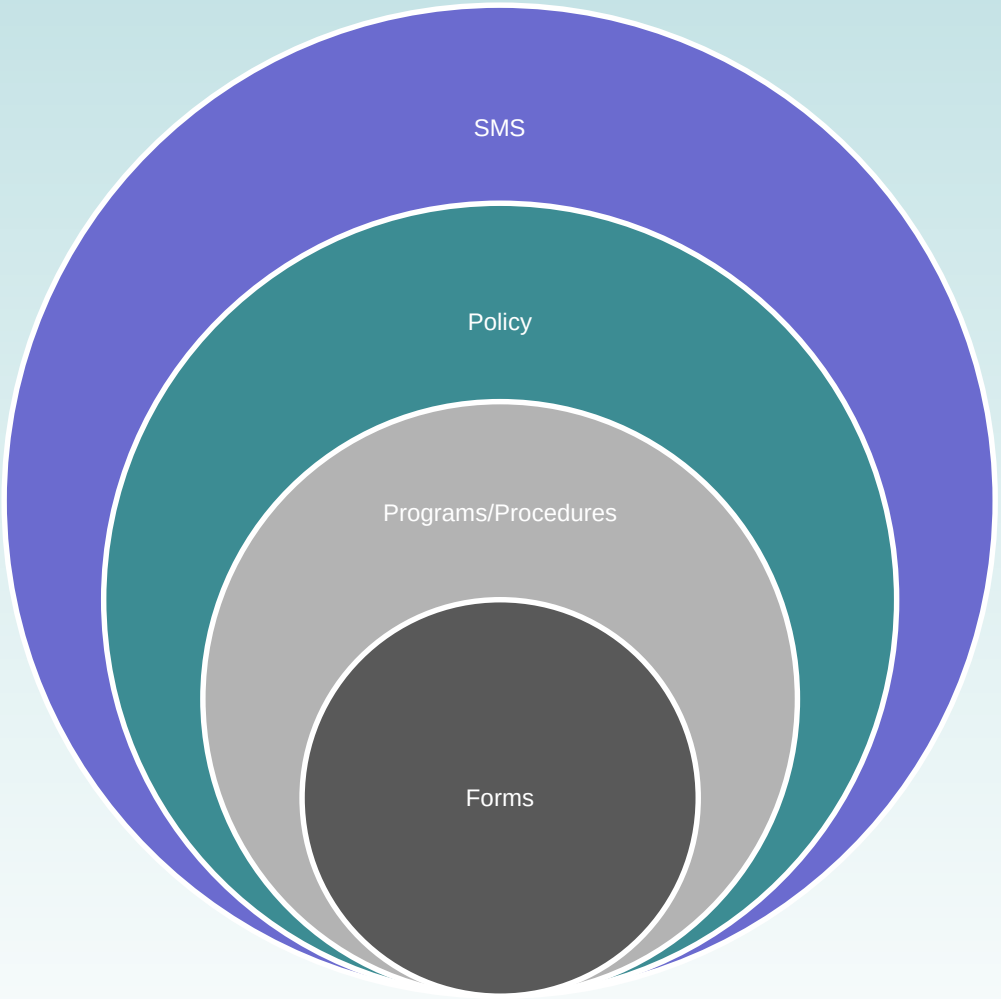
Project Management Approach

- How are you going to ensure all safety issues addressed and corrective action follow-through?
  - Steering Committee
  - Stakeholder Input
  - Communications Plan
  - Project Management Software

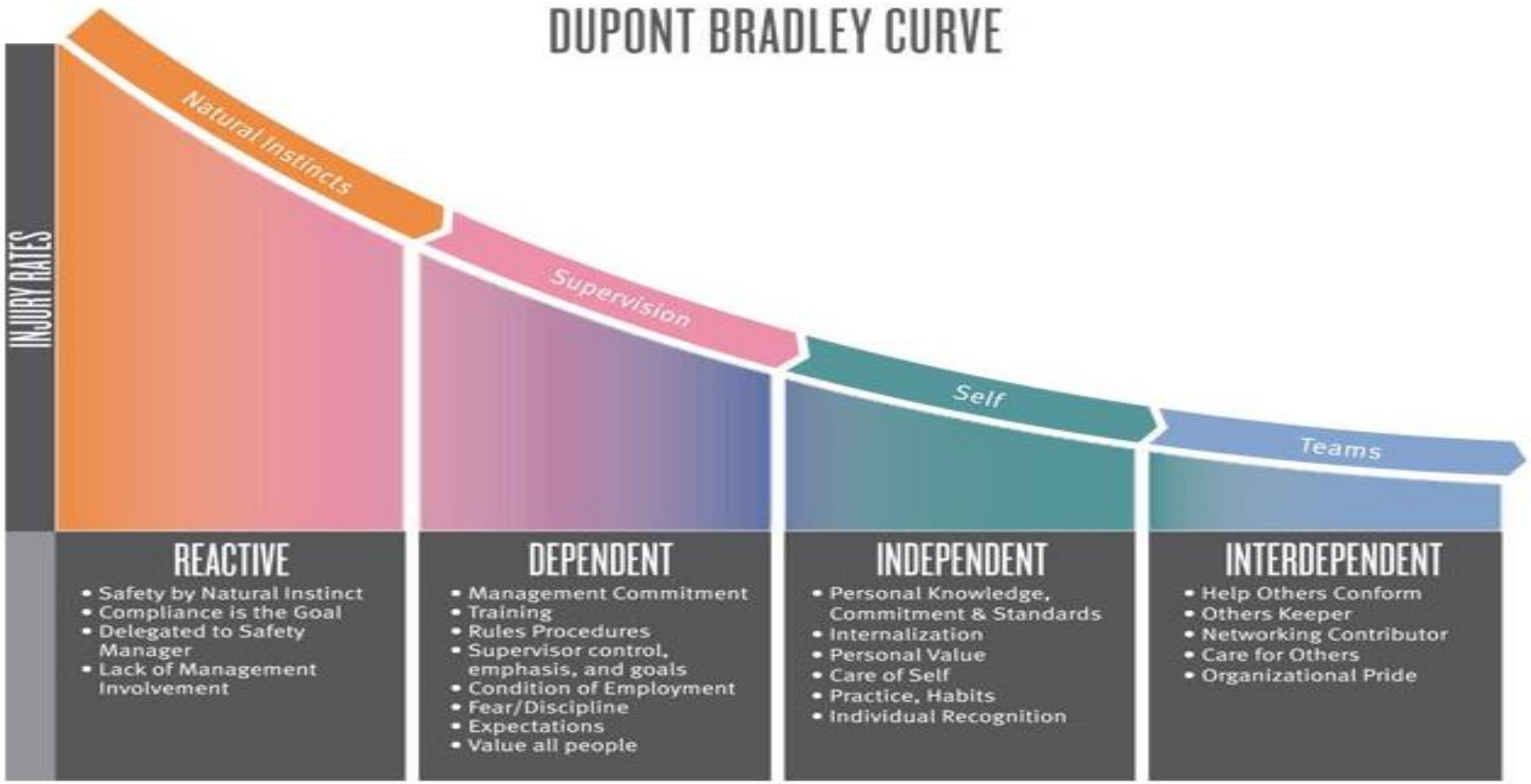
SMS Documentation

- Safety Policy Manual
  - High Level View of System
    - To be used at all locations
  - Sets program direction

SMS Documentation



SMS Maturity



Management Involvement

- Visibility
  - Meetings, Communications, in Plant
- Set realistic goals
- Participation in steering committee
  - Rotation
  - Accountability through top management

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Employee Involvement

- Include as many employees a possible
- Encourage participation in safety teams
- Involve in Hazard identification programs
- Encourage participation in audit/inspection activities
- JSA review by employees
  - Risk Assessment Training
  - Capture Non-Standard

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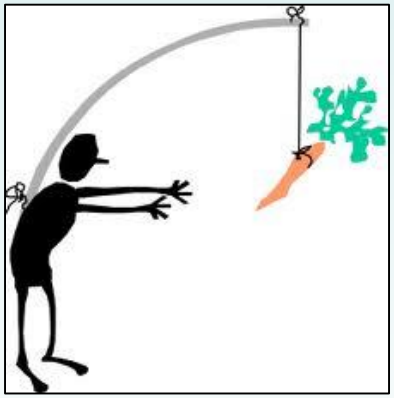
Employee Involvement

- Rewards/Incentives
  - Establish based on business goals, feedback, policy deficiencies, and safety/reporting promotions
  - Make rewards attainable for compliance and/or performing best practices
  - Provide rewards that employees want and can use



Examples:

- Gas cards
- Scheels
- Steak Dinner
- Company Gear
- Movie Tickets
- Redhawks tickets
- Racing tickets
- Flashlights
- Road ER kits
- FA kits

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DOES YOUR COMPANY HAVE A SAFETY RECOGNITION PROGRAM?

HOW DO YOU GET YOUR EMPLOYEES INVOLVED?

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Risk Assessment

- Activities
  - Tackle highest risk with the highest controls through project management teams
  - Incident Investigation – there should always be some form of correction
  - Employee Suggestions – always address the “low hanging fruit”
  - JSA Creation / Updating – involve employees doing task

Risk Likelihood	Risk Severity				
	Catastrophic 5	Hazardous 4	Major 3	Minor 2	Negligible 1
Frequent 5	Unacceptable	Unacceptable	Unacceptable	Tolerable	Tolerable
Occasional 4	Unacceptable	Unacceptable	Tolerable	Tolerable	Tolerable
Remote 3	Unacceptable	Tolerable	Tolerable	Tolerable	Acceptable
Improbable 2	Tolerable	Tolerable	Tolerable	Acceptable	Acceptable
Extremely Improbable 1	Tolerable	Acceptable	Acceptable	Acceptable	Acceptable

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Training

- Executive
- Manager/Supervisory
- Organizational
- Floor level

- Equipment Specific
- Job Specific
  - JHA / SOP
  - PPE
  - LOTO
- Annual Compliance
- On-going

Change the Training Format

- Activities
- Guest speakers
- Outside experts
- Near Miss/Incident Reviews
  - Local/Company wide
  - National
- Videos/Pictures
  - You Tube
- Celebrate Success

Focus on:

- Proactive Reporting
- Leadership
  - Observations
  - Empowerment to enforce /stop work – regardless of position
  - “Stop and Fix” versus “It’s Not My Job” mentality

Breakdown Reporting Barriers

- Fear of Termination/Disciplinary Action
- Pride
- Complicated forms – Hard to access
- No follow through

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Performance Reporting

- Proactive vs. Reactive
- Tracking
  - Injuries / costs
  - Property Damage / costs
  - Near Misses / Close calls
  - Hazards / Unsafe Acts / Suggestions
  - Corrective / Prevention Action - Progress

Dodge Center

General Injury Description	Frequency	Actual Paid	Reserves	WC Cost Impact
Strain	14	$17,014.71	$97,307.95	$114,322.66
Repetitive	2	$5,711.06	$64,453.98	$70,165.04
Fracture	2	$16,252.01	$50,180.45	$66,432.46
Sprain	9	$16,982.80	$2,018.93	$19,001.73
Crushing Injury	3	$5,131.52	$6,231.60	$11,363.12
Laceration	3	$7,506.04	$1,890.76	$9,396.80
Concussion	1	$8,891.53	$0.00	$8,891.53
Bruise	5	$2,093.10	$3,979.66	$6,072.76
Rotator Cuff	1	$436.80	$4,813.20	$5,250.00
Eye	1	$0.00	$1,650.00	$1,650.00
Pinch	1	$184.38	$0.00	$184.38
Pinched Nerve	1	$142.82	$0.00	$142.82
Grand Count	**42**	**$80,346.77**	**$232,526.53**	**$312,873.30**

Fargo

General Injury Description	Frequency	Actual Paid	Reserves	WC Cost Impact
				$42,353.00
				$1,371.14
				$2,656.45
				$2,145.73
				$1,161.37
				$826.97
				$50,514.66

Dodge Center

Department	Frequency	Actual Paid	Reserves	WC Cost Impact
Driver (Transportation)	10	$30,745.48	$97,739.62	$128,485.10
Fabrication	11	$12,131.76	$64,786.29	$76,918.05
Shear/Brake	2	$5,396.82	$64,453.98	$69,850.80
Loading	4	$14,964.84	$1,890.76	$16,855.60
Sheets Total	2	$10,996.86	$0.00	$10,996.86
Bar Stock Set-up	6	$1,964.33	$2,150.00	$4,114.33
RBL	2	$2,626.91	$0.00	$2,626.91
Retail	1	$144.12	$1,505.88	$1,650.00
Maintenance	2	$827.96	$0.00	$827.96
Truck Shop	2	$547.69	$0.00	$547.69
Recycling	1	$0.00	$0.00	$0.00
Grand Total	**43**	**$80,346.77**	**$232,526.53**	**$312,873.30**

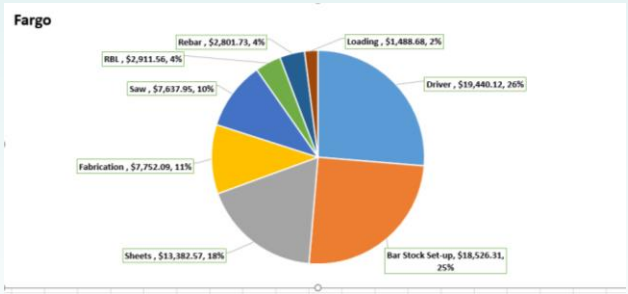
WC Cost Impact
$6,700.00
$5,643.83
$2,784.56
$2,499.46
$2,231.00

Fargo

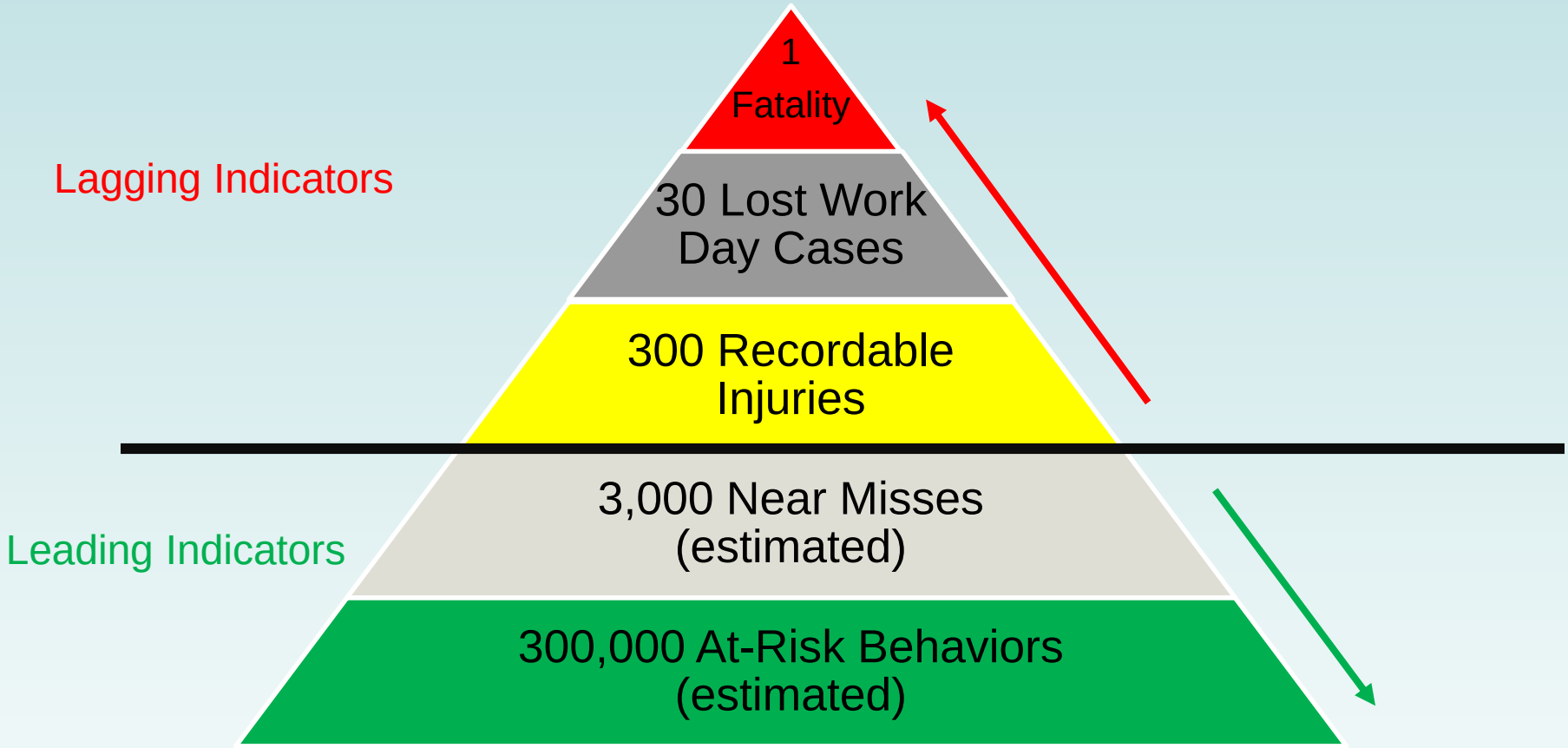
Department	Frequency	Actual Paid	Reserves	WC Cost Impact
Rebar	2	$5,594.07	$37,781.85	$42,052.92
Driver (Transportation)	4	$3,778.34	$0.00	$3,778.34
Bar Stock Set-up	2	$1,660.93	$0.00	$1,660.93
Sheets	1	$1,371.14	$0.00	$1,371.14
Saw	1	$1,161.37	$0.00	$1,161.37
Loading	1	$489.96	$0.00	$489.96
Grand Total	**11**	**$14,055.81**	**$37,781.85**	**$50,514.66**

FDL

Department	Frequency	Actual Paid	Reserves	WC Cost Impact
Bar Stock Set-up	2	$2,784.56	$6,700.00	$9,484.56
Maintenance	1	$5,643.83	$0.00	$5,643.83
Sheets	1	$2,499.46	$0.00	$2,499.46
Driver	2	$2,231.00	$0.00	$2,231.00
Loading	1	$1,894.54	$0.00	$1,894.54
Fabrication	1	$473.46	$0.00	$473.46



Why Focus on Proactive Reporting?



Where do you spend the majority of your time?

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Performance Reporting

- Risk Management Information System (RMIS)
  - As reporting increases you will have a need for a robust management system to track and keep projects moving forward.
  - Share reporting and review trends at least annually with C-suite and review / update goals / objectives
  - Report trends to all levels while maintaining privacy / confidentiality
  - Share goals / objectives with entire population

Incident Claim Management

- Investigate immediately
- **Document**
- Process claims within 24 hours of the incident
- Provide light duty – RTW strategy
- **Document**
- Maintain consistent communication between injured worker, supervisor, physician, insurance provider and management
- Follow through on Corrective Action – check again in the future to ensure controls are effective
- **Document**

Status	Open
Carrier	ND WSI
Cause	Caught In, Under, or Between - Object Handled
Loss Description	Left foot crush
Event Description	Material was stacked in Gerdau area at tubes and when I pulled a bundle off, the channels slid onto my foot. Could have stood in a better spot. stand north or sou moving east and west.
Site	Fargo Warehouse
Event Location	Warehouse - Tubes

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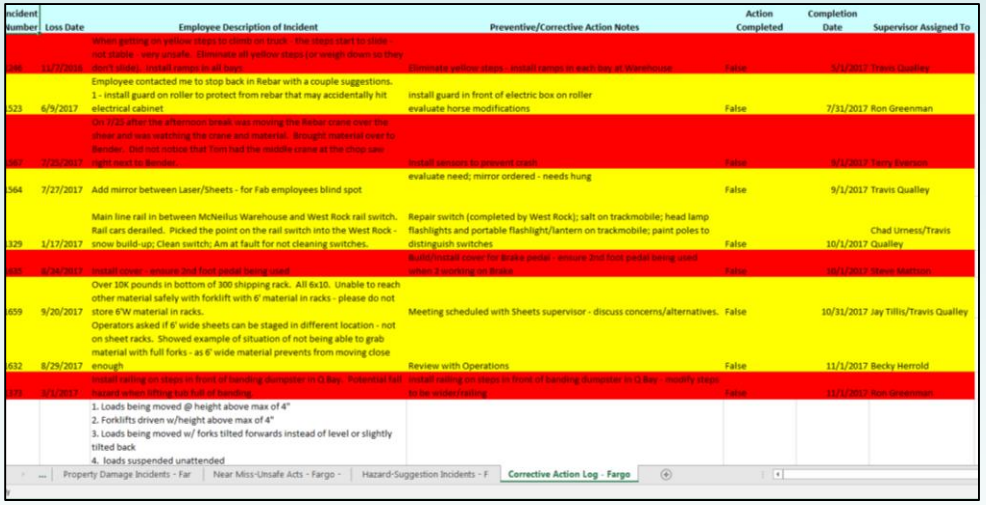
Improvements/Action

- Follow-up on all reports – even if there is no action – employees need to know
- Establish accountability and realistic timelines
  - Include Operations/General Manager to drive Corrective Action
- Review frequently

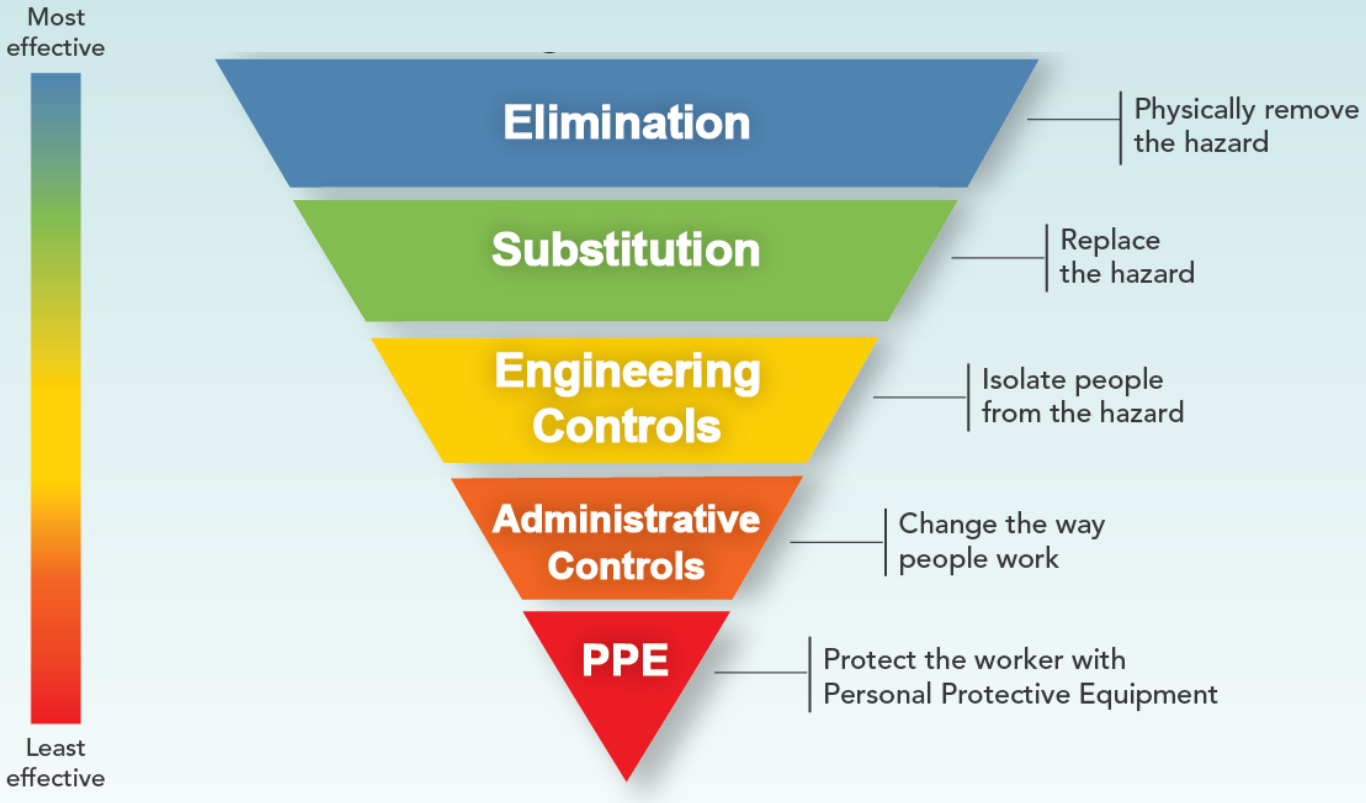


Incident Number	Loss Date	Employee Description of Incident	Preventive/Corrective Action Notes	Action Completed	Completion Date	Supervisor Assigned To
1346	11/7/2016	When getting on yellow steps to climb on truck - the steps start to slide - not stable - very unsafe. Eliminate all yellow steps (or weigh down so they don't slide). Install ramps in all bays.	Eliminate yellow steps - install ramps in each bay at Warehouse	False	5/1/2017	Travis Qualley
1523	6/9/2017	Employee contacted me to stop back in Rebar with a couple suggestions. 1 - install guard on roller to protect from rebar that may accidentally hit electrical cabinet	install guard in front of electric box on roller evaluate horse modifications	False	7/31/2017	Ron Greenman
1567	7/25/2017	On 7/25 after the afternoon break was moving the Rebar crane over the shear and was watching the crane and material. Brought material over to Bender. Did not notice that Tom had the middle crane at the chop saw right next to Bender.	Install sensors to prevent crash	False	8/1/2017	Terry Everson
1564	7/27/2017	Add mirror between Laser/Sheets - for Fab employees blind spot	evaluate need; mirror ordered - needs hung	False	9/1/2017	Travis Qualley
1329	1/17/2017	Main line rail in between McNeilus Warehouse and West Rock rail switch. Rail cars derailed. Picked the point on the rail switch into the West Rock - snow build-up; Clean switch; Am at fault for not cleaning switches.	Repair switch (completed by West Rock); salt on trackmobile; head lamp flashlights and portable flashlight/lantern on trackmobile; paint poles to distinguish switches	False	10/1/2017	Chad Urness/Travis Qualley
1635	8/24/2017	Install cover - ensure 2nd foot pedal being used	Build/Install cover for Brake pedal - ensure 2nd foot pedal being used when 2 working on Brake	False	10/1/2017	Steve Mattson
1659	9/20/2017	Over 10K pounds in bottom of 300 shipping rack. All 6x10. Unable to reach other material safely with forklift with 6' material in racks - please do not store 6'W material in racks. Operators asked if 6' wide sheets can be staged in different location - not on sheet racks. Showed example of situation of not being able to grab material with full forks - as 6' wide material prevents from moving close enough	Meeting scheduled with Sheets supervisor - discuss concerns/alternatives. Review with Operations	False	10/31/2017 11/1/2017	Jay Tillis/Travis Qualley Becky Herrold
1632	8/29/2017	Install railing on steps in front of banding dumpster in Q Bay. Potential fall hazard when lifting top full of banding	Install railing on steps in front of banding dumpster in Q Bay - modify steps to be wider/railing	False	11/1/2017	Ron Greenman
1171	3/1/2017	1. Loads being moved @ height above max of 4" 2. Forklifts driven w/height above max of 4" 3. Loads being moved w/ forks tilted forwards instead of level or slightly tilted back 4. loads suspended unattended				

Property Damage Incidents - Far | Near Miss-Unsafe Acts - Fargo - | Hazard-Suggestion Incidents - F | Corrective Action Log - Fargo

Improvements/Actions

Hierarchy of Control



HOW MANY HAVE A SAFETY REPORTING OR RISK MANAGEMENT INFORMATION SYSTEM IN PLACE?

RMIS SOFTWARE OR HOMEMADE?

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Establish Accountability

- Create a Scorecard / Benchmarking Tool
  - Identify areas for improvement along with highlighting areas of success
  - Share benchmarking information against industry and other company facilities
  - Establish accountability utilizing scorecard during annual review salary increase evaluations

Safety Scorecard - Fargo

2016

	Goal Line			OSHA Recordable Rate (YTD)	**12ART Rate (YTD)	Department Inspections	Pre Ops Inspections	Property Damage	AT Fault Vehicle Accident	Corrective Action Completion	Leadership Observations	*Proactive Reporting		%of Total Recordable $'s		%of Total Prop Damage $'s	
		Employees	Hours Worked	OSHA Recordables	DART Cases	4.3	2.5	100%	100%	0	0	100%	XX	XX	Recordable $'s		Property Damage $'s	
Department	Supervisor Name																	
Transportation (	Gary Jorgenson	27	53178.39	2	1	7.5	3.8	N/A	N/A	11	1	95%	2	38	$2,468.43	7%	$55,974.62	79%
Bar Stock/Set-up	Ron Greenman	23	35594.04	3	2	16.9	11.2	91%	78%	6	N/A	86%	2	16	$4,153.34	11%	$943.08	1%
Loading	Don Phelps	17	21974.73	2	1	18.2	9.1	91%	36%	14	N/A	100%	1	17	$1,596.09	4%	$9,996.89	14%
Sheets	Jay Tillis	8	12339.47	0	0	0.0	0.0	93%	68%	0	N/A	80%	1	5	$0.00	0%	$0.00	0%
Fabrication	Steve Mattson	23	35592.24	4	1	22.5	5.6	94%	72%	2	N/A	71%	2	18	$1,724.67	5%	$2,980.43	4%
Red Bud Line	Chad Urness	4	6599.89	0	0	0.0	0.0	88%	86%	0	N/A	100%	3	0	$0.00	0%	$0.00	0%
Rebar	Ron Greenman	6	8013.10	1	1	25.0	25.0	89%	61%	3	N/A	86%	XX	8	$27,010.72	72%	$135.87	0%
Maintenance*	Jason Kelsch	5	8271.71	1	0	24.2	0.0	92%	88%	0	N/A	71%	2	3	$569.85	2%	$0.00	0%
Sales/Office/Op	Travis Qualley/Cha	26	112931.15	0	0	0.0	0.0	N/A	N/A	3	0	81%	10	2	$0.00	0%	$695.00	1%
	Totals	139	294494.72	13	6	8.8	4.1	91%	70%	39	1	86%	23	107	#########		$70,725.89	

*Proactive reports include: Near Miss, Safety Suggestions, Hazard Reporting, Unsafe Acts

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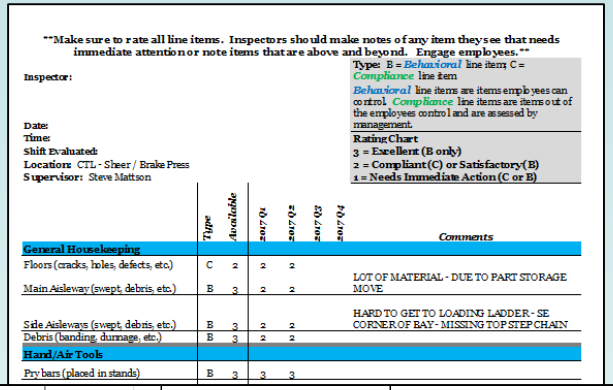
Equipment Audits/Assessments

- Daily / Monthly equipment
- Quarterly Facility / Department / Work Area
  - Compliance
  - Behavioral
- Annual Facility / Equipment / Tools



Make sure to rate all line items. Inspectors should make notes of any item they see that needs immediate attention or note items that are above and beyond. Engage employees.

Inspector:

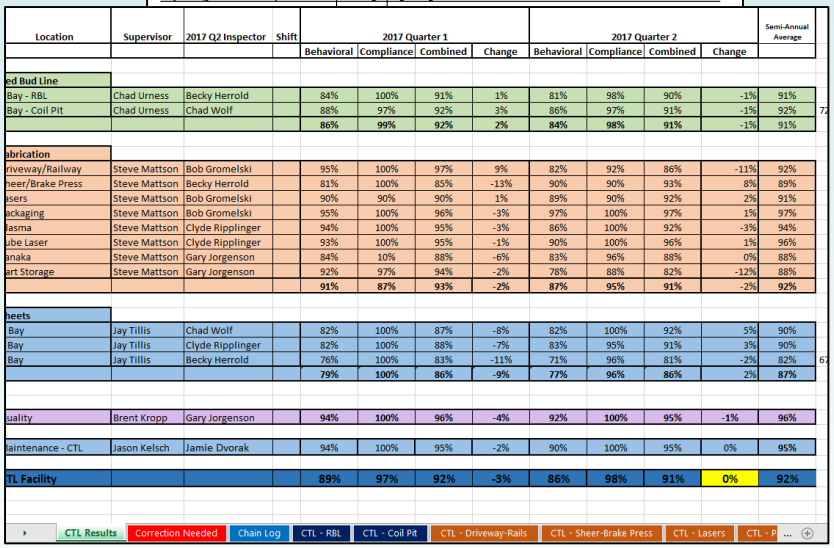
Date:
Time:
Shift Evaluated:
Location: CTL - Sheer / Brake Press
Supervisor: Steve Mattson

Type: B = *Behavioral* line item; C = *Compliance* line item

Behavioral line items are items employees can control. *Compliance* line items are items out of the employees control and are assessed by management.

Rating Chart
3 = Excellent (B only)
2 = Compliant (C) or Satisfactory (B)
1 = Needs Immediate Action (C or B)

	Type	Available	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Comments
General Housekeeping							
Floors (cracks, holes, defects, etc.)	C	2	2	2			
Main Aisleway (swept, debris, etc.)	B	3	2	2			LOT OF MATERIAL - DUE TO PART STORAGE MOVE
Side Aisleways (swept, debris, etc.)	B	3	2	2			HARD TO GET TO LOADING LADDER - SE CORNER OF BAY - MISSING TOP STEP CHAIN
Debris (banding, dunnage, etc.)	B	3	2	2			
Hand/Air Tools							
Pry bars (placed in stands)	B	3	3	3			



Location	Supervisor	2017 Q2 Inspector	Shift	2017 Quarter 1 Behavioral	Compliance	Combined	Change	2017 Quarter 2 Behavioral	Compliance	Combined	Change	Semi-Annual Average
ed Bud Line												
Bay - RBL	Chad Urness	Becky Herrold		84%	100%	91%	1%	81%	98%	90%	-1%	91%
Bay - Coil Pit	Chad Urness	Chad Wolf		88%	97%	92%	3%	86%	97%	91%	-1%	92%
				86%	**99%**	**92%**	**2%**	**84%**	**98%**	**91%**	**-1%**	91%
abrication												
riveway/Railway	Steve Mattson	Bob Gromelski		95%	100%	97%	9%	82%	92%	86%	-11%	92%
heer/Brake Press	Steve Mattson	Becky Herrold		81%	100%	85%	-13%	90%	90%	93%	8%	89%
sers	Steve Mattson	Bob Gromelski		90%	90%	90%	1%	89%	90%	92%	2%	91%
ackaging	Steve Mattson	Bob Gromelski		95%	100%	96%	-3%	97%	100%	97%	1%	97%
asma	Steve Mattson	Clyde Ripplinger		94%	100%	95%	-3%	86%	100%	92%	-3%	94%
ube Laser	Steve Mattson	Clyde Ripplinger		93%	100%	95%	-1%	90%	100%	96%	1%	96%
anaka	Steve Mattson	Gary Jorgenson		84%	10%	88%	-6%	83%	96%	88%	0%	88%
art Storage	Steve Mattson	Gary Jorgenson		92%	97%	94%	-2%	78%	88%	82%	-12%	88%
				91%	**87%**	**93%**	**-2%**	**87%**	**95%**	**91%**	**-2%**	**92%**
heets												
Bay	Jay Tillis	Chad Wolf		82%	100%	87%	-8%	82%	100%	92%	5%	90%
Bay	Jay Tillis	Clyde Ripplinger		82%	100%	88%	-7%	83%	95%	91%	3%	90%
Bay	Jay Tillis	Becky Herrold		76%	100%	83%	-11%	71%	96%	81%	-2%	82%
				79%	**100%**	**86%**	**-9%**	**77%**	**96%**	**86%**	**2%**	**87%**
uality	Brent Kropp	Gary Jorgenson		**94%**	**100%**	**96%**	**-4%**	**92%**	**100%**	**95%**	**-1%**	**96%**
aintenance - CTL	Jason Kelsch	Jamie Dvorak		94%	100%	95%	-2%	90%	100%	95%	0%	**95%**
TL Facility				**89%**	**97%**	**92%**	**-3%**	**86%**	**98%**	**91%**	**0%**	**92%**

CTL Results | Correction Needed | Chain Log | CTL - RBL | CTL - Coil Pit | CTL - Driveway-Rails | CTL - Sheer-Brake Press | CTL - Lasers | CTL - P ...

Multi-Site Opportunities

- Safety Group
  - Work on projects in groups
  - Share best practices
  - Review incidents and work together on solutions
  - Share industry news / changes to requirements
  - Conduct internal audits at other locations

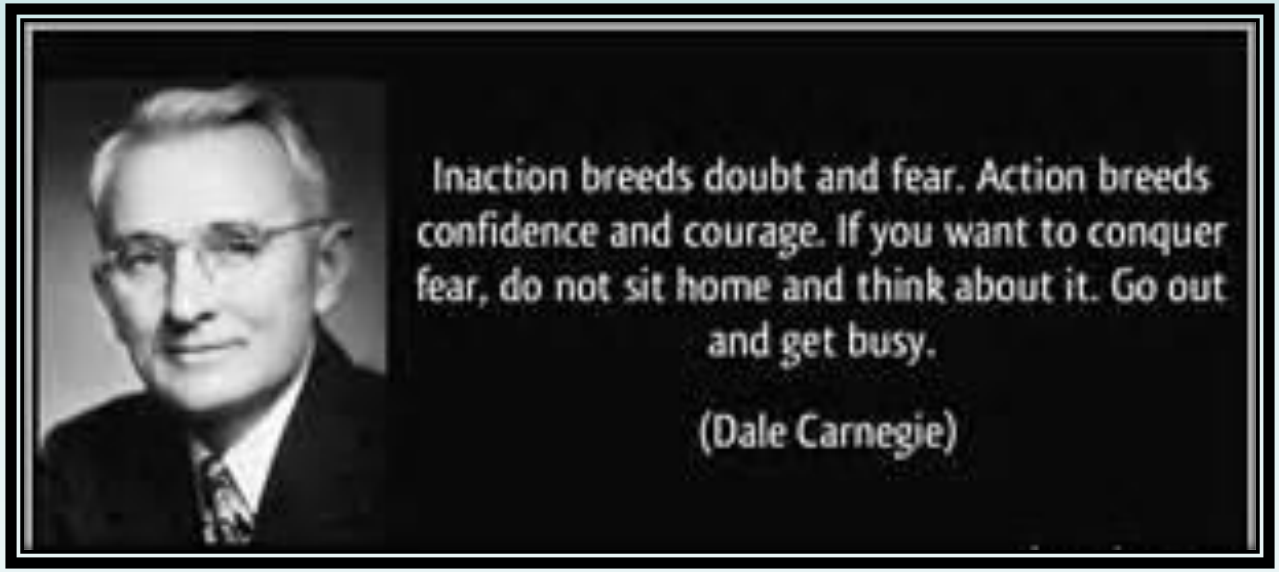
Sources of Assistance

- Consulting - Full Implementation to Specific Components
- Available – Less expensive resources
  - OSHA Consults SHARP Program
  - Workers Comp – Insurance Carrier and State Resources
  - Area Safety Councils
  - National Safety Council

McNeilus Steel – Fargo – Case Study

	Recordable #	Recordable $	Near Miss Report #	Hazard ID / Suggestion Report #
2013	24	$98,842.77	13	5
2014	21	$69,234.59	43	70
2015	11	$61,837.66	33	109
2016	13	$35,699.09	42	95
2017	12	$10,891.18	39	112

Thank you!



McNeilus Steel, Inc.