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***How to Identify Safety Issues Early
and Sell Management When it is Not
Yet Broken***



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RE-ACTIVE SAFETY

VS

PROACTIVE SAFETY



RE-ACTIVE SAFETY

- No commitment to safety until there is a loss or injury. (Property/Employee)
- Employee Safety is non-existent until fear of penalty.



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RE-ACTIVE SAFETY

- **Property Loss**
 - ✓ Investigate
 - ✓ Mitigate
 - ✓ Abate
- **Employee Injury**
 - ✓ Investigate
 - ✓ Mitigate
 - ✓ Abate



BARRIERS TO INTEGRATION

Too often:

- Management has a reactive rather than proactive focus
- Lack of understanding (vocabulary)
- Risks & hazards are poorly communicated
- Safety is considered a cost ... not an investment
- Cost/benefit analysis is rarely applied to justify the safety case
- Why fix what is not broken?

WHAT DO ACCIDENTS COST YOU?

Direct – Insurance / Medical / Fines

“Just the tip of the iceberg”



Unknown Costs -

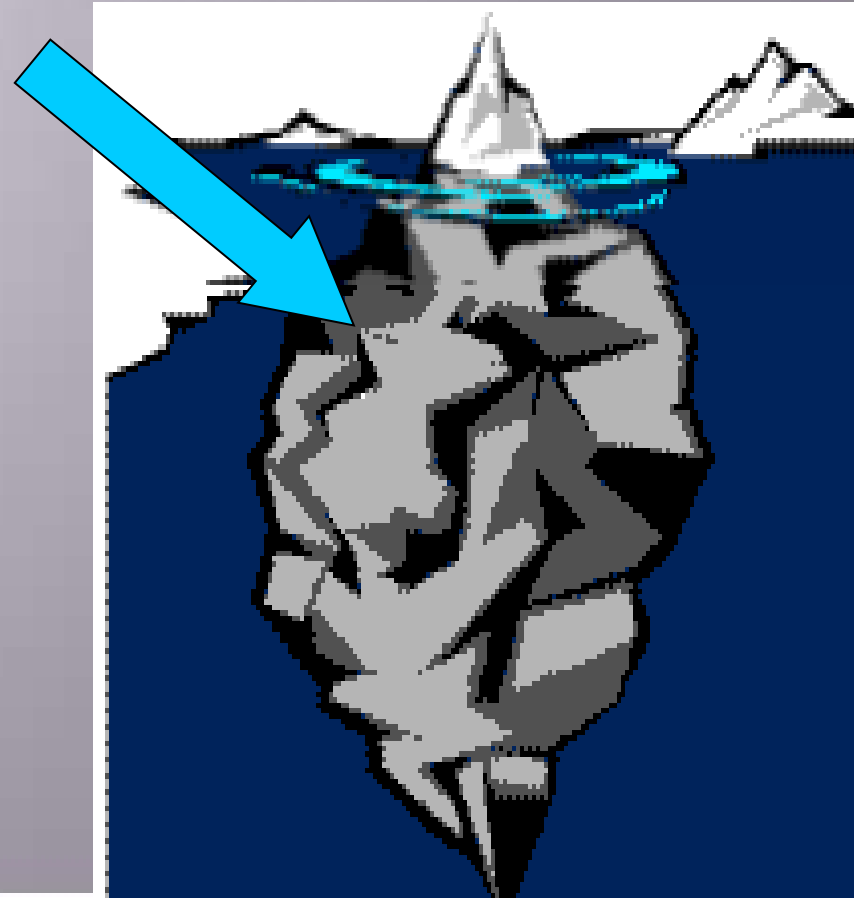
1. Human Tragedy
2. Morale
3. Reputation

WHAT DO ACCIDENTS COST YOU?

Indirect - Uninsured, hidden Costs - Out of pocket

Examples:

- 1. Time lost from work by injured employee.**
- 2. Lost time by fellow employees.**
- 3. Loss of efficiency due to break-up of crew.**
- 4. Lost time by supervisor.**
- 5. Training costs for new/replacement workers.**
- 6. Damage to tools and equipment.**

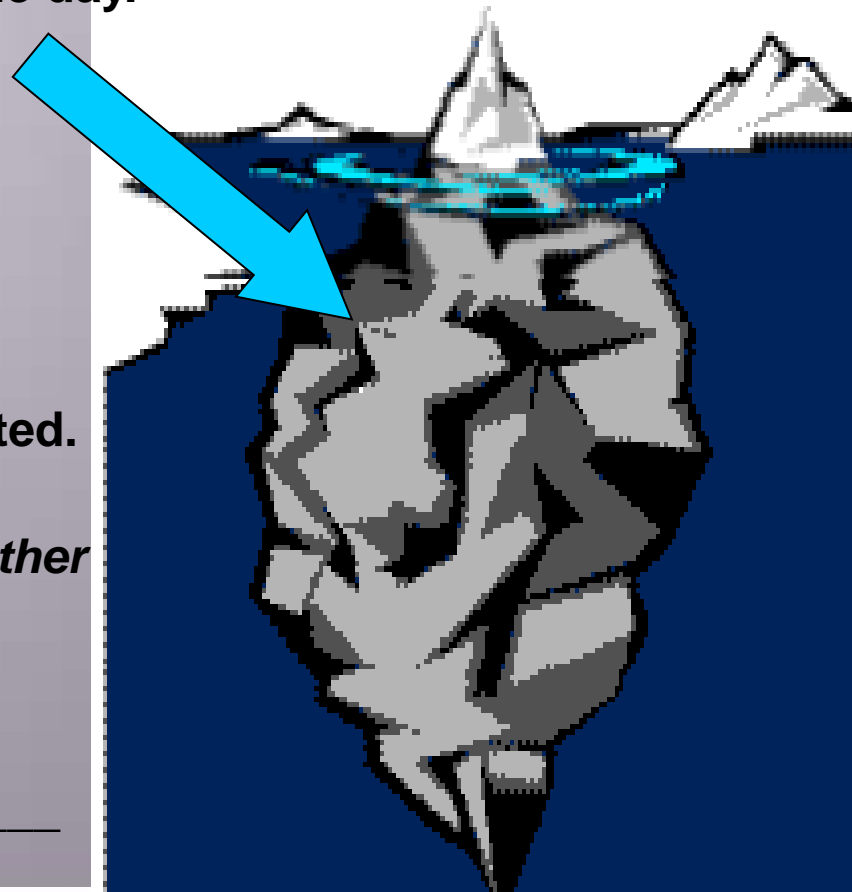


WHAT DO ACCIDENTS COST YOU?

Indirect - Uninsured, hidden Costs - Out of pocket

Examples: (Cont)

7. Time damaged equipment is out of service.
8. Loss of production for remainder of the day.
9. Damage from accident: fire, water, chemical, explosives, etc.
10. Failure to fill orders/meet deadlines.
11. Overhead costs while work was disrupted.
12. Other miscellaneous costs (*Over 100 other items of cost may appear one or more times with every accident*)
13. Others? _____



Fall Out of Ignoring Trends

- Grieving can place a heavy burden of stress on a person, affecting his or her ability to think and work, which in turn affects co-workers and colleagues.
- Statistics show 1 in 4 employees is grieving at any given time. By not properly addressing grief in the workplace, your organization may be losing revenue and productivity.

Examples:

- 30 work days are lost per year by each employee experiencing grief with no support from co-workers or managers.
- 20% of employees will continue losing work days for more than a year.
- \$125,000 is the average annual cost, in lost productivity to an organization of 400 employees.



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ADDING VALUE AND COMPETITIVE ADVANTAGE

SUCCESS is SAFETY Orientated.



IMPLEMENTING SAFETY EXCELLENCE

- Assume all incidents are preventable
- Assume all exposures/risks can be controlled
- Hold management responsible and accountable for preventing injuries
- Involve employees
- Make working safely a condition of employment
- Train employees to work safely
- Promote off-the-job safety
- Audit safety



WHY BE CONCERNED WITH SAFETY?

Safety is good business

- **Right thing to do**
 - * Employee morale / protection of most valuable resource
 - * Control costs (direct and indirect)
- **Safety and health excellence correlates with business excellence**
 - * Quality
 - * Efficiency
 - * Profitability
- **Reduce Experience modification and lower insurance premiums**



SAFETY'S ROLE Strategy

Providing a safe workplace is key to meeting business objectives

- Protecting reputation
- Attracting best candidates and retaining valuable employees

SAFETY'S ROLE

Management / Organizational Behavior

Leadership and employee empowerment are keys to creating a proactive safety culture.

- Senior management commitment is critical to improving safety
- Promote results of the safety program internally and externally

SAFETY'S ROLE

Marketing & Communications

- People are inherently biased when it comes to evaluating risks.
- Safety managers must be able to effectively communicate the risks to:
 - * Engage senior management
 - * Affect employee behavior

SAFETY'S ROLL

Operations

- Safety must be considered at every step in the value chain
 - * Designing safety into a process is cheaper than retrofitting for safety later.
- To effectively manage a program and improve safety, measurements must include:
 - * Both ***leading and trailing Indicators***
 - * Leading indicators should ***correlate*** with trailing ones.



SAFETY EXCELLENCE MODEL requires...





MANAGEMENT COMMITMENT MEANS...

- Valuing and caring for human resources
- Demonstrating a visible commitment with continuous involvement
- Setting high expectations and accountability for safety
- Motivating proper behaviors through leadership-
“Walk the Talk”
- Providing resources to affect change
- Encouraging employee involvement



EMPLOYEE INVOLVEMENT MEANS...

- Shared ownership of and commitment to the program
- Active support of the program
- Accountability for one's personal safety and that of his/her co-workers



WAYS TO INVOLVE EMPLOYEES...

- Regular communication with employees on the subject of safety, risk, and hazards
- Provide access to information
- Provide ways to participate in the program
 - * Worksite self inspections
 - * Safety and health annual evaluation process
 - * Incident investigation
- Provide ways to report hazards, injuries and make recommendations to control hazards



SAFETY AND HEALTH LEADERSHIP CRITERIA

- **Multiple roles**
 - Leader
 - Facilitator
 - Internal consultant
 - Agent for change
 - Partner with management



SAFETY AND HEALTH LEADERSHIP CRITERIA

- **Placement and organizational structure**
- **Authority and responsibility to act**
- **Knowledge, skills and abilities**
 - * Technical expertise
 - * People skills



Barragan Corp International's
Three Phase Approach
Provides Proven Results

Case Study: FORCE PRESERVATION FECA UPDATE

Marine Corps Installations (MCI) West

- Originally rated 7th of 40 on the Department of Defense's list of WORST Installation Safety Records.
- After only 3 YEARS of BCI's 3 Phase Process implementation, MCI West was rated #1 on the Department of Defense's BEST Top 40 Installation Safety Records.



BCI

Phase I

Assessment
(Baseline)

Phase II

Corrective
Action
(POAM)

Phase III

Monitor/Track
Successes



Phase I

- Baseline assessment
- Review loss runs
 - * Identify existing incident trends
- Evaluate workers in action
 - * Equipment
 - * Safeguards
 - * Processes
 - * Ergonomics
- Review maintenance records
 - * Open tickets for repair
- Review training and education
- Review the Return-To-Work Program



Phase II

- Create a Plan of Action & Milestones (POA & M)
- Introduce new technology/process change.
- Communicate daily/weekly tailgate meetings.
 - * Topics dependent on items from Baseline
- Institute Training and Education Program.
 - * 10 and 30 Hour Cal/Fed OSHA Standards
- Assign Risk Assessment Codes (RAC) to open and future Maintenance Tickets.

Risk Assessment Code (RAC)

1- Critical

2 – Serious

3 – Moderate

4 – Minor

5 – Negligible

RAC Matrix		Mishap Probability			
		Likely	Probably	May	Unlikely
Hazard Severity	Critical	1	1	2	3
	Serious	1	2	3	4
	Moderate	2	3	4	5
	Minor	3	4	5	5

Hazard Severity:

Critical – May cause death or loss of facility/asset.

Serious – May cause severe injury, illness, or property damage.

Moderate – May cause minor injury, illness, or property damage.

Minor – Minimal threat.

Mishap Probability:

Likely – Likely to occur immediately or in a short period of time.

Probably – Probably will occur in time.

May – May occur in time.

Unlikely – Unlikely to occur.



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Phase II (cont)

- Institute a Safety Council Committee.
 - * Workers
 - * Supervisors
 - * Leaders at every level.
- Create/revise Return to Work Program.
- Work with HR on open claims.



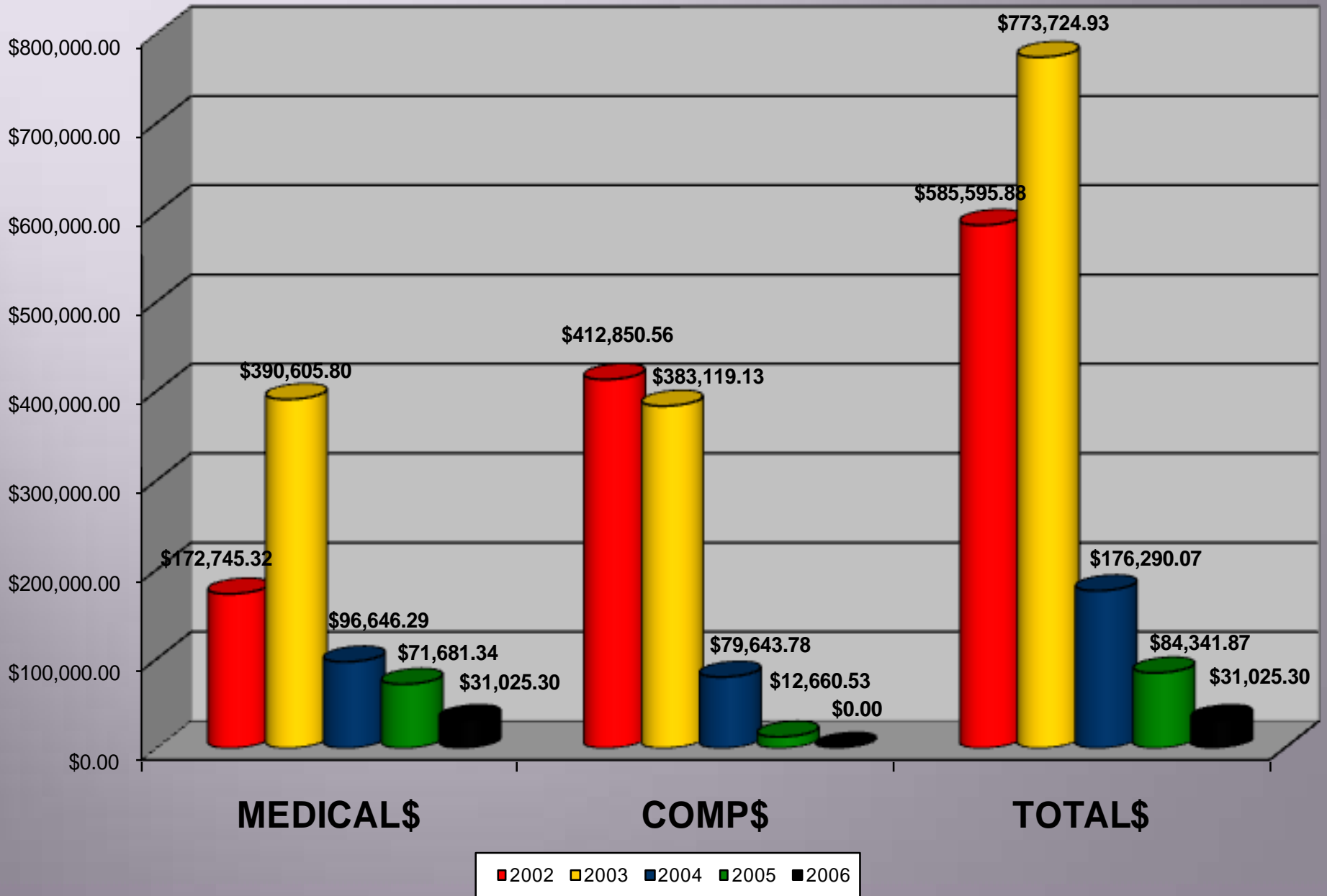
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Phase III

- Educate and train.
- Track and adjust to new problems.
- Team building.
- Monitor success/adjust failures.
- Award good behavior.

FECA CHARGEBACK DATA COMPARISON BY YEAR



Final Thoughts...

“ Establishing a safety and health culture that leads to superior performance is not only the right thing to do or the socially responsible thing to do...

It is also the right economic approach.

Reducing workplace injuries and illnesses conserves critical resources and improves the use of those resources. It saves money, avoids unnecessary costs and ultimately maximizes returns on business investments.”

John Henshaw, Assistant Secretary of Labor, OSHA



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**SAFETY IS NOT AN
*EXPENSE,***

IT IS AN *INVESTMENT*





REMEMBER...

You will achieve the level of
Safety Excellence,
***that YOU demonstrate you want
to achieve.***