

Benchmarking Occupational Health and Safety:

Introductory Guide

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Table of contents

Section 1—What is benchmarking?	1
Section 2—Why benchmark OHS?	3
Section 3—The practicalities of benchmarking OHS	5
Section 4—Conclusion	7

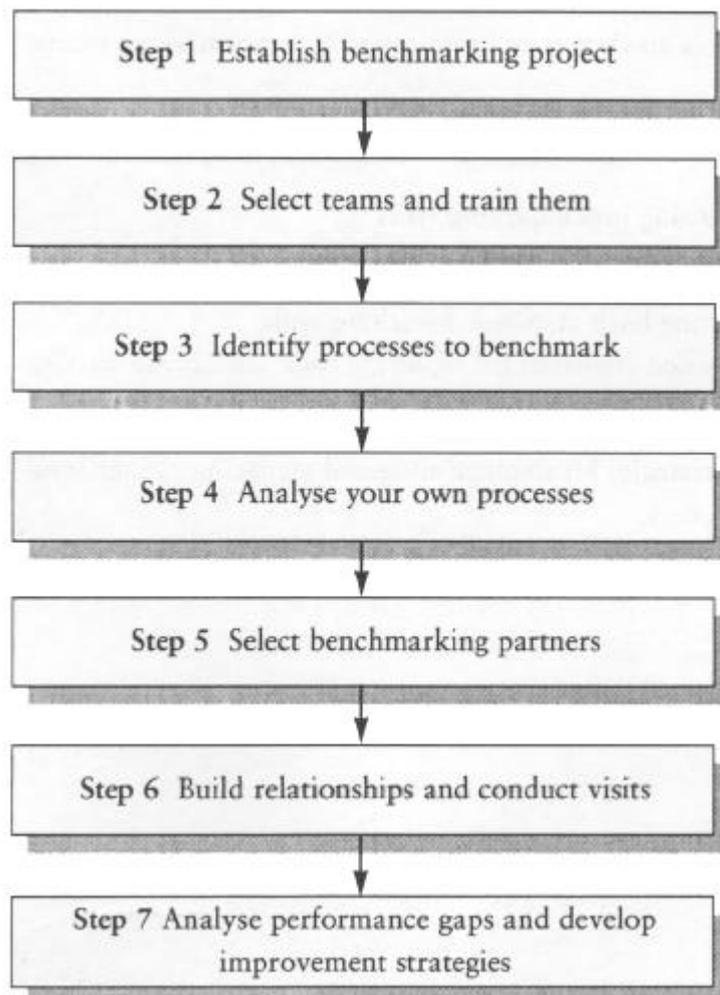
Section 1—What is benchmarking?

Benchmarking is a tool that allows you to assess the differences between your enterprise and world-class performers. It includes an examination of the methods, processes, procedures, products and service performance of your enterprise against those of enterprises that consistently rate as world-class in the same category of performance. If done correctly, benchmarking will increase your knowledge of the improvements you need to make to become world-class. Benchmarking is a guide on the road to best practice.

Enterprises that participated in the occupational health and safety (OHS) benchmarking project reported that the most useful form of benchmarking involves:

- the analysis of processes and procedures in their own enterprise;
- the analysis of other enterprises; and
- the adaptation of the findings to guide improvements.

This approach gives valuable information about the changes that are necessary in the enterprise and makes good use of resources. The whole process can be summarised in the seven steps below:



Section 2—Why benchmark OHS?

Benchmarking provides a creative impetus that can lead to highly innovative solutions to OHS problems. It is systematic and provides opportunities to foster or build on a continuous improvement program which is basic to any best practice approach. Because OHS is integral to all key business processes, benchmarking OHS can contribute to improvements in all management systems. It is a powerful strategy for developing the attitude that OHS is everyone's responsibility in the enterprise.

Benchmarking and continuous improvement

Continuous improvement is a strategic approach to organisational change recognising the value of constant, incremental improvements. Those who do the work are empowered to identify and implement changes to improve the process.

Benchmarking gives practical information by encouraging analysis of your own enterprise and by close examination of other enterprises, looking at their methods, processes, procedures and performance. Benchmarking is a process, not an outcome. It should be used to examine particular issues and can be used to promote continuous improvement within your own enterprise.

OHS is a part of management

In any enterprise, all areas of management interact. Sometimes OHS is just seen as accidents and incidents, inspections and audits, hazard management, and OHS policies and procedures. But in fact, OHS is an integral part of general management and has a role in all key areas including maintenance, training, purchasing, work system design, engineering design and production planning. Enterprises which deal successfully with OHS integrate it into the systems used to manage the enterprise.

How do we know that we are ready for benchmarking?

All types of enterprises can benefit from benchmarking. However, certain management practices must be in place to allow benchmarking to succeed as a tool for continuous improvement. These management practices are called foundation stones and include:

- **A commitment at all levels in the enterprise, starting with senior management, to the process of benchmarking OHS.** Everyone should recognise that OHS is important for the success of the enterprise and that the benchmarking process is a valuable tool for improving OHS. Without such commitment, real change is unlikely to result.
- **The existence of preventive rather than reactive approaches to OHS systems.** Enterprises with proactive approaches to OHS have more success integrating ideas gained from benchmarking partners than those with reactive approaches.
- **A commitment to adopt an open, consultative and participative approach to managing OHS.** Ownership of change comes about when there is wide involvement in making decisions about change.

- **Recognition that OHS is a central aspect of the successful management of your enterprise.** In other words, OHS should be viewed as part of how your enterprise is managed, not just something looked after by the OHS Officer.
- **The presence of management systems which allow effective management of OHS.** These systems will be both specific OHS management systems, such as hazard procedures or accident/incident reporting systems, and general management systems which address OHS as part of meeting broader organisational needs, for example, maintenance procedures and training programs.
- **An ability to analyse OHS management systems in the enterprise rigorously.** Benchmarking team members need to be familiar with analysis tools, such as process flow charting and cause and effect analysis (fish bone charts), and with various problem-solving tools.
- **An ability to convene and manage teams.** Since benchmarking OHS is done by teams, the ability to work together cooperatively is essential. External assistance to facilitate the work of the team may be required if this experience does not exist in the enterprise.
- **Preparedness to commit the necessary people and time.** Benchmarking OHS does require resources, but it can reap rewards. The commitment to support the process right through is essential. Without this commitment there is the risk that the process will be stopped before benefits are seen.
- **Experience in project management.** The benchmarking team needs to be able to manage its project in order to work efficiently towards desirable outcomes.

By critically examining the enterprise against these foundation stones, a decision can be made about the readiness of the enterprise for benchmarking.

Section 3—The practicalities of benchmarking OHS

What do we benchmark?

To get the maximum benefit from benchmarking, you should target benchmarking at the features and systems in your enterprise which have the most effect on performance.

The flow of activity in an enterprise is a little like a river. Heavy rain at the head of the river will result in flooding downstream. To prevent a flood downstream, action has to be taken upstream, not downstream. Accidents and illness at work are downstream events. To effectively stem their flow, action needs to be taken upstream. A model to describe this is the ASET Process¹.

Atmosphere ->	Systems ->	Exposure ->	Targets
For example, vision, values, common goals, OHS culture.	For example, training purchasing policy, hazard policies and procedures, maintenance procedures, information systems.	For example, state of equipment, conditions in the workplace, behaviour.	For example, incidents, near-misses.

To improve the Exposure and Target end of this process, you will need to improve the first two steps—Atmosphere and Systems. Just looking at the endpoint does not allow you to improve the Atmosphere and Systems which cause incidents. Enterprises have found that the most effective OHS benchmarking occurs when the focus is on the first two steps. They have found that improved Atmosphere and Systems lead to sustained improvement in Exposures and, ultimately, in Targets. This model applies equally to all aspects of the management process.

Who should be involved in the enterprise?

The most effective approach to benchmarking is to use teams. This allows a range of expertise, experience and representation to be involved.

¹ Based on an approach outlined in Krause and Finley (1993), p. 20.

Benchmarking teams should:

- involve management and employee representatives with appropriate expertise in the areas being benchmarked;
- consist of a limited number of people—around six has been found to work well; and
- receive training to give them the skills and knowledge which allow effective benchmarking.

It is useful to have separate teams focussing on different issues.

What resources are needed?

Benchmarking requires time and money. Although it may not be cheap, it can bring huge rewards to your enterprise. Your benchmarking team will probably need to meet for two to three hours each week. They will need to discuss their terms of reference, determine which systems and processes are to be benchmarked, analyse your enterprise's approach to those systems and processes, find and make contact with benchmarking partners, make the visits and feed back the information from their benchmarking.

Apart from the time of the benchmarking team members, administrative resources will be required. There will be travel costs too. These will be minimal if the benchmarking partners are nearby, but if they are interstate or overseas, then the travel costs can be substantial. There may also be a need for external consultants to assist with training, process analysis and facilitation, depending on the skills of people in your enterprise.

How long will it take?

Because of the large number of variables involved in benchmarking, it is difficult to specify a set timetable. The length of time taken for a benchmarking project will depend on:

- the number of processes or systems to be benchmarked;
- the resources applied to the project;
- the skill of the benchmarking team members;
- the number of benchmarking partners selected; and
- the willingness of benchmarking partners to participate.

Enterprises which make benchmarking a part of their continuous improvement system continuously use benchmarking so that, in effect, it becomes never-ending.

Section 4—Conclusion

OHS benchmarking is not a ‘quick fix’ or an instant solution. It takes considerable time, money and energy. It is, however, a powerful tool for continuous improvement in OHS management at your enterprise. By taking a systematic approach, OHS benchmarking can help you establish best practice in OHS.