



## **Chair**

We'll start the process on the Best Practice Award Finalists, and can I ask DHL if they'd like to come up and start girding their loins and getting themselves prepared?

In many ways these are truly the most democratic awards that we have in the health and safety world, because although we select the finalists, the choice of the winner is down to you, the peers, who are attending this conference. And you will all have a pink slip in front of you and as we go through the process and you'll get the opportunity to listen to the presentations, and also to ask questions to the presenters. What we shall do is at the end of the three presentations ask you to make a decision as to who you feel should get the award for the best practice awards. So truly democratic. And the first of our three finalists, which is DHL Manufacturing and Logistic Services.

## **DHL presentation**

Good afternoon. I'm hoping that you're not all suffering from fatigue after that, because I know you've had a long day and those that were here yesterday I'm sure have had an even longer one. So I'll try and make this as brief as I can, and obviously capture back some time, and I don't want to spend too much up here. My wife thinks I'm going to have a field day today because I'm talking to people that actually want to hear about safety.

I'm a bit disappointed actually, I believe I had some music to walk up to. Not that I was aware of it before I got here, but I believe it was Postman Pat. Am I correct? My lad will be well chuffed when I get home.

So just to sort of give you a quick overview, Deutsche Post, or DHL, is quite a large company and I'm going to quickly flick through this just so you can get a feel for where we are. We actually work as part of the supply chain network,

which is a very small part of DHL. DHL supply chain works in 60 countries, 2,500 locations, over 140,000 employees. Obviously most of the world that we work in on the supply chain side. The supply chain breaks down into different sectors; we have automotive, healthcare, technology, consumer, retail. We're actually the in-plant logistic services at the bottom of the automotive and industrial there. So we're a very, very small part of the DHL corporate view, but we have quite a high number of employees. We provide an on-site logistics service, in particular we work at the Jaguar Land Rover factories, of which there's two in the Midlands and one at Halewood. I'm the unfortunate one that works at Halewood, in the centre of the claims culture, shall we say. It's a very difficult, challenging environment over the past few years, but it's certainly helped me cut my tools.

To give you a bit of an overview of the contract and some of the problems that we've faced, when I actually started the role about seven years ago, I was in external logistics before that, I'd never really thought about going into health and safety, and I was given the opportunity and perhaps stupidly I took the step and decided that I was going to take that career path. I spent 13 weeks on an intensive NEBOSH course. I also had a child born at the same time, and I ended up with alopecia, so I sort of remember where I started from, I sort of remember that every day, so it's quite a good thing for me, I'm not embarrassed about it, but it's something, as Craig was talking about just previously, in terms of fatigue and how we can sort of overwork ourselves and get a little bit caught up in work.

Some of the key considerations that we've had to make; we've got 1,900 staff across the three sites. We've got quite an extensive material handling operation; there's about 8,000 pedestrians on those three sites. There isn't a pedestrian only aisle-way, they're all shared access aisles on the production plants. We tend to have quite a lot of difficulties with workplace transports and pedestrian interaction, particularly because we're a contractor on a customer site. What we'll tend to find is we challenge a production operative as to his behaviour as a pedestrian, and he'll point to his badge that's got a nice little leaping cat, a jaguar on it, and give us the old two-fingered salute and they'll be on their way.

So it's been quite challenging for us in terms of how we manage that side of our business. We've got about 750,000 pieces of material handling equipment, the majority of those are fork-lift trucks so they're 3.5 tons, high capacity. We'd prefer to have much smaller but the customer likes to have kit that they can use right across the sites in various roles to make it nice and flexible. So sometimes quite difficult to handle into the lineside operation.

And we've got around about 650 HGV deliveries per day, and they're totally cubed vehicles, 40', that come in, that we have to obviously unload, store, and then distribute to the lineside.

In terms of how the operation runs, it's very much on a lean logistics and lean manufacturing environment. Every route that we run is line timed to seconds, we don't have minutes, it's very difficult for us to ensure that employees appreciate that working to a safe and a controlled pace is the only way to work, because what we'll find is their line managers will get instant pain. If that line stops we're at risk of a £13,000 a minute penalty. So trying to engage a line manager and tell him, "You guys need to work slowly, they need to work to the right process," can be quite challenging, as you can imagine. Because as soon as that line stops every man and his dog starts screaming, and that particular line manager is saying, "I want that part to line."

So we've had a real challenge in trying to make sure that we've got people engaged. I'm actually here today not for the company, I'm here today for the employees that have given us the opportunity to do this, because we've managed to engage them and they're really well empowered within the workplace. It would be very difficult for me to try and explain in words, it would be so much easier to show you how the operation ran. Unfortunately that's not going to be an option today. But what we looked to do was make sure that we had the right level of culture and they were looking to improve that culture continuously. We needed to reduce the amount of risk, particularly with the workplace, transport and pedestrian interaction, that was very, very challenging. And we looked to improve our performance on key measures. And we have three measures in the workplace, which is first time accidents,

which is minor injuries, and that will be more like a first aider has attended to somebody, it'll either be minor cuts, grit in the eye, very, very minor injuries. A lost time accident, which I'm sure I don't need to talk to you about, but if they're not available to return to work for the next available shift it's a lost time accident. So we do give them the day for recuperation if it's required, but if they can't return to their normal duties the following day it's considered to be lost time, which is the right way to look at things, as opposed to bringing them back and putting them into a nice office role or sitting them behind a desk. That's not the way that we aim to manage our business.

The business unit safe division was to be recognised as best in class for health and safety, not only in DHL but in the logistics industry, and achieved recognition through delivery of world class performance.

We're trying to achieve a target zero culture, where every employee at every level within our business embraces and values safety through their everyday behaviour. And I think that sort of encompasses what we're all here to try and learn a bit more about today, which is how we can develop that culture and that behaviour.

I imagine most of you will have seen this kind of model, which I think is known as the Bradley Curve, but it's the safety maturity curve, and we've used this tool to try and ensure that we're meeting all the right requirements, to make sure that we can make the next step. As I say, when I joined the health and safety world it was back in 2004. We started the measure across the three plants in 2005, and these are some of the steps that we've taken. I won't take you through every single one because I'm trying to keep this flowing, but there are some really key steps in there that were important to us. One of the first ones, which I think we talked about earlier on, which was about trying to get rid of the blame culture. We have one of the challenges of being on a customer site, where contractors are an easy target in terms of if something goes wrong the customer will tend to point at it and say, "You've done something wrong. What is it you've done?" They don't take the blame themselves. It's something we then have to try and address and make sure that we get into a position where actually our processes are that robust and

tried and tested, and that the employees are engaged with them that there's no way that we've failed in our process and it must be something else. And it's very difficult to get away from that relationship, and I'm just glad that there's no-one here from JLR today, because otherwise I'd be getting my collar felt when I get back, because I'm not trying to be derogatory, I'm just trying to explain to you the challenges that we've had on that type of situation.

So some of the key things that we did. First of all, after 2006 we had a Freelander launch and it was a very, very difficult time for us. The stock call wait process was introduced. The stock call wait is about empowering an employee to be able to say, "That doesn't look safe, I don't want to do that. I'm going to stick my hand up and I'm going to get my line manager to tell me what I need to do next." That's exactly what we ask them to do, is work to your process. The process is king, the process is really, really important, it's the one thing you'll never get disciplined for is for sticking to process. We try to get that message in as early as we can through the induction integration stage because it is important; it's really important to those people to think that as long as I'm doing my job the correct way I'm not only safe but I'm free from the fear of discipline. Because it is a very, very... the man-management skills are varying. I don't know if anyone's heard the phrase of JFDI, but that is very, very apparent within our business. It's how you lead men, apparently. I would disagree. I think it's more about working on respect than it is working on fear. At the end of the day if you respect a colleague and understand what his work role is you're much more able to get onto the right level with him and discuss, and find out what's going wrong if something is.

Substance misuse, an MHE tracker was introduced. There's a lot more information in the slides that were put forward for submission so I'm not going to try and go into too much detail, but I think you'll see from the graph from that that when it was introduced alongside a tracker there was a really significant improvement in the way that our people drive MHE. I would recommend people looking into that key control process, it is an extremely effective tool, and make sure that drivers are fully culpable for the types of kit that they drive. It means we've got full visibility on whether they've had any impacts, and whether that be minor scrapes or whether that be considerable

impacts. A 3G impact is in the region of hitting a brick wall at 15 miles an hour. We were having 60, 70 of those a day, believe it or not. And before this tool was in we probably wouldn't have heard about them, because they would just happen, the drivers wouldn't report them because of the fear of discipline. This tool gave us the ability to be able to go and talk to people and understand what was going wrong. You should see our equipment nowadays, honestly there isn't a scratch on them. The drivers actually take pride in the trucks that they drive. Prior to that there was bumps, scrapes, stings, you could never tell when a kit had been damaged because it was already so heavily damaged. Not unsafe but in terms of scuffs.

We started a 'don't walk by' campaign, which again there's a lot more information in the submission there, which was about engaging our senior managers and making sure that not only the employees but the managers were tackling hazards. When they came across something that was unsafe, that they would actually raise their hand and say, "I'm going to do something about that, even it's only report it." None of us are too busy to report that to someone. It's literally a few seconds conversation. There are normally people in the area, managers come onto our site now, and particularly senior managers, and take a really active role in it. They actually enjoy coming on and if they find something there's a bit of banter between the operational teams and the senior manager. But those senior managers will get addressed by an operative if he's unsafe in that operative's area. The operative is of such confidence now that he knows he can address the senior manager and say, "Excuse me, you're not wearing the right safety footwear," or, "You've not got the high vis on, please can you leave the area and come back when you're safe," or offer them a high vis that they may have spare. It's actually quite amusing to watch some of the conversations that go on on the shop floor. But there's an understanding that if we want people to comply to safe practice, I think it was pointed out with the politician earlier, that wasn't wearing a safety helmet, we must demonstrate the safety culture we want. We can't just tell people this is what we want to lead them to, we've got to demonstrate it, and it's got to be led by the management team.

A couple of other things that were put in place. Near miss reporting, root cause investigation. A lot of our line managers weren't aware that section 37 connivance means that if they're allowing people to work unsafely, potentially they could be at risk of not only being disciplined but they could end up with a criminal prosecution and two years in jail. It's a bit of an eye-opener, I think, for most of our supervision, to understand that it's not health and safety that are responsible for health and safety on the site, it's them themselves, the line managers, starting at group leader, going right the way up to general manager. We've done some IS training with the seniors. We introduced a safety conversation process which I'll touch on shortly. And we've had work group champions' league, which again is another tool that I wanted to talk to you about, it's about engaging employees at a low level and making sure that everybody's got their eyes wide open while they're in work.

We're currently going through a process of... there's 500 new employees coming onto... particularly onto Halewood site at this moment in time ready for the Range Rover Evoque launch, I don't know whether anybody's seen the new model of the Range Rover, but we're going back to a two shift system. The customer has requested that we have a 65% agency labour workforce, because it's expected that by the end of the year we'll be dropping back down to one shift. That's very, very challenging for us, in terms of how we manage those people. There's different motivators for those people that work for us from an agency. Most of them will either want a contract and will work twice as hard, twice as fast, they really want to please their line manager, and they start working outside of process and we end up with accidents. It happened to us in 2006 and it's something that we quickly got control of, but it's something that we're very mindful of now. We've got 500 employees coming through that door in a period of approximately three months we've got them coming into us, and we've now got a four step, three week integration process, which the shop floor are finding very difficult to manage, but it ensures that we're not just putting people on fork lift trucks until we've actually audited them on their driver standards, we've made sure that they've read through all their safe systems of work, they've been audited on the safe systems of work, we've made sure they've had the right manual handling and that they've been through a level one CIEH safety course before they actually come into the

plant. So we've put an awful lot of work into making sure that this launch is successful for us, and I hope that this time next year I'll have seen that being fruitful.

The behavioural tools. The initial success of our culture improvement was the engaging and empowering of our people, and I think Sharon touched on it earlier, about how you can perhaps engage employees a little bit more. What we actually did was inverted the triangle. Instead of somebody like myself, a health and safety manager, or the quality process engineer saying, "This is your process and this is how you will work," it doesn't always work. You might give them that process to work with but you can guarantee the minute your back's turned they'll find a quicker way, they'll find a more efficient way, or they'll just start taking short-cuts and not wearing the right PPE because you're making them wear daft gloves or silly goggles. We actually challenge them to develop the process, they write the process, they work it, they've got support from the process engineers to make sure that it's documented correctly, they get support from the health and safety team to make sure that the process is safe and it's compliant. And we encourage them to continually develop that process. We actually challenge them to raise a number of continuous improvement activities through their working shift. And over a week we've set various targets for them in terms of raising hazards; for every five employees they're challenged to raise one potential near miss or a hazard a week. It's not a great deal but we raised 4,300 hazards last year and fixed them alongside our customer. That's a hell of a lot of hazard and risk that's been removed. A lot of them are repeats and we spent around about 12 months trying to coach them that it's not about quantity, it's about quality. And if something goes wrong again it doesn't mean to say you've got to go and fix it again, it means you need to revisit what you did the first time and understand what was it that we didn't get right. And it 's not a failure of theirs, if a process fails we all sit down and we all fix it. If an employee works outside a process there's only one person at fault and there's only person that we need to go and fix, and that's what we don't want... we don't want that kind of environment, we want a disciplined workforce not to be disciplining the workforce. It keeps morale very low, particularly at times like this when it's really challenging for us.



The most challenging step of us getting through to the inter-dependent phase, which is the last step, but not the end of the journey, it's always continuous. But it's a very, very difficult step to make because it's about teamwork, it's about making sure that the management, the operation, right down to agency employees, that everybody's engaged in making sure we have a safe operation, we have an efficient operation, and that everybody's able to instigate and influence change. It's not just about us coming along and saying we need to make this faster or we need to this more efficiently; it doesn't work like that. The employees tell us how they can improve things, they raise what's called a Kaizam. There's a lot of Japanese terminology in automotive manufacturing because they set the standard, allegedly. So that's what we always strive to attain, and we use a lot of their tools and techniques, but it's about them raising an issue and looking for a resolution, and getting the support from the right people to go and fix it, and make sure that they get the recognition for those improvements.

Safety conversation: we did have a process in which was called 'safety observations', a very effective tool. But more often than not was something that we waited to find an unsafe condition or an unsafe act before we went to challenge it, so it's not really a proactive tool. It does challenge the behaviours, it does make sure that we get some commitment from the employee to make sure that they're working to the right process the next time. But this process is about we challenge line managers right from group leaders through to general managers to go out on a daily basis and go and talk to an employee. Not necessarily just about safety, they actually go out there, observe them on their process, they will spend approximately about five minutes with the employee, they'll observe what they're doing, they'll introduce themselves and what it is they're doing. They normally have a yellow handbook, a small handbook, so the operatives normally know what it is that they've come to talk to them about. But we explain what we're doing, why we're doing it. We ask them what the job is, what stage they're at, is it the correct process, is it the safest method. Sometimes people are working outside a process because they've found a process improvement, and that's the opportunity we use then to coach them to use the Kaizam process, to

raise it properly and make sure that we document it and go through the right procedures. But we praise aspects of safe behaviours, not just going above and beyond but actually just doing what they're paid to do, doing it the right way and at the right pace.

There was a comment that was made by our union representative when we had some feedback sessions after we first introduced this and I think it's a really nice comment that he made, and literally it's just about it's nice to get a pat on the back sometimes, especially when it's just for doing your job the right way at a safe pace. Going above and beyond isn't always an option, but we all like to be appreciated for the work we do. Previously when a manager approached it's normally the tap on the shoulder and it's because something's gone wrong, so people were fearful of management approaching them on the shop floor because they always thought it was going to be I've done something wrong, or I'm about to get a rollicking. It's not like that any more. It's not like that at all, and it's a really, really good environment to work in. It still remains challenging with the customer, it still remains challenging with the lead manufacturing environments and the interaction with the pedestrians, but in terms of how safety is viewed on the shop floor, it is about team work. It's about we're all trying to get it right and that sometimes it is nice just to give them a pat on the back for doing it the right way. So I think it's a really proactive way of looking at things.

So I'll move swiftly on, but the Work Group Champions' League was something we developed last year. Now I'm really pleased with the success of this event, not just because it was something I developed, but something that we're now about to share across the three plants and make it an inter-plant type of competition, but we excluded the management team, which probably raised a few eyebrows. But the reason for that there was a fear of discipline. What we tried to introduce, and what we tried to get them to understand, was that 62% of lost time accidents and process failures are normally because we're not adhering to the correct process. It's not because the process was wrong, it's because they were working outside of it. So we sort of said, look, what going wrong? We sat down with the group leaders, the group leaders said, "it would probably nice to get some fresh eyes approach across the

business.” So we introduced a very short 15 minutes audit that happens in each work group. A work group will go and attend another work group’s area, there will be an employee, shop floor operative and there will be a group leader. He gets 15 minutes to find as many process failures or unsafe conditions that he can find, every one of them is recorded as a shot on goal, we then go back to the work group board of the team that’s been audited and we ask them to defend those shots by saying, “It’s there, it’s raised as a hazard, I’m trying to manage it, I’ve got something in place to make sure it’s being contained or it’s been resolved by the end of the day.” If they’re not able to defend them we then call it a goal.

There was an awful lot of banter went on, shall we say, after the first week. You know, group leaders going into somebody else’s area and everybody’s lifting the seat belts, I’m wearing my seat belt, I’m... They’ll never get caught out for the same thing twice. It became a bit of camaraderie and a bit of light competition between the work groups. But it isn’t something that we wanted the management team to then say, you’ve found 16 unsafe conditions in your area, you’re not managing it effectively. So as I say it was excluded at the request of the shop floor, and it’s been, as I say, a great success, I feel, with the way that we’ve engaged them.

We’ve actually handed this format over to the shop floor now, they’ve actually elected a chairman and he’s actually an ex-union representative, and they have fortnightly meetings where they sit down and they discuss the format, because we’re about to go into this year’s competition, and they’re developing that format to make sure it fits their operation, they’re able to do it within the time that’s allotted, that it’s a fair process, because some areas are a lot more difficult to manage than other areas. So we’ve actually handed it over to them, and actually they’re now going to hopefully carry on and develop this and we’re going to get an inter-plant competition going where at the end of a season, as they call it, but when the competition’s over the winning work groups from each plant will come and audit each other. It’s going to be a little bit more difficult in terms of logistics, but I think it’s a really good way of us trying to share some best practice and understand how the cultures differ across the sites.

That was just the fixtures flowchart that we've put together for them, so how they've all got to audit each other's areas, and there was an overview of the actual event and some of the scores that you'll see. There was one situation where we had two teams vying for a place in the quarter finals and we spent around about three weeks with Lindy, and I don't know whether anyone remembers the World Cup adverts where they had a three foot football that they were using the cars to play football with, we procured one, we had a special attachment made for the end of the fork lift truck, and we gave them a four foot run up and they were taking penalties and using the lower section of racking as the goal, and a CHEP pallet sat in the middle as the goal keeper. It absorbs the energy from the ball and it's like a kiddie's just rolled a bowling ball, it literally moves that slowly. I've got video footage but I'm not going to introduce it to you today, but it was really, really engaging and again there was an awful lot of banter, the lads are keen to get involved more this year. So we're looking at now it's going to be if they find shots rather than it become a goal at the work group board at break time they're all going to go to the crib that we've got set aside and they're going to start taking penalties. They'll get a penalty opportunity for every unsafe condition or process failure they've found.

In terms of where we were and where we are, and as I say this is skirting over very quickly, there is a lot more information in the submission document. But over the period of five years we've now found a 72% reduction in our minor injuries, we've got a 74% reduction in our lost time injuries. Previously we were having around four employees a month were going off with a lost time injury across the three sites. It's about two in every three months now. We've come down a huge step with it. A lot of them are to do with situations with flooring conditions where they've had a muscle ligament injury because their truck's driven over a pothole. We work in some quite ageing facilities. I don't if anyone's aware, but the Castle Brom site actually used to be the Spitfire and Lancaster factory back in the wars. And the whole factory is built on a slant. And it was built on a slant specifically so that they didn't have to have powered material handling equipment. As they built a plane they just took the chocks out from under the wheel and it rolled down to the next stage and they

put the chock under the wheel again. So the whole plant is actually on a slant so, as I say, there are some really challenging environments we work in.

As I say, I'm sorry I've split it up, and I feel like I've squirted through a lot of things, and I've probably missed a lot of things out that I'd like to talk to you about. But as I say I'm not here today for DHL, I'm here today for the employees that we've engaged over this period, because they asked us the question, why aren't we submitting for things like safety awards? And I couldn't answer that question, it's something I've never done before, so that's why I find myself here today, and hopefully if there's some success it's something we're going to carry on doing, because it's something they want to see, it's something that they can actually be proud of and say, "Look, this is what we're doing." It's not just about that journey, it's about us recognising safe systems of work are great as long as people adhere to them, and if they don't adhere to them, we can't engage that work force, then they're just pieces of paper.

Thank you very much. Does anybody have any questions?

**Chair**

Any questions at all? Thank you for a really excellent presentation.