



The
Science
of
EDGE
THE KNOWLEDGE TO MASTER THE NEW SUPPLY CHAIN

The Inarguable Fundamentals of Supply Chain Safety

Track 6 Session 5

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Abstract

We have no greater business responsibility than the health and safety of those that work in the Supply Chains that we operate. This important tutorial will provide a structured approach for establishing and/or enhancing a bespoke EH&S program for your operation. We will hear from an authority regarding establishing standards, education, auditing, regulation, reporting mechanisms and how to market this as a priority within the culture of your business.

Agenda

- **What is Safety?**
 - What does Safety mean to YOU?
- **OSHA – Occupational Safety and Health Administration**
 - Purpose
 - Regulations
- **Approaches to a Successful Safety & Health Management System**
 - Key Elements of a Safety & Health Management System
 - Care to Share; What are Others Doing?
- **How to Market Safety Internally**
- **Key Takeaways**
- **Conference Cloud**
- **Questions**

What is Safety?

- **What does Safety mean YOU?**
 - Business Risk that has to be accounted for
 - Set of Laws/Regulations
 - Worker Compensation Costs and Budgets
 - Belief that all Incidents are Preventable
 - Culture
 - Priority vs. Value
- **Set the Expectation or Vision**

What is Safety?

- **Paul O'Neil's First Public Address as CEO of Alcoa**
 - No mention of Profits and Revenue Projections
 - "I want to talk to you about worker safety"
 - Overall performance based on workplace safety rates
 - Cultural Change-led to efficiency improvements company wide
- **1.86 Lost Time Rate to 0.2**
- **Alcoa's annual net income over his tenure was five times higher than when he started.**

OSHA

- **OSH Act, signed into law in 1970**

- 1970 – 14,000 Workplace Deaths
- 2013 – 4,585 Workplace Deaths
- 67% Reduction

- **Purpose of the Act**

- “...to assure, so far, as possible every working man and woman in the Nation safe and healthful working conditions and to protect human resources.”

- **Employer and Employee Rights**

- **Whistleblower Protection**

- OSHA and DOT

OSHA

- **Regulations**

- Code of Federal Regulations (CFR)
 - CFR 29 Reserved for Labor
- Part 1910 Covers General Industry
- General Duty Clause
 - The general duty clause applies when a recognized hazard exists, and there is not an OSHA regulation that covers the hazard or task creating the hazard
- State Plans
 - 26 State / Territory Plans
 - “at least as effective as” Federal Regulations

OSHA

- **Penalties/Citations**

- Other-Than-Serious
- Serious (up to \$7,000 per violation)
- Willful/Repeated (up to \$70,000 per violation)

- **OSHA New Releases**

July 2015

- July 16 [\[Region 5 News Release\]](#) - 2015 - 07/16/2015 - Middlefield, Ohio, pallet maker allowed 14-year-old to operate machine illegally, resulting in loss of hand
- July 16 [\[Region 4 News Release\]](#) - 2015 - 07/16/2015 - Transformers Construction and Buildtronix in Jacksonville, Florida, continues to put employees at risk of dangerous falls and eye protection hazards
- July 16 [\[Region 10 News Release\]](#) - 2015 - 07/16/2015 - Pacific Northwest trucking company retaliates against sick, tired drivers again
- July 16 [\[Region 7 News Release\]](#) - 2015 - 07/16/2015 - Welders and grinders face toxic metal, noise hazards at Springfield, Missouri, plant
- July 16 [\[Region 6 News Release\]](#) - 2015 - 07/16/2015 - Steel fabricator continues to endanger workers, OSHA finds
- July 16 [\[Region 6 News Release\]](#) - 2015 - 07/16/2015 - Workers risked dangerous falls at Shenandoah, Texas, worksite
- July 16 [\[Region 5 News Release\]](#) - 2015 - 07/16/2015 - Manufacturer cited by OSHA after press crushes worker's finger
- July 15 [\[Region 5 News Release\]](#) - 2015 - 07/15/2015 - Worker endures 3 surgeries after press crushes hand at seal manufacturer

Safety & Health Management System

- **What is a Safety & Health Management System?**
 - An approach that utilizes; Policies, Procedures, and Practices
 - Approach must be sufficient in recognizing and protecting workers from workplace hazards
- **Benefits**
 - Improves moral and increases productivity
 - Compliance with applicable regulations
 - Reduces workers compensation costs
- **Challenges**
 - No one approach
 - It's an ongoing process, it is not a Binder that Sits on a Shelf!
- **Successful Program**
 - No one way
 - Multiple approaches
 - Ever changing – dependent on trends / needs

Safety & Health Management System

- **4 Key Elements of a Successful Program**
 1. Management commitment & employee involvement
 2. Job hazard analysis
 3. Hazard controls and prevention measures
 4. Safety and health training

Safety & Health Management System

- **Management Commitment**

- Assign responsibilities (Management and Employees)
- Set expectations and rules
- Provide resources
 - Training, Money, People, Equipment
- Set a Clear Accountability Process
 - Audits, Inspections, Progressive Disciplinary Action
- Set Goals
 - Leading and Lagging Indicators
- Encourage Employee Participation and Communication

Safety & Health Management System

- **Employee Involvement**

- Safety Committee
- Participation in Key Activities
 - Hazard analysis
 - Development of operating procedures
 - Incident investigations / corrective actions
 - Assessments / Audits
- Why is Employee Involvement a MUST!
 - Moral
 - Buy-In
 - Best Source for Information about the task / job

Safety & Health Management System

- **Hazard Analysis**

- Examination of tasks / Jobs to identify hazards
 - Interviews
 - Observations
- Identify and prioritize the hazards
- Other tools to assist with analysis
 - Equipment / work design diagrams
 - OSHA 300 logs – Incident Investigation Reports
 - Safety data sheets

Safety & Health Management System

- **Hazard Controls and Prevention Measures**

- Engineering
 - Changes to the work environment to eliminate hazards
 - ▶ Machine guarding, ventilation
- Administrative
 - Time, Frequency, Severity
 - ▶ Safe work practices, job rotation
- Personal Protective Equipment (PPE)
 - Last Resort
 - ▶ respirator, eye protection

Safety & Health Management System

- **Safety and Health Training**

- Purpose

- Educates Management and Employees;
 - ▶ Hazards
 - ▶ Safety and Health Responsibilities

- Frequency

- Initially, observation shows a need, post incident, change in practice or environment, and regulation

Safety & Health Management System

- **Care to share, What are you doing?**
 - New approaches
 - Anything different
 - Successes / Failures

Safety Strategy Ergonomics

- **WORK AREA DESIGN**
- **TRAINING & EDUCATION**
- **PERSONAL FITNESS**



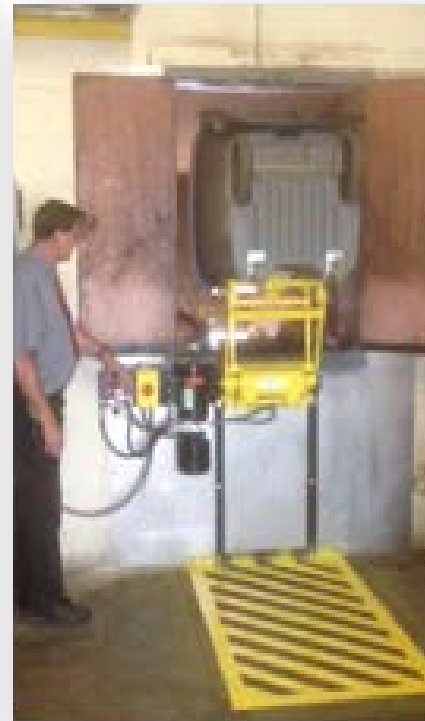
Work Area Design



Work Area Design

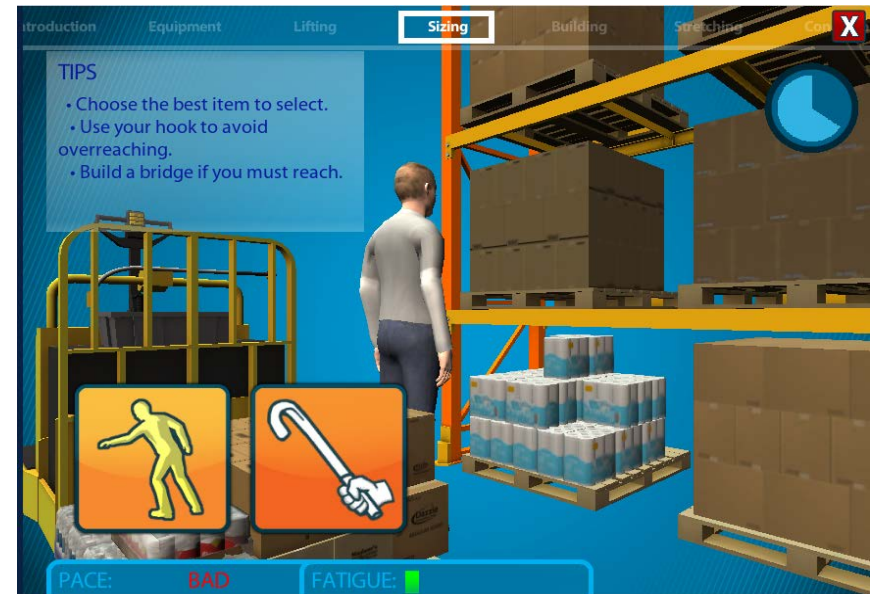
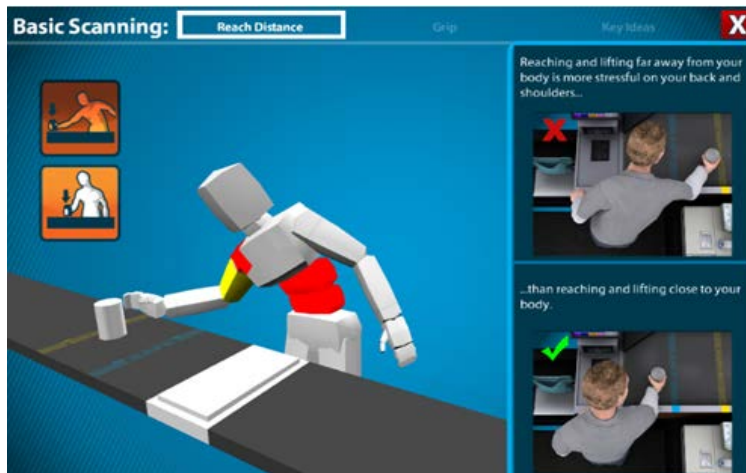


Work Area Design



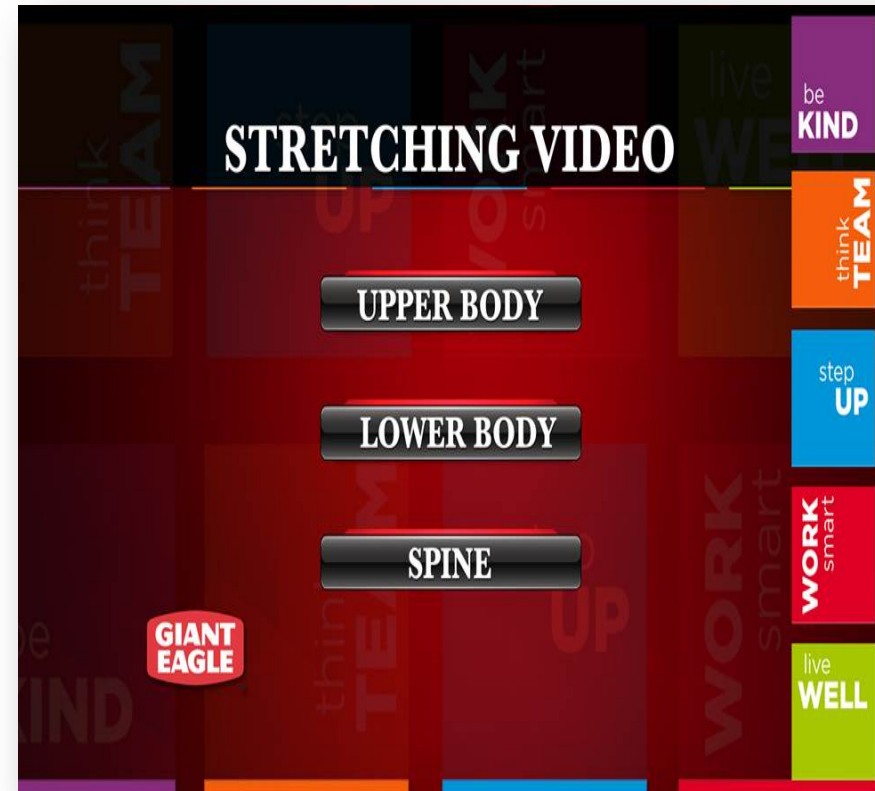
Training and Education

- **Selector and Cashier “simcoach” Training Game**
 - Partnership with Etcetera Edutainment
 - Collaboration between Safety, Operations, and Engineering
- **Modern Training Tool**
 - Virtual Environment
 - Engaging & Habit Building



Training and Education

- **Giant Eagle Stretching DVD**
 - Heath and Wellness Branding
 - Core Value Branding
- **DVD Content**
 - Based on Assessment Data
 - All Formats
 - Stretches at Home and at Work

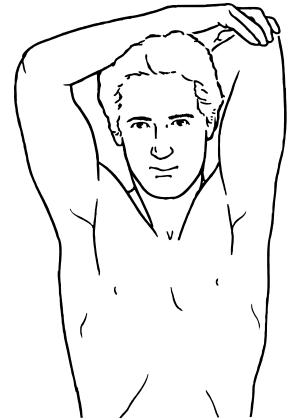


Personal Fitness

- **Onsite Prevention**

- **Embed a Physical Therapist into the Operation**

- *Individual Assessment and consultation*
 - *On-floor coaching -- Improper Lifting \ Techniques*
 - *New hire training*
 - *TMs on restricted duty*
 - *Educate the supervisors*
 - *Work area design – engineer out Ergo Hazards*



- **Function Capacity**

Marketing Safety

- Workplace Injury Costs

- Direct Vs. Indirect Costs

An iceberg floating in the ocean. The tip of the iceberg is above the water, and the much larger base is submerged. The text 'WHAT DO ACCIDENTS COST YOU?' is at the top. A small inset shows a ship sinking with the text 'Unseen costs can sink the ship!'. The tip of the iceberg is labeled 'Direct - Insured Costs' and 'Just the tip of the iceberg'. The submerged part is labeled 'Indirect - Uninsured, hidden Costs - Out of pocket'. A list of 13 examples of indirect costs is provided, along with 'Unknown Costs' at the bottom right.

WHAT DO ACCIDENTS COST YOU?

Unseen costs can sink the ship!

Direct - Insured Costs "Just the tip of the iceberg"

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.
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? _____

Unknown Costs -

1. Human Tragedy
2. Morale
3. Reputation

Marketing Safety

- **Build a Case Study for the Safety Initiative**
 - What is the problem?
 - Why is it a problem?
 - Solution to the problem?
 - Show a return on investment
 - Associated worker compensation claims
 - Productivity improvements & labor savings
- **Use OSHA Regulations and Resources**
 - Monitor OSHA enforcement activity & associated fines
 - OSHA's \$afety Pays program
 - <https://www.osha.gov/dcsp/smallbusiness/safetypays/index.html>

Key Takeaways

- **Determine what safety means to you**
- **Proactively use OSHA's resources as a guide**
- **Follow the 4 Key elements of a successful program**
 1. Management commitment & employee involvement
 2. Job hazard analysis
 3. Hazard controls and prevention measures
 4. Safety and health training
- **Use all resources available to help market safety initiatives**

Conference Cloud Additional Resources

Website related:

- www.osha.gov

- Regulations (1910)
- OSHA's Safety Pays Program
- 1989 Voluntary Safety and Health Program Management Guidelines
- OSHA Alliance Program, Safety and Health Case Study

- www.jjkeller.com

- Keller Online Interactive Safety Management Tool

- **Regulations**

- 29 CFR 1910, General Industry
- Refer to State Plan, if applicable

- **Organizations**

- American Society of Safety Engineers
- National Safety Council
- Research your Industry for Trade Groups

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Questions



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