

Toward OHS best practice in the Australian meat industry M.338C

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Prepared by:Nery Ergonomic Services

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Overview of the OHS 'Best Practice' Program

Introduction

The Occupational Health and Safety Best Practice Project has provided the opportunity for the Australian meat processing sector to improve its performance. Enterprises which adopted a best practice approach developed a comprehensive strategy which fully integrated occupational health and safety with the broader issues of productivity, quality and workplace reform.

The Australian Meat Processing Industry

The Australian red meat processing industry is a significant Australian industry which exports to over 100 countries earning more than \$4 billion per annum, making the meat industry Australia's third largest export earner. Total turnover in both the domestic and export segments of the industry is more than \$6 billion resulting in a profit of approximately \$60 million, less than 1% of turnover.

The sector includes 215 processing plants of which the majority produce beef and sheep meat for the domestic market although export plants account for a much larger proportion of industry activity. Eighty percent of all production occurs in approximately 95 plants which is less than half the total number. The industry directly employs 30,000 people and another 50,000 indirectly. It is highly unionised with the AMIEU providing coverage for all employees.

People and Performance

The Industry Commission Inquiry of 1994 identified that labour costs were a major impediment to the international competitiveness of the Australian meat processing industry. The industry's initial response was technology driven - using technology to reduce labour requirements.

However, a number of notable failures of this strategy lead to the recognition that people are a source of competitive advantage in the meat industry, as in other manufacturing industries. The Work Related Issues Key Program of the MRC was developed to increase the industry's capacity to create advantage through its human resources.

An overall objective of the Program was to further improve productivity in non-livestock inputs in the red meat processing sector by 1996. A specific program objective was to produce a reduction of 10% in OHS costs to the industry.

OHS Approach

The industry's approach to OHS prior to the project was based on reacting to incidents and injuries rather than preventing and controlling risks. Risks were accepted as an essential feature of the industry. The fact that workers would "break down" by their mid 40s and be unable to continue in the industry was explained as an unavoidable consequence of the industry - "It's a young man's game". To some extent, time off as a result of occupational injuries and disease has been seen as a reward for hard work. Partly as a consequence of this approach to OHS, work organisation has been based on the redundancy of parts - an injured worker is treated as a component that can be easily replaced with another employee.

Triggers for Change

Enterprises can identify many reasons for their desire to participate in the OHS Best Practice Project and these are covered in depth in the Case Studies.

Five main triggers were identified:

- · Legislative responsibility
- Increasing workers compensation premium
- More active involvement of the union
- Desire to improve communication
- · Improve workplace relations

The Meat Research Corporation

The red meat industry through its strategic plan has charged the Meat Research Corporation (MRC) with providing research and development support to contribute to the sustainability of the industry. The prime goal of MRC "is to increase the efficiency of the processing sector to world's best practice by 2000".

OHS is part of this strategic plan for the meat industry and the key objective of the Improving Health, Safety and Environment Project is "to utilise technology and work system design to improve the quality of working life in the sector".

The 'Best Practice' Program

The program, established in 1993 to develop as a strategy to assist the industry move toward best practice, was identified as the means by which the meat processing sector could improve their performance and remain competitive in the world market place.

The entry of the meat processing sector into a best practice approach followed the lead of the National Best Practice program managed by the Australian Manufacturing Council and the Department of Industrial Relations. They undertook a Program in which 43 Australian firms have participated. The success of this Program has been documented in a number of publications.

The OHS Best Practice Project is supported by the Meat Research Corporation, National Meat Association (formerly the Meat and Allied Trade Federation of Australia) and the Australasian Meat Industry Employees Union (AMIEU).

Defining 'Best Practice'

Worksafe Australia has defined "Best Practice" as those practices which lead to superior performance in a company or enterprise relative to industry or international leaders.

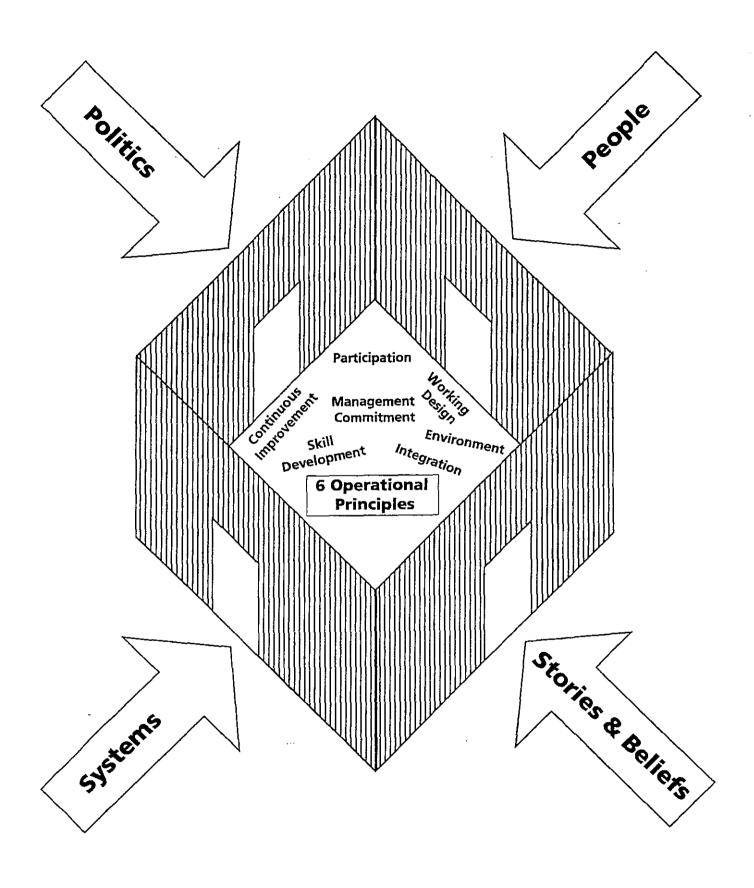
Best practice is a process of continuous improvement achieved by benchmarking practices and performance. This requires companies to:

- Analyse their processes and activities to identify those which most impact on performance and measure how well they are carried out
- Compare these practices with those of organisations recognised as having superior performance
- Adapt and implement practices based on what has been learned from the other organisations studied and set realistic targets for improved performance

The diagram on the following page shows how the participants worked on four different aspects of the organisation to achieve best practice.

Resources and Information

MRC has prepared resource material to assist other enterprises to benefit from the experience of others. A Comprehensive Evaluation Report regarding the impact of this project is available. Attached Case studies have been prepared to describe how those companies that have participated have turned around their performance and laid the foundations for improvements and involvement in other projects such as benchmarking. They are now passing their experience onto the rest of the Australian Meat Industry.



Four Change Enablers

Participants

Participants in the OHS Best Practice Project 1993 - 1996 were:

- ♦ Barnawartha Abattoir
- ♦ Blue Ribbon Meat Products
- ◆ Bunge Meat Industries
- ♦ Eversons Wholesalers
- ◆ George Chapman Pty Ltd
- ◆ Fletcher International Exports Pty Ltd
- ◆ E G Green & Sons
- ◆ Hardwicks Meatworks Pty Ltd
- ♦ M C Herd Pty Ltd
- ♦ Kilcoy Pastoral Company
- ♦ Killarney Abattoir Pty Ltd
- ◆ Metro Meat International Ltd, Noarlunga
- ◆ R S Morrow and Son Pty Ltd
- ♦ Q MEAT, Brisbane
- ♦ Q MEAT, Ipswich
- ◆ Tamworth City Abattoir
- ◆ Teys Bros (Holdings) Pty Ltd, Beenleigh
- ♦ South Burnett Meatworks

The evaluation report was prepared by Andrew Shaw of Shaw Idea Pty Ltd and the case studies by Claire Gallagher of Monash University and Andrew Griffiths of Queensland University of Technology.

Defining the OHS 'Best Practice' Project

For some time the Meat Research Corporation (MRC) has recognised that OHS is a major barrier to competitiveness of the meat industry. Poor occupational health and safety performance contributes to unnecessarily high labour costs and is a major constraint to the industry's capacity to innovate. To tackle this problem the MRC established the OHS Best Practice Project.

An approach based on principles of best practice was adopted because it promotes prevention of OHS problems and focuses attention on improvement.

The project aimed to achieve four main objectives:

- 1. To develop models of best practice in OHS at the enterprise level, which may be demonstrated for wider application within the industry
- 2. To reduce the financial and social costs related to injuries and illnesses in the meat industry and improve productivity
- 3. To develop Key Performance Indicators in OHS which will form the basis of future benchmarking within Australia and internationally
- 4. To assist the meat industry to establish a framework for broader workplace reform

Seven principles of OHS best practice were identified for the Australian meat industry. These were based on the principles defined by Worksafe Australia's OHS Best Practice Project and those identified in the Australian Best Practice Demonstration Program of the Department of Industrial Relations and the Australian Manufacturing Council. They are:

- 1. Management commitment and involvement
- 2. Employee participation
- 3. Comprehensive and integrated OHS management systems
- 4. Training
- 5. Communication
- 6. Innovative approaches to risk identification, assessment and control
- 7. Development of process performance indicators

These principles recognise that best practice is a process that an organisation will go through to work toward best practice. This process will vary for organisations dependent on how it undertakes its activities. A range of industry wide and plant specific projects was funded by the MRC to put these principles into place.

OHS Best Practice Participants

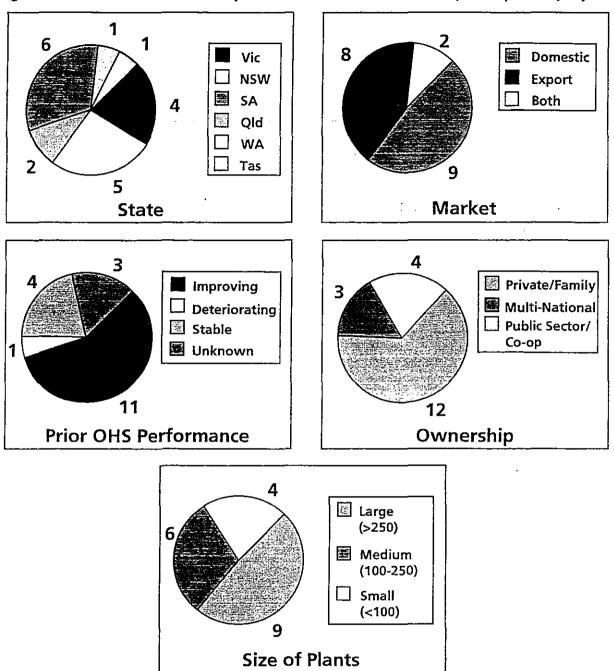
Forty meat processors received funding from the MRC to undertake Occupational Health and Safety Best Practice projects. They were involved in enterprise based projects and industry-wide issue-based projects such as noise, small domestic network and benchmarking.

A number of plants were involved more in networking activities, rather than specific improvement strategies.

Twelve were involved in specific networking and issue-specific projects. For example, Albury/Wodonga and Western Australia networks addressed noise and problem solving. Finally, 19 plants undertook relatively detailed enterprise specific projects, often in addition to involvement in industry wide projects.

All participants said their projects have made an effective contribution to increasing the competitiveness of their enterprise. These enterprises were drawn from throughout the industry; from every state; domestic and export; small, medium and large; private and public sector, family owned and multinational. They all made significant contributions to the project – both in time and money.

Figure 2: Profile of the 19 enterprises which undertook enterprise specific projects



OHS Best Practice Project Achievements

The project has highlighted that the industry's old approach to OHS – simply reacting to OHS problems and arguing about them – does not work. Project participants now seek to prevent OHS problems and everyone participates in finding effective solutions.

Plants which participated in the project are changing in several areas:

- The systems they use to manage OHS
- The way people are involved in how OHS is managed
- The politics of OHS in their enterprise and
- The stories they tell about OHS

The OHS Best Practice Project has supported real change in several areas:

	Before Best Practice	After Best Practice
Systems	Few plants had any systems in place. Those that did exist focussed on compensation not prevention.	New effective systems which control hazards at their source
People	Little or no participation Argument not communication	ParticipationCooperationTwo way communication
Politics	 OHS is not an important job. OHS is a source of conflict. OHS committees don't have much power – no real strategic role. 	 OHS is an important part of everyone's job. OHS is a source of cooperation. OHS committees play an effective, strategic role
Stories and beliefs	 It's a young man's game breaking down is inevitable. Compensation is a reward for hard work. Fine words on paper, but nothing really happens. 	OHS as a symbol of cooperation and successful change Belief that injuries and disease can and should be prevented

Changes in these areas have made it possible for participants to implement the six principles of OHS best practice.

Principles of Best Practice - Change in Approach

Best Practice Principles	Before Best Practice Principles	After Best Practice Principles
Management commitment	Maybe there is an OHS policy, but it is not acted on.	OHS is an important issue and gets time and money spent on it.
	OHS is a nuisance that gets in the way of production.	
Participation	Participation only on how to deal with the maintenance backlog.	Everyone has an opportunity to contribute to decisions about real issues.
Skill Development	Training is not recognised or accredited.	Skills to help you do the job safely are as important as other job skills.
	OHS training is not provided.	New employees receive induction training.
	(Continued)	

Best Practice Principles	Before Best Practice Principles	After Best Practice Principles
Designing the working environment	Changes to the workplace just happen without looking at how they will affect OHS.	Changes to the workplace are assessed for their OHS consequences first.
	Personal Protective Equipment is the first and only way to control hazards.	• The working environment is redesigned jobs, technology, layout to improve OHS.
		Hazards are controlled at their source.
Integration of OHS	OHS is a "side car" - not important to how the plant runs.	OHS is part of everybody's job.
Continuous improvement	No one know how well you're going with OHS until you get your annual workers compensation notice.	Improving your performance in OHS is a key organisational goal.

OHS Best Practice Model

The experience from the project to date provides detailed guidance on how to implement OHS best practice in the meat processing sector. Projects at participating enterprises have allowed OHS reform strategies to be tested and refined and new ways of dealing with the industry's substantial OHS risks developed.

In combination with the industry projects, the entire industry's competence to deal with OHS has been raised and the preventive approach given greater prominence throughout the industry. The project has demonstrated both the potential for and benefits of a best practice approach to OHS for the Australian meat industry.

The evaluation suggests the following model for OHS best practice in meat industry workplaces:

- CEOs should provide a visible statement of commitment in deeds as well as words
- Team based approaches are the most effective method for undertaking project activities
- Training for all involved and affected is necessary
- Look at a broad range of issues, with teams in different areas if necessary, supported and guided by a steering group
- Achieve concrete outcomes as quickly as possible "get runs on the board"
- Establish formal risk identification, assessment and control mechanisms (working environment design) as a normal part of day to day operations and to get the "nuisance" and "grocery list" problems out of the way
- Integrate OHS into other concurrent workplace change activities this helps avoid overcommitment by key players (eg too many meetings), as well as achieving other organisational change goals.
- Foster flow on effects eg use problem solving skills to address quality problems
- Use performance measures, but recognise the limitations of accident data (For example, don't despair if claims increase as employees increase their trust in the enterprise.)

The Impact of the OHS Best Practice Project

A range of criteria were evaluated in order to determine the attainment of best practice by the project participants and the impact on their enterprise. These impacts were considered in terms of cost of injury, the development of performance indicators and workplace reform.

In almost all cases, as this table illustrates, participating enterprises demonstrated improved performance against the principles of best practice. It has shown that the approach used has been effective for the participating organisations.

Performance of Best Practice Enterprises

Participant	Management Commitment	Participation	Skill Development	Designing the Working Environment	Integration of OHS	Continuous Improvement
Plant A	*	*	**	*	*	**
Plant B	***	****	****	****	****	****
Plant C	****	***	****	****	***	***
Plant D	***	***	****	***	***	***
Plant E	***	**	***	***	****	**
Plant F	***	****	***	****	***	**
Plant G	***	***	**	***	**	**
Plant H	****	***	****	****	***	****
Plant I	****	****	****	****	***	**
Plant J	**	***	**	*	*	*
Plant K	**	**	***	**	*	***
Plant L	*	***	***	**	*	**
Plant M	****	****	****	****	****	?
Plant N	****	****	****	****	***	***
Plant O	***	***	***	***	*	?
Plant P	*	***	***	***	*	**
Plant Q	**	****	***	**	*	**
Plant R	****	***	**	***	***	*

Codes for the Previous Table

Principle	***	***	**	*
Management Commitment	Prominent, demonstrated commitment	Some commitment, but not across the board, erratic	Passive management	Management commitment negative
Participation	Team, workforce and union all active participants	Little or no union involvement	Only the team active	Minimal involvement, even by team
Skill development	Effective, high quality training provided to meet identified needs	Training limited in scope of lower quality and/or effectiveness	Training only provided to the team	No training provided at all
Integration of OHS	Broad, integrated systems developed	Broad, but not integrated systems developed	Integrated, but limited in scope	Limited in scope and isolated systems
Continuous improvement	Improvements measured by process and outcome indicators and evidence of improvement in a range	Improvements measured by outcome indicators ad evidence of improvement in at least some indicators	Measurement of performance, but no improvement evident or only informal evaluation	No measurement or performance, therefore no improvement measured

Compensation Data and Other Statistics

The meat industry does not collect outcome statistics in a consistent or comparable manner.

Outcomes such as claims are affected by much more than just activities associated with the OHS Best Practice project. However, compensation and other outcome data also point to positive outcomes from the project. On an industry basis, recent data from Worksafe Australia indicate a \$2 million reduction in compensation payment for 1993/94 (the first year of the project) compared with the period 1992/93.

A direct link between project activities and compensation and other outcome data cannot be drawn even in specific cases. However, nearly one-third of participants reported significant reductions in outcome variables such as claims cost and Lost Time Injury Frequency Rates (LTIFR).

Although it is important not to rely on accident data as the sole indication of OHS performance, it is possible to review the performance of participating plants.

Accident data is difficult to compare between enterprises, even when the data are collected using the same protocols. Evidence from five plants, however, suggests that they have experienced substantial reductions in costs over the period of their involvement.

Plant 1 -- Between 93/94 - 95/96: 64% decrease in days lost, 59% reduction in cost of compensation

Plant 2 -- Between 1993 & 1995: 44% reduction in LTIFR

Plant 3 -- Between 1993 & 1995: 36% increase in number of lost time injuries but a 94% decrease in number of days lost suggests substantially lower compensation costs

Plant 4 -- Between 1991/92 - 1995/96: 72% reduction in cost of claims

Plant 5 -- Between 1992/93 - 1994/95: 38% reduction in cost of claims

For those participants which provided improved cost of claim figures, the improvement ranged from 38% to 72%.

Possible confounding factors include:

- Change in the number of employees (in one case the number of employees increased)
- Changes in the relevant compensation system
- Different premium calculation protocols used by different authorities

Productivity and Quality

Figures indicating changes in this area were also hard to obtain. In any case, it would be difficult to separate the effect of the OHS Best Practice Project from the effects of the range of other concurrent improvement activities such as HACCP, enterprise bargaining and training reform.

All participants, however, say they believe the project has supported improvements in productivity and quality, not least through reinforcing other concurrent reforms. All enterprises cited the flow on effects of the project as an unexpected and positive outcome of the project. Some in fact viewed the project as instrumental to the introduction of other organisational reforms.

Key Performance Indicators

There was a limited extent of OHS performance measurement of any kind in the industry prior to the project. An increase in the collection of accident data represents an achievement.

Few participants measure their performance in OHS, even on traditional outcome indicators. The development of positive performance indicators in OHS was, therefore, not a primary focus of participants projects.

Preliminary activities were undertaken as a part of the benchmarking project, and only two participants developed process indicators of OHS performance.

One processor developed an OHS performance matrix measuring performance in 16 process parameters. Indicators were developed against each of these parameters and performance against them tracked. Through the course of the project, substantial improvements against almost all of the parameters was indicated.

The second processor also used process indicators to evaluate the effectiveness of specific interventions. Indicators in this case included employee satisfaction with the intervention as well as relevant quality data.

The benchmarking project developed first cut process indicators focussed at the enterprise level. Indicators were developed in areas of OHS management identified as critical to superior OHS performance. These were in relation to hazard identification, employee involvement, training, employment procedures and induction.

Workplace Reform

A significant outcome of the project has been the assistance it has given to establishing a framework for broader workplace reform. For many participants, the most significant outcome has been the platform that success with the OHS Best Practice Project has provided for further reform.

The OHS Best Practice project made a significant contribution to the Work Related Issues Program providing a model of participative change which addresses the needs of workplace parties. It marks the first time that the union became actively involved in an MRC program.

Given that the industry's traditionally poor industrial relations climate has considerable negative consequences for industry growth and development, having such a model is an essential precondition for change.

The project has introduced the concept of workplace change into the small domestic/export sector, which had not previously been involved in MRC projects to any great extent. Some of the projects in small plants provide models of successful change for larger enterprises.

The project also assisted in broader change because it acted to build pressure for workplace change by demonstrating the inadequacies of existing relationships, structures and processes. For one participant, involvement in the project provided impetus for structural change in the organisation, acting as a challenge test. In others, participation in the project highlighted the need for changes to maintenance processes and decisions.

The following table shows how there has been a change in approach to one of the Best Practice firms.

Old Approach	New Approach
Training as a cost	Training as a source of competitiveness
Production above all else	Alignment between production and organisational needs
Control-oriented management	Leadership and guidance
Reactive OHS	Proactive OHS through induction, selection, awareness
Production as the only performance goal	New performance measurements
Management changes by edict	Consultative changes and employee involvement

OHS Comprehensiveness Index

A study was undertaken by Griffith University to evaluate changes in OHS comprehensiveness during the OHS Best Practice Project. The approach taken was to determine broad indicators of OHS relevant to all best practice participants. The study obtained information on organisational processes and structure, changes in OHS comprehensiveness and project impact on organisational processes and workplace developments not necessarily related to OHS.

The OHS comprehensiveness measures developed indicated improvements in OHS comprehensiveness over the time period sampled. These indices measured:

- Changes in co-operation and consultation between management and employees on OHS functions in the workplace
- Changes in the involvement of management in OHS functions
- Changes in the functions of the OHS Committee in the workplace
- Changes in the use of OHS Standards in the workplace, changes in the use of OHS safety audits in the workplace
- Changes in the appointment of OHS specialist personnel in the workplace

Changes in OHS comprehensiveness were related to abattoir characteristics such as the size of the abattoir's workforce and the abattoir's ratio of full-time to part-time employees.

There is some evidence in the study which suggests that improvements in OHS comprehensiveness were related to broader effects in the workplace. The group of abattoirs demonstrating a relatively low improvement in OHS comprehensiveness reported less improvement in specific areas in the workplace than the group of abattoirs demonstrating higher improvement in OHS comprehensiveness. In particular, the team members in the low group tended to report lower levels of improvement in communication in the workplace, in teamwork skills in the workplace and a lower level of improvement in safe work practices.

Lessons Learned Through OHS Best Practice Project

In summary, the Best Practice Project indicated a number of fundamental changes to how OHS is addressed. This indicates that there are no set recipes or formulae for their success. These changes are consistent with the features of a new workplace culture necessary to support flexible and productive organisations operating in a competitive marketplace.

Don't just concentrate on systems

The more successful projects did not just set up OHS management systems, but undertook their design and implementation in a participative way. They also changed the stories and politics of OHS by, for example, improving communication between individuals, treating OHS as an area of achievement that management and the union can work together on and celebrating achievements by taking photographs, hosting barbecues, etc.

Get your CEO on board

The grassroots approach the MRC took to the project allowed enterprises to establish projects which were within their capacity for involvement.

Although full-on CEO commitment was not essential to get started, those enterprises with stronger CEO commitment were able to achieve more substantial impact.

Additionally, while backing at the CEO level – at any degree -- was not necessary to commence project activities, it certainly supported continued action. On the other hand, even enterprises that didn't have a satisfactory level of CEO commitment underwent a degree of change -- but to proceed and extend the project to greater success, more significant commitment from the CEO was needed.

CEOs do not need to be active members of project teams — as two of the participants demonstrated — but they do need to provide active and public commitment. As long as permission is given to pursue even a minimal Best Practice program, it is possible to create some measure of organisational improvement.

Actions which successfully supported greater CEO commitment were:

- Exposure to the successes of other participants and other strategies for peer pressure
- Speaking about OHS in new ways (i.e. using the vocabulary of prevention and participation)
- Making concrete, visible achievements as quickly as possible ('getting runs on the board')
- Exposure to new ways of thinking about management and
- Sheer persistence in pursuing project activities

Demonstrated CEO commitment by clear arrangements for devolution of power and responsibilities

Decentralisation of responsibility for decision-making was an important example of CEO commitment to the work of the organisation's project teams.

In those organisations where the team's ability to make decisions was hampered by tight CEO control, their overall success was limited. Decentralisation of power and responsibility was evident in those organisations which had a fully functioning team.

Making and celebrating achievements

Addressing immediate priorities and getting things happening straight away were obvious features of successful projects.

Those with negative opinions often reported a high level of frustration with the time it took to get anything happening.

Successful projects ensured that the easy things would get done straight away for example, often building improved relations with and functioning of maintenance as a specific project activity. This

also got rid of the grocery list phenomenon -- OHS Committees spending their meetings going over a maintenance list, prioritising and reprioritising the same tasks.

The more successful projects made certain everyone in the enterprise knew about what had been achieved through regular reviews of progress, having actual celebrations -- barbecues, presentations -- and photographs displayed in prominent places. These also assisted in building CEO commitment.

Projects need to be broad, not limited or isolated in scope

A team is more easily able to undertake projects of a broad scope if CEO commitment is apparent and where the team is not bogged down trying to make the most basic achievements. Projects with a broad focus achieved more positive outcomes than those that didn't demonstrate these features. The effects of the broader approach were evident throughout the organisation.

Communication is facilitated by informal, face-to-face contact

Even in large organisations which rely more on formal communication methods like a newsletter, informal chats with team members and relevant managers as part of day to day work had most effect in communicating about the project. Such methods also demonstrate the integration of OHS and its importance in relations to operations.

The experience of the more successful projects suggests that participants should:

- Harness the informal communication channels in enterprises (i.e. grapevine)
- Formally designate employees as information channels for providing and collecting information
- Use time such as run on and run off to have quick discussions with smaller groups

Involvement in industry-wide projects supports enterprise level achievement

Involvement in industry projects built participants networks and provided greater opportunities for shared learning. The industry wide project also fostered changes throughout the industry such as the involvement of the union in developing the OHS Guidelines and opportunities that provided new stories and myths about OHS.

Blue Ribbon Meat Products

"The Movement Towards Best Practice Occupational Health And Safety Performance"

Blue Ribbon Meat Products

Blue Ribbon Meat Products is a small publicly owned company with five operations located in Tasmania. In 1993, Blue Ribbon Meat Products was transformed from a privately owned firm to a public company. As a result of the new structure, a new management system and accountabilities from the Board and shareholders were required.

This case study is focused on the Killafaddy operations of the company. The major operations at the site include the slaughter, boning, packing and processing of mutton, beef and pigs for the domestic market. The company's records indicate that 90% of their workers' compensation costs occur from injuries on the slaughter floor.

People Management Required

The management of staff at the plant lacked coordination and planning, which was handled by management in a reactionary manner. Employees would normally work one job and, when injured, were simply replaced by another able bodied person.

Return-to-work practices for injured workers was patchy and uncoordinated. As a result, casuals were used extensively to fill positions on the line where employees were injured.

By following this reactionary approach, problem areas were not fixed and management brought in new people to fill the inadequacies of the line and production system.

Catalysts of Change

Three main catalysts caused Blue Ribbon to change its OHS practices. These catalysts played a critical role in providing momentum for change and out of the three emerged eight critical issues that became the focus to drive future changes.

The three main catalysts were:

- Costs of poor practice
 The appointment of a new CEO noted that OHS performance was holding back overall performance. Poor practices were also leading to an increase in the cost of the company's workers' compensation premium and costs associated with lost time and reduced productivity.
- OHS Best Practice Project
 Blue Ribbon joined the Best Practice project being undertaken by the MRC to improve
 performance and to seek specific guidance and advice on OHS issues. A project team was
 formed to integrate OHS processes into work practices and management systems and to
 complement the upgrading of the mutton slaughtering process.
- New management systems
 The new management systems and personnel made management responsible for meeting production demands and required management to take a wider focus and examine issues such as OHS and training.

The eight critical issues were:

- Costs of bad OHS practices to both management and employees
 With an understanding of these costs it became easier to harness the issue from one of conflict to one of cooperation. Both parties had a shared interest in making changes.
- The use of third-party intervention to assist with the change process
 This could take the form of consultants, advice from the MRC or other project participants
 experiences. These were used by the project team at Blue Ribbon to facilitate and guide their
 own change experiences.
- 3. The movement towards the integration of OHS within broader management goals and responsibilities

This makes managers more accountable for the costs associated with OHS practices

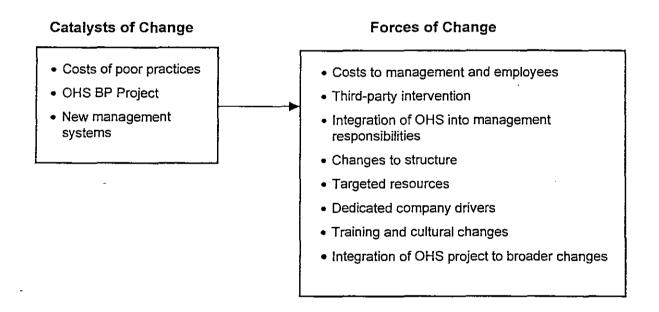
- 4. Changes to structures as a result of the development of new management systems and strategic plants
- 5. The use of targeted resources to address the issues of OHS, Personnel and Training
- 6. Dedicated company drivers of the OHS change process
- 7. Training and broader cultural changes need to occur in order to keep the momentum of the project going
- 8. Integration of OHS Project into change on a broader scale

The new management team also raised the status of OHS. This was achieved by an analysis of both human resources and OHS issues and led to the development of a strategic plan designed to improve both aspects of the organisation.

One development was the appointment of new staff, including an OHS officer, a registered nurse as the return-to-work and workers' compensation officer and a technical/ development officer. These individuals formed a unit responsible for the proactive approach to the reduction of OHS injuries.

Forces of Change

The following items are identified in the model below as they related to the change that occurred at Blue Ribbon.



New Approach

With the winds of change, a significant difference emerged within the organisation between the old and new approach to OHS at Blue Ribbon.

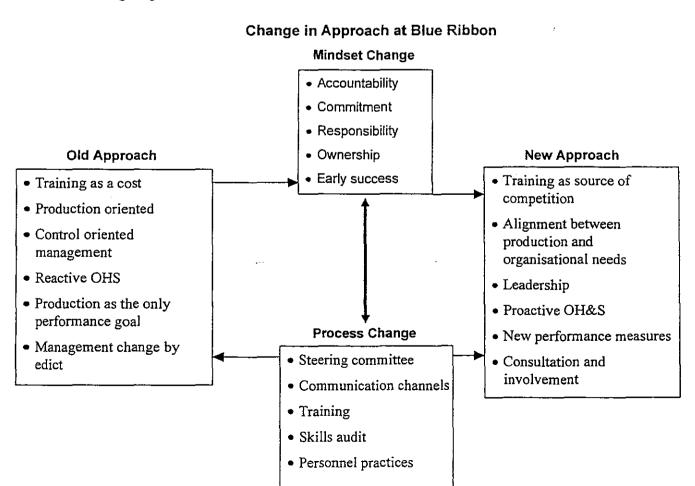
The new approach has assisted with the creation of a critical mass of people who were willing to support OHS changes at Blue Ribbon. The critical mass means both the number of people involved in the program and the efforts required to produce commitment to the process, employee involvement and willingness to change.

The changes that occurred can be seen in the table on the next page.

Former Approach	New Approach
Training as a cost	Training as a source of competition
Production above all else	Alignment between production and organisational needs
Control oriented management	Leadership and guidance
Reactive OHS	Proactive OHS through induction, selection, awareness
Production as the only performance goal	New performance measurements
Management changes by edict	Consultative changes and employee involvement

Process Changes

In moving from a reactive to a proactive approach, it became apparent that several complimentary changes had taken place. These changes took place in the mindset of managers and employees and were supported by changes to the processes operating at Blue Ribbon. These were interactive and could not be separated from one another. It is the adoption of change that helped to create a new approach to OHS processes at Blue Ribbon. These changes to be discussed are outlined in the following diagram.



Formation of a Project Team/Steering Committee

A major development was the establishment of a project team which provided the forum for consultation. It included employees from the boning room, slaughter rooms, management appointed positions such as supervisors and technical officers, the CEO and administration manager. The team met regularly in an environment where senior management, unions and employees worked together.

The project team's role was to review proposed projects, provide input into problem areas and to act as a resource for sub project and process improvement teams.

• Process Improvement Teams (PIT)

Blue Ribbon formed process improvement teams whose membership comprised representative members of the workforce for each issue being addressed. One person was given the job of reporting back to the project team and ensuring that the task was completed.

Problem areas were identified in several ways: suggestions from project team members; information collected from employee suggestion forms and through informal discussions with staff.

Once a problem was identified, the team leader discussed it with the employees, ideas were brainstormed and advice sought from other staff. A costing for the changes was completed and a report submitted to both the project team and senior management for approval.

Communication

A key role undertaken by the project team and the process improvement teams was communication. Minutes of meetings were placed in highly visible areas and "Toolbox meetings" were held. Attendance at these meetings was voluntary. They were held during lunch breaks and provided a forum for employees to receive information and provide comment about the changes being made.

Training

Along with the formation of the project team and process improvement teams, the company also developed a structured approach to training. A training program was conducted for all middle managers and supervisors at which participants were awarded the Australian Certificate of Supervision in the Meat Industry.

The company also conducted a second training program for some staff on manual handling, problem solving and ergonomics. This course assisted staff to write modules on the skills requirements and training needs of labourers, slaughtermen and boners.

Skills audit

The company carried out a skills audit to provide information on the performance of employees in relation to the tasks they were required to do. The information will be used to develop modules of structured training and also to increase the awareness of issues such as quality, OHS and to create a career path for labourers and unskilled workers.

• Personnel and selection practices

The process of recruitment and selection was improved with an underlying philosophy of fitting the right person to the task.

Mindset Changes

As well as the five process changes, a number of mindset changes assisted with the adoption of new OHS practices at Blue Ribbon:

Accountability

To revitalise the project and ensure that it was kept on track, the project team prioritised their list of problems so that results achieved were instantaneous and visible. As one project team member said: "It was very important that we get some runs on the board to use against the old management culture."

Commitment

Senior management demonstrated their commitment to the project by attending task force meetings regularly and by prioritising objectives. The support by senior management ensured that the teams encountered little resistance when implementing changes.

• Responsibility

The formation of the project team resulted in the delegation of responsibilities for OHS outcomes to all levels of the workforce. For example, project team members accepted responsibility for such items as developing videos on OHS issues and then for communicating the messages to other employees.

• Ownership

Overcoming perceptions and barriers to ownership was a difficult task at Blue Ribbon. Devolving power to the shop floor and demonstrating to middle managers that employee involvement and ownership did not have to be a threatening process were the type of activities that made the process easier.

· Early success

The project team realised that if the project was to succeed they needed some early and visible successes. This would demonstrate the company's commitment to addressing OHS issues and also increase interest in the program.

Outcomes

Blue Ribbon's Best Practice project helped the company achieve a number of successful outcomes.

· Performance measurement

Workers' compensation data showed a decline in the total cost and number of claims from 1993 to 1995, although evidence of the project having a direct impact is not certain. In order to consider the company's overall performance in attaining best practice, Blue Ribbon designed a matrix based on 16 criteria at four levels. In general, this evaluation has shown an increase in the performance of the company against the criteria.

• Employee attitude survey

The results of a survey undertaken at Blue Ribbon indicated a poor record in relation to employee turnover. The survey found that in terms of wage comparisons, skills training and career paths, Blue Ribbon was losing out, with 25% turnover of full-time staff. This meant increased costs for the company to provide for recruitment, training and staff replacement.

Process Improvement Teams

The process improvement teams were able to complete a number of small and large projects at the plant. However, shop floor employees were frustrated by feeling that an elite group was working on a problem. On the other hand, a small group of employees were able to be trained with new skills which they used to the benefit of the company. The formation of process improvement teams resulted in the resolution of many OHS issues as illustrated by the following two examples.

Project 1 - Beef Breakdown Area

The beef breakdown area was traditionally a bad one for manual handling injuries. Over three years, the company's production had increased from 100 to 350 cattle per week. This increased the manual handling of carcases to 1,400 hind and forequarters, with an average weight of 45kg which the boning room labourers had to lift above their shoulders.

The problem was brought to the attention of a project team member by one of the labourers.

(Continued)

Project 1 - Beef Breakdown Area (Continued)

A localised process improvement team was formed and a meeting attended by maintenance staff was held to address the issue. The engineers advised the team of their solution, which required adjustments to the overhead racks on which quarters were shifted and stored, and the cost. At another meeting, these adjustments were presented and the breakdown crew requested further changes. Initially, the maintenance team resisted the changes because of the increased costs involved. A project team member sought support from senior management, the additional costs were approved and maintenance was advised of the priority of the modification.

Outcome: Staff were saved from pushing 70 tonne of beef an additional 28km per week -- a cost saving of 75 hours per week at a total cost for the adjustment, of \$5,000.

Project 2: Installation of a Pig Carcase Splitting Band Saw

Two staff were required to use a meat cleaver/chopper to manually split carcases into sides. If either of the staff were away, production and product quality were affected as replacement staff were not skilled in the operation of the equipment. The situation was counter to company policy, which required a multi skilled rotatable workforce.

A process improvement team, formed to investigate the problem, identified several possibilities. They recommended that the company purchase a band saw and train seven people to operate it. The new machine offered a number of benefits: a rotatable workforce; improved quality (bone fragments removed); and a quicker operation.

The company would get a payback on its investment in eight months.

Barriers

Blue Ribbon experienced a number of problems, associated with implementing change. The company recognised these problems as a natural consequence of a change process which can be addressed to reduce their impact.

- Resistance to change
 - Initially, problems existed with employee scepticism and middle management resistance. To address theses issues, senior management demonstrated its commitment by supporting the employee initiatives. For example, senior managers pushed through decisions to curb middle management resistance. The personnel manager also developed a middle management training program.
- Production vs OHS
 - Production pressure in the meat processing industry is focused on meeting product quality outcomes. Where employees on the line are injured, they are either replaced or others have to work harder to meet production schedules. Middle managers in particular are rewarded for production outcomes.
- Communication
- Communication had been limited to pinning the project team minutes on the notice board and toolbox meetings which only the dedicated few attended. The project team adopted a strategy of target information dissemination to overcome this concern. They targeted key employees and won their support for the changes, recognising that these opinion leaders play an important role in informally winning support and spreading the message to the workforce.
- Management of expectations
 Managing the expectations of people involved in the project by achieving results was essential to the success of the project.

Budget constraints

Finding funds to support the activities of the process improvement team was a source of frustration for the project team. Budgets, however, were being allocated to OHS issues and training which was a progressive step even if larger more expensive projects could not be undertaken immediately.

A Brighter Future

Changes at Blue Ribbon represent a significant departure from past practices. The main improvements have been changes in attitudes and in key personnel in order to try and introduce a new OHS culture and awareness. The OHS project was one of the three catalysts during this process. Difficulties were encountered but success has been achieved in a reduction of claim numbers and across a range of performance criteria.

Future issues for Blue Ribbon are management of employees' expectations regarding individual OHS projects, rewards, training and quality of work life. The greatest challenge that remains is the integration of OHS into the everyday working life of the plant.

Fletcher International Exports

"The Transition to

OHS Best Practice"

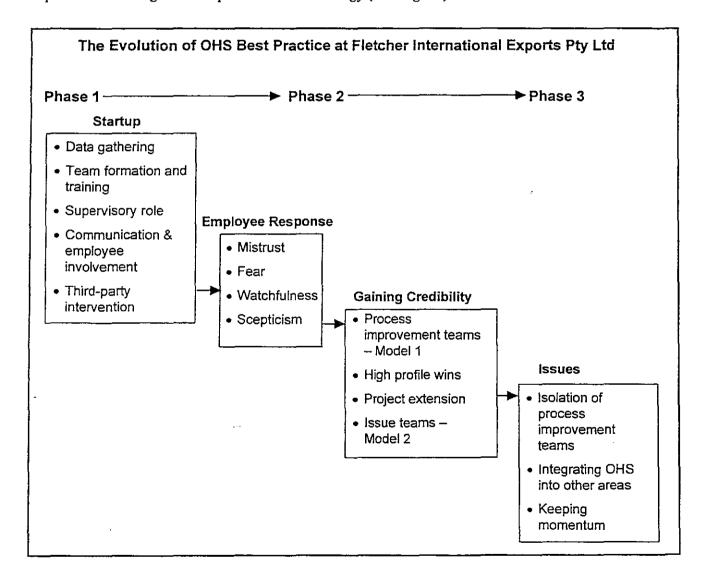
Fletcher International Exports Pty Ltd

Fletcher International Exports Pty Ltd, a large, privately owned export meat processing plant, has operated in Dubbo, NSW, since 1987. The company employs more than 650 staff in boning, slaughtering, offal rooms, hides and by product processing and processes about 40,000 sheep and lambs a week. The company exports to 70 countries.

Increasing Injury Costs

The company was concerned about the increase in manual handling injuries at the plant, which accounted for the most significant OHS costs. The management team felt that, despite having a new plant with up-to-date technology, more emphasis was needed on the people side of the organisation.

This case study reviews the actions taken by Fletcher International Exports Pty Ltd to shift OHS from a reactive to a proactive position. The project developed through three distinct phases, which have built on the skills, knowledge and information developed in subsequent phases. The three phases are tied together as a preventive OHS strategy (see diagram).



Raising Awareness

Management decided to participate in the MRC Best Practice project for a number of reasons:

• To address the rising cost of workers' compensation claims

- To maintain and improve workforce relations
- Without good staff you cannot have a good system
- To receive the benefits of participating in an industry-wide program

The company realised that achieving a turn-around in OHS outcomes would take time. As one manager stated: "We can see benefits from being part of the project but we realise that change does not happen overnight. We can use it to help our workforce realise what's going on...make them realise that things can put you out of business".

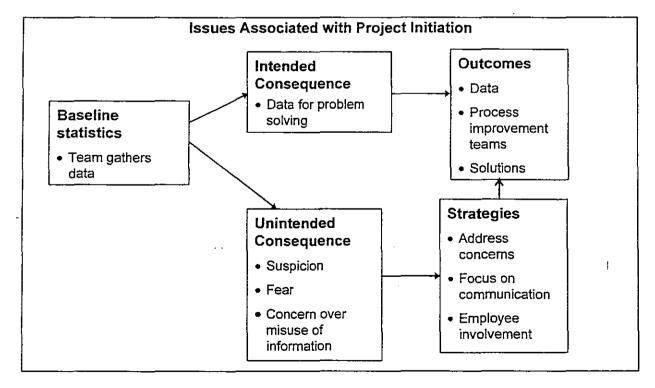
The organisation appointed the nurse as the project coordinator and each department was requested to nominate a member to the Best Practice OHS Committee. Female representation was encouraged.

Need for Statistics

The committee decided that its Best Practice approach would focus on overuse injuries. They needed hard data to confirm which areas had the most significant injuries. To collect this information, the committee sent a questionnaire to all employees. However, what the project team thought would be a simple matter of information collection, turned out to be a major exercise in communication, resistance, reassurance and damage control.

Employees responded negatively to the survey, fearing that the information would be given to management and used to "pick off" troublesome employees. To allay these concerns, the project coordinator and plant manager sent a memo to all employees stating that all information collected would be anonymous, information would be used to deal with sprains and strains, questionnaires would be destroyed and that the survey was not compulsory. The final response rate was 44%. The project team had wanted to identify areas of employee concern, to get a few runs on the board and to demonstrate a commitment to employees' interests.

The diagram below shows the issues associated with getting the project started.



Improved Data Collection

Unfortunately, the information gathered in the survey was too general and did not enable the team to focus its efforts. The next step was to hire an external consultant who carried out a one-on-one survey of employees.

This revealed a number of issues:

- A general belief that work practices contributed to poor OHS and that low morale and absenteeism were linked to these practices
- Little knowledge or awareness of OHS issues and requirements of regulations existed at all levels of the plant
- · Literacy and numeracy problems
- Training needs (60% of employees and 100% of foremen requested more training)

A Learning Exercise

The first phase of the OHS project at Fletcher International Exports Pty Ltd generated learning experiences which the project team used later on in the project.

- Harnessing the supervisory role
 Project team members realised they had overlooked the role of supervisors in the change
 process. They had assumed that because supervisors were part of the management team they
 would be kept informed through management communication channels. In response, as all
 foremen had requested more training, they all completed a Basic Supervisory Skills Certificate.
 The company also established a regular supervisory debriefing.
- Problem solving/team training
 The OHS team, which had been trained in group processes, recognised that its skill base had to be improved to make any progress. The team enlisted a consultant to provide its members with training in problem solving skills. Then, Process Improvement Teams were formed which set about targeting problem areas which would give the project team highly visible wins.
- Communication and employee involvement
 The project team's first attempt to gather data was met with mistrust and suspicion. This
 response highlighted: the need for the project team to increase its communication efforts on the
 shopfloor; the importance of demonstrating and voicing management commitment to the
 project; and the use of external third parties as circuit breakers.

Gaining Credibility

The project team used its newly acquired problem solving skills to achieve visible wins. The team was particularly effective in the boning and slaughter rooms where staff saw them as providing a positive contribution to OHS. This recognition enabled the team to broaden its objectives to include issues such as induction of staff; and education and management of overuse injuries.

By extending the projects into these areas, the team had a more balanced approach to the development of a proactive OHS strategy. Some of the wins achieved by the project:

Boning Room Team

New Cryovac Leg Packing Machine

Rolling legs of meat manually was causing stress on the wrists of the labourers undertaking the task. The project team, with the support and advice of the production and plant managers, was able to eliminate these injury overuse jobs by purchasing and installing a cryovac leg packing machine. This also made available two more workers to work in other parts of the plant.

Walkway over Inedible Fat and Bone Belt

Under the existing arrangement, where people could jump or walk on the inedible fat and bone belt, it was felt that a serious accident could occur. The installation of a walkway would allow operators and cleaners easier access to the lidding section of the plant. As result of the investigation and recommendation of the process improvement team, management approved the construction of a walkway.

Offal Room Team

The team identified a number of injury problems in the offal room caused by the constant lifting of boxes (1,644 lifts of 27kg boxes per day).

By extending the length of the conveyor belt system at a cost of \$200, they could reduce the number of boxes lifted to 314 boxes a day. The rest would be slid onto storage racks. The projected saving to the company was to in the reduction of overuse injuries and sprains and strains.

Slaughter Room Team

Trim/Retain Rail

Workers identified the trim/retain rail as a potential OHS problem area because of the lifting and twisting involved it its operation. Each time the final checker found a problem with a carcase (average weight of 22kg), they would lift it from one line and place it on another. This could occur 200 times a shift and required significant twisting and lifting by the operators. The process improvement team resolved the issue with the maintenance unit so that the function of lifting and turning was totally eliminated.

Team-Based Approach

Vital to the success of the process improvement teams' strategy was the broader employee involvement and input into the teams' activities and the support by senior management who were prepared to spend money to make the changes.

The OHS team devised a two-team model to change OHS practices. The first relied on process improvement teams based in areas or sections of the plant, and the second relied on teams addressing plant-wide issues.

- Section/Area Based Process Improvement Teams
 A core of OHS best practice team members formed process improvement teams in sections of
 the plant. Employees brought problems to the attention of the project team or the team
 identified problems by collecting statistics. The team then asked employees to identify related
 problems and solutions which resulted in the project team taking a sample of options and
 estimated costs to management for approval to implement changes.
- OHS Project Team Issue-based Teams
 Issue-based teams cover plant-wide issues and effectively broaden the support for OHS by overcoming isolation of the process improvement team. This isolation occurred when other areas of the plant were not aware of the changes taking place and became jealous that their area was not being considered. The issue-based teams worked on solutions to particular issues such as training and induction booklets and published a newsletter to communicate their results.

Outcomes of the Best Practice Project at Fletcher International

	Past	Present
Culture	Reactive OHS culture characterised by:	Moving to proactive:
	• Fear	Education
	Mistrust	Awareness
	Low awareness	Better people and management skills

(Continued)

	Past	Present
OHS practices	Reactive to problems	Better selection
	Select anyone	Job rotation and training
	Limited fitness	Better negotiating systems
	No job rotation	Quicker response time
	Little effective communication	Communication
		Process improvement teams
		Committees that work
		More proactive roles for foremen
IR practices	Management vs union	More involvement and dialogue
		More cooperation on issues which affect both parties
		Establishment of a consultative committee
		Able to resolve issues more easily and constructively

Injury Rates

A review of injury data does not provide a useful indicator to determine how successful the Best Practice project was in reducing workplace injuries. The figures contained in the injury data relate to the plant's previous practices and a lack of a coherent approach to OHS in the past.

"Our own soft data indicate that in recent times employees are now reporting their injuries more quickly as a result of increased awareness of OHS issues. Therefore, we get to deal with problems more quickly."

Despite their achievements, committee members are concerned about increasing costs and have implemented short and long term solutions. They believe that part of the problem is a result of the new OHS approach. By increasing awareness of OHS, they have created a paradox.

"As we (the project team) create an environment where people can come forward (without fear) and as we provide employees with information on OHS issues, we find that people come forward years after they should have. Thus we get the lag!"

Future Issues

Despite the OHS paradox, the team have identified the following as major issues/barriers which they need to address in order to adopt a more preventive approach to OHS.

- Integrating and spreading OHS
 - The committee have moved into the third phase of their project which is its expansion to include other areas of the plant. This involves a shift in focus which centres on linking OHS and the techniques used in problem solving to broader issues such as training, quality assurance and production.
- Production focus
 The challenge is to increase the awareness of human factors in production while still achieving output goals.
- Tally system
 The project team believes that understanding how the tally system operates and links with OHS could reveal some interesting findings.

• Entrenched culture

Despite having made significant wins, members of the project team believe that achieving cultural change is still an issue that requires more work.

OHS Key Success Factors - The Fletcher Experience

- Training team members to give them skills "to get on with it" and boost their confidence Team members then take charge of more informal teams and instigate problem solving activities on the shop floor.
- Role of human resources in initiating changes, gathering knowledge and consolidating the program

Human resource management plays a strategic role -- setting goals and helping the team achieve these objectives by providing resources and removing blockages.

- Communication
 - The team has put a lot of work into this through informal and formal channels.
- Working with the Union

 A key partner in the process, providing employees with a safeguard and knowledge that their interests are being looked after independently of management.
- Broad involvement

 Broad involvement helped overcome a culture of scepticism and mistrust and helped to create a

 broad support for change.
- A guiding strategy

 This elements provides the OHS best practice team with a knowledge of where they are going and why they are moving in that direction.
- Outside experience
 The OHS best practice team identified the use of a third party, consultants and networking with other plants as being important in providing fresh insights into ways to address OHS issues.
- Challenging and changing past cultural conditions, assumption and practices

 This resulted in the need for job rotation; better selection criteria and training.

Hardwick's Meat Works Pty Ltd "The OHS Experience"

Hardwick's Meat Works P/L

Hardwick's Meat Works P/L is a small abattoir located at Kyneton, Vic, a short distance from Melbourne. The privately owned company produces a range of beef and mutton products for the domestic market and employs 100 people. OHS had been addressed in a reactive mode and reinforced a broader employee relations approach characterised by the "them and us" attitude.

Dealing with Past Practices

The company recognised that OHS was not only increasing as a financial cost but was also having a negative impact on employees and their quality of work life. OHS practices were characterised by reactive OHS procedures, "them" and "us" industrial relations environment, top down communication and production oriented management practices.

A New Approach

Hardwick's decided that the MRC Best Practice Project provided an opportunity to break with the past practices and develop new ways to reduce the incidence of OHS injuries and problems caused by manual handling. They hoped that involvement in the project would provide management and employees with the supportive platform of resources and advice needed to address the issues identified in their project application.

These issues were agreed to by a newly formed consultative committee whose role was to address the OHS issues and develop the objectives for the MRC project application. Membership of this committee consisted of employees from the floor, union delegates and managers. They identified four main issues to be addressed in their Best Practice Project:

- Increased compensation costs and claims affecting financial performance
- · Communication and trust between the union and management
- OHS implications of injuries on employee welfare
- Opportunity to make planned upgrades of plant and equipment compatible with new OHS needs

Emerging New OHS Practices

A Task Force was formed and they felt that in order to achieve their goals and implement an integrated approach to OHS they needed to involved employees and gain their support and break down the "them" and "us" barriers. The first step of raising awareness was achieved through two high profile events. Staff were offered the opportunity to participate in a paid training course. Secondly, an external facilitator came into the workplace as a resource to provide information and advice on OHS issues. These activities led the organisation from a reactive to a proactive approach to OHS issues.

OHS at Hardwick's: The Shift to Employee Involvement **New OHS Practices Past OHS Practices** Reactive OHS Employee involvement procedures Communication Industrial relations 'them Networking with other vs us' firms Top-down Identifying and solving communication problems Production-oriented • Third-party intervention management Job rotation and training · OHS task force

• Employee involvement

The first phase of the project was to build an awareness among all employees and managers of the serious nature of OHS issues and to involve employees in this process. This was achieved in two ways: firstly, staff were offered the chance to do a first aid course, paid for by the company; 95% participated voluntarily. Soon after the first aid training, staff became aware of the possibility of catching Q Fever. As a result, all were provided with information about Q Fever and were given the opportunity to be vaccinated.

Communication

To identify OHS problem areas, the task force assigned two of its representatives to each geographical area of the plant. All staff were informed of the task force's role and encouraged to contact the representative and raise specific OHS issues so that the task force could develop solutions.

• Identifying problems and solutions

To identify particular problem areas, the task force made a video of all the work processes and individual jobs in the plant. They planned to use the video to identify manual handling black spots. With the help of an ergonomist and independent facilitator, it was decided that the most effective way to find problem areas was to use a diagram of the body and staff would place colour dots on the spots that hurt at the end of each day. Six work groups used the video and assessment by the workers as a tool to identify problem areas.

Videos and photos were used successfully at Hardwick's to show changes in work practices over a period of time. Documenting changes and being able to see improvements was very rewarding for many of the task force members.

Third-party intervention

The consultant played an important role in facilitating the discussion groups and providing tools which encourage employees to take part in the process. The facilitator became a circuit breaker helping to break down the "them and us" barriers which may be more difficult to achieve when internal resources such as senior management are used.

Job rotation and training

The introduction of job rotation and multi skilling was initially resisted by some of the workforce, but after watching the video, people could identify how the repetitive nature of their work could lead to strain type injuries.

Out of job rotation rose a demand for training. The task force looked at the development of training modules for younger and new employees. Blunt knives were identified as a cause of strains and sprains for at risk groups such as inexperienced and new employees. Staff did not know how to sharpen knives to obtain the best and most efficient cut. In response, the company developed a training program and used the resources of an experienced slaughterman who no longer worked in the line to deliver the training. This initiative generated a lot of interest in the company.

Successful Changes

The Best Practice Project led to a number of changes at Hardwick's. These were achieved through the work of the task force.

Unlike a traditional OHS committee, the task force members were involved in identifying problems and working to develop definite solutions. Commitment to the project was evident; meetings were initially held once every two weeks but were changed to one full day every month. Between meetings, members were given problems to examine and to find possible solutions.

The examples on the following page indicate the success of the task force approach.

Rail for Queen Victoria Market

One of the issues successfully dealt with by the task force was the construction of a load out rail at the market in Melbourne. The load out crew and drivers identified the lifting of the carcases over long distances as a cause of strains and manual handling injuries. The problem was assessed by one of the engineers who travelled to Melbourne with the driver. The solution was simple and straight forward -- a rail was constructed that came out of the truck to reduce the amount of lifting. This idea was adopted by other companies.

Calf Hoist

The task force was alerted to strain problems by employees involved in lifting heavy calves and lambs onto the rails. In order to overcome this problem the engineer in conjunction with the task force and employees from other areas designed and implemented a calf hoist which eliminated a manual handling trouble spot.

Mutton Change-Over

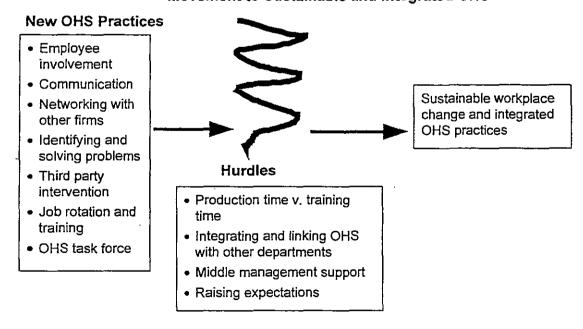
Workers on the mutton line were incurring too many strains to the shoulders and arms. The problem occurred at the segment of the line where the lines physically changed over. Workers had to operate at shoulder height to insert a new gambrel. By moving the change of gambrel to the start of the chain and inserting a hoist into the rail, the manual changeover and its associated problems were eliminated.

'We've Still Have a Long Way to Go!'

While the task force members say they believe significant advances have been achieved in addressing OHS issues, they insist that several hurdles must be overcome before Hardwick's can claim to have developed a sustainable and integrated approach to OHS.

The following diagram indicates this:

Movement to Sustainable and Integrated OHS



Hurdles

- Production time vs training time
 - Although the project achieved some good results, employees were constrained in the amount of time they could spend on it by the need to achieve production goals and fill customer orders. Without some compromise, the task force felt that the project would only run in slack times and would stall during busy times. This approach could affect staff's perceived ownership of the project.
- Integrating and linking OHS with other departments
 The company recognised that an integrated approach to OHS was needed, to change from a reactive to a proactive system. For example, one area targeted for improvement was communication between the employees and the maintenance section to address potential sources of injury in the plant. Methods such as an internal customer system provide a way of addressing such issues.
- Middle management support

Traditionally, the meat industry has been task oriented and output focussed. Middle managers in particular are rewarded for achieving production goals. Performance measures for middle managers which are extended to include OHS results can change the managers' attitude to OHS.

· Raising expectations

In some cases, the task force found it difficult to explain to the workforce why some ideas had been pursued and not others. It was recommended that all those affected by changes or modifications be kept informed and involved in the overall decision making.

Outcomes

- · Reactive to proactive
 - One of the most notable outcomes is the move from a reactive to a preventive approach. Proactive policies are characterised by employee involvement, process improvement teams, training and job rotation, improved return to work practices and better communication
- Shift cooperation

 The day and night shifts have developed greater levels of communication and understanding.
- Industry networking and learning
 Through its involvement in the project, Hardwick's has been able to network and interact with
 other like minded firms. By attending information sessions at conferences and workshops the
 company has been able to view solutions to workplace problems. Task force members report
 that participation in such activities has been a source of inspiration and learning for them.
- Performance measurements

The measurements for Hardwick's have been undeveloped although the amount paid out in Workcover premiums declined significantly from \$87,000 in 1991/92 to \$16,000 in 1994/95. Thus, in dollar terms there was a marked reduction since the beginning of the OHS project.

Overview

The OHS project has been associated with many successes at Hardwick Meatworks -- both hard and soft outcomes. Generally management and employees are satisfied with the performance of the project while recognising that major hurdles still need to be addressed. When these issues are dealt with, Hardwick's will have moved closer to developing an integrated and sustainable approach.

MC Herd Pty Ltd "The Integration of OHS into the Quality Assurance Program"

MC Herd Pty Ltd

MC Herd Pty Ltd has been a progressive member of the meat processing sector since it began operating in Geelong after World War II. It is a family owned company which operates beside the smallgoods manufacturer, Challenge Meats. As the largest domestic processor in Victoria, MC Herd Pty Ltd holds a significant share of the domestic market. The business specialises in beef and lamb slaughtering and dressing, with products including whole and part carcases, boxed meats, edible offal, rendering and manufactured small goods.

The company has a well-earned reputation as an industry leader. In July 1995, it achieved the distinction of being the first Australian abattoir to gain accreditation under the international quality standard ISO 9002. MC Herd Pty Ltd has also made improvements to work process as it was the first plant in Victoria to introduce an inverted dressing system on the lamb slaughter line. Environmental management takes a high priority as seen by the company's investment in a purification system which is a model for waste water management.

MC Herd Pty Ltd employs 241 people whose average age is 34 years and length of service, 10 years. The level of staff turnover and absenteeism is relatively low. The company has actively tried to ensure that consultation is a feature of workplace relations and as a result, it has not had an industrial dispute since the late 1970s.

Change in Thinking

Prior to the 1980s, the issue of health and safety was not a management priority at MC HerdPty Ltd. The limited attention given to health and safety was focussed narrowly on promoting safe behaviour by employees. From the early to mid 1980s, the company began a modern approach to health and safety under the influence of two major factors. Firstly, health and safety became a management priority requiring attention in response to rising workers compensation premiums. Secondly, a new Occupational Health and Safety Act came into effect in 1985. Management recognised that with changes in the new Act, a lack of attention to health and safety was likely to result in an increase in activity by unions and employee representatives. The results were positive.

Although the company learned that capital investment in health and safety improvements could result in a net financial gain, Managing Director Frank Herd noted that "Not only were legislative powers of the health and safety representatives protected, but the legislation provided a positive tool for communication between management and employees."

A health and safety representative was elected and a health and safety committee was established. The consultative arrangements for health and safety provided a mechanism for dealing with issues as they arose. The committee tackled issues identified by the representative which arose from workplace inspections. These were prioritised and tackled by management. Over the years there was a steady stream of improvements, accomplished by active and responsive mangers and active and committed health and safety representatives, as designed under the health and safety legislation.

Quality Systems

MC Herd Pty Ltd has cultivated quality management systems since 1992, when the company began to develop the systems necessary to support accreditation under AQIS standards. In 1994, the company decided to extend its quality management systems by incorporating the additional elements required for accreditation under international quality standards. The company attained ISO 9002 certification in July 1995 following a year of intense effort to develop and implement the new systems. The effort included a quality training program for all staff conducted in the newly constructed staff training centre. Employees gained a monetary reward for successful completion of the quality course.

However, the process of attaining quality certification was not a painless one. Problems arose early because of a lack of communication about the quality initiative and uncertainty among employees.

As the works employee delegate said: "Quality was introduced without consultation with anyone. I couldn't answer workers' questions. But they found it can't work without the commitment of the workers."

The company responded to the employees' concerns.

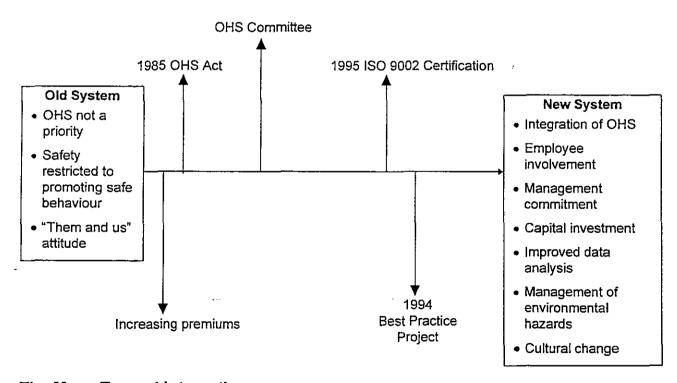
One of the most recent quality initiatives was the introduction of quality problem solving teams which were built on employee participation. This initiative was part of a separate best management project being conducted by seven companies comprising the Geelong Best Practice Network.

The group successfully applied for funding under the Australian Best Practice Demonstration Program managed by the Department of Industrial Relations in association with the Australian Manufacturing Council.

The Network was established in 1993 by a diverse group of companies which share information about their management initiatives at regular monthly breakfast meetings held at one of their sites. The participation by MC Herd Pty Ltd provides a further example of the company's evolving and innovative approach to management.

Change in Safety Systems at Herds

Change Agents



The Move Toward Integration

For union delegates, the development of quality management systems raised issues of appropriate consultation and involvement. It also drew attention to the relative status of quality management and health and safety.

Employees perceived that action was taken to solve the bigger quality problems but not the bigger health and safety problems. For example, they saw the redesign of the knocking box in response to quality concerns -- when health and safety issues had long been identified before the introduction of quality management -- as giving weight to their charge.

MRC's Best Practice Project was welcome news.

The Best Practice Project coincided with the recognition by Herds of the need for:

- Further attention to changing the "them and "us" culture and improving the mechanisms for employee involvement
- Health and safety management to be seen to receive an equivalent priority to quality management

The company discussed its involvement in the Best Practice Project and the potential for increased efficiencies by combining OHS and quality in one manual. Training could be provided in both subjects simultaneously, giving potential for stronger health and safety and quality outcomes.

Team-Based Approach

The company formed a Best Practice Team which met for the first time in March 1994. The team comprised employee and departmental representatives – the general manager, QA manager, plant engineer and representatives from the human resources area. Their role differed from that of the OHS committee formed under the legislation.

According to the Managing Director: "The OHS committee was very active, but also very reactive. We acted on injuries and investigated them. But we didn't do serious prevention planning. The formation of the Best Practice Team would allow a focus on the bigger problems."

The team determined four objectives and a number of key features to provide a focus for their activities.

Objectives

- To remove workplace hazards
- To improve workplace culture
- To reduce the costs of injury
- To improve productivity

Features

- Employee participation
- Integration of health and safety
- Continuous improvement
- Development of key performance indicators

The committee met weekly for the first year, supported by an external facilitator funded by the MRC. The facilitator's brief was to provide assistance in the development of effective team and organisation-wide communication skills.

In relating how the committee moved through a number of stages and the group's development as a team, the facilitator said: "By session 8 -- just half way through the training program, they started to really perform as different members undertook separate tasks in small joint groups. After that it was difficult to keep up with the projects they were undertaking - they had become 'empowered'"

Difficulties

The team found it difficult to identify the health and safety problems on site. This was due to inadequate health and safety data. Information was available on injury incidence but not where the injury had occurred, the injury type or its location. The committee responded by analysing the data collected by check sheets and Pareto charts which were used to identify more severe hazards. Secondly, the group developed a first aid accident report to enable improved collection of data for their program.

Another difficulty was trying to include health and safety issues in the quality manual. The committee planned to use the Hazard Analysis Critical Control Point (HACCP) model to prepare the health and safety information for the quality manual. To be consistent with the principles of HACCP, they would identify the critical control points where hazards could be eliminated and prepare documentation on the remaining hazards.

According to one member of the team: "The idea was to incorporate safety into the quality manual. We thought we would be able to sit down and rewrite the manual to include health and safety."

Refining the Project Focus

The team planned to involve employees in the collection of specific job tasks found in the quality manual, the analysis of data; a review of each work station to eliminate OHS risks where possible; to document OHS issues where appropriate; and to integrate OHS into the manual.

This method, however, was not appropriate for a number of reasons. Firstly, the team noted that it was difficult to fit OHS issues with the job task being identified and in many instances employees identified safety concerns such as boredom as priorities. These were not consistent with injury statistics which identified strains as a major cause of injury and the team recognised that both were not easily eliminated. Further, analysis of each job task took too long and did not encourage employee support. Finally, due to the focus on elimination of hazards, attention was more easily focused on the easily fixed problems and the major issues were not being addressed.

As a result, the focus changed to one of risk management. The consultation with employees showed that the HACCP model did not identify issues such as employee boredom and negative attitudes. The team decided that it should tackle smaller, more achievable projects and retain alleviation of boredom as a project goal.

As one employee representative put it: "The quality assurance manual became one small section of the project although it started off as the focus."

Key Results

The OHS project team tackled a wide range of projects. With the focus more clearly on risk management they successfully used problem solving techniques to identify the hazards in the workplace and set in place control strategies.

Three main activities were undertaken:

- 1. Development of an induction training program including production of a training manual and employee participation in a train the trainer program
- 2. Formation of a rendering section best practice team where employees noted that for the first time they were directly involved in decisions and activities affecting their working life
- 3. Integration of health and safety into the quality manual continued as a separate activity of the team

The examples on the next page show some of the improvements achieved via the Best Practice Project.

Cultural Change

Involvement, cooperation, communication and trust are key characteristics of the change at MC Herd Pty Ltd. Although the Best Practice Project was not the only factor leading to change, it was a significant one. The employees considered managers to be approachable and prepared to listen and felt that the company had a genuine concern to eliminate hazards and prevent injury which it demonstrated throughout the project.

One member of the team commented: "Over the last few years, the approach has been to ask the worker what he thinks, rather than telling him. Ten years ago you wouldn't be seen talking to the

boss; it was not the done thing. The change has happened gradually over the last three years or so, as the company realised it had a good workforce and needed their input. The biggest thing the team got going was communication, between manager and worker and worker and manager. Before communication was not the done thing, it was 'them and us'".

Gambrels on the Mutton Chain

Staff recognised that the action of inserting the gambrel into the carcase was a source of manual handling strain injuries. An employee suggested reshaping the gambrel insertion point from 90 degrees to 45 degrees. A prototype proved successful and the engineering department was given the task of converting the gambrels. In three months, with the assistance of casual staff in the engineering department; 20,000 gambrels were available for use. It was intended that clients would return the gambrels.

However, clients did not return the gambrels and so this simple solution was not maintained. The next solution was for the tail trimmer to insert two small holes in the lamb to make insertion of the 90 degree gambrels easier. Although the original solution was preferred, the gambrel manufacturer would not make the suggested modifications for just one company.

Mutton Restrainer

The restrainer on the mutton chain was also implicated in strain injuries. Sheep baulked at the end of the restrainer, which meant that employees had to pick them up. The potential for sheep to be bruised in the process also raised quality concerns. Employees working in the area were involved in the problem analysis and problem solving. The manual handling code of practice was used to assess the risks. The project team contacted other meat processors in Australia and New Zealand to see how they handled the problem. In this case the solution was very simple. It involved lowering the restrainer in order to reduce the risks of injury.

Knocking Box and Landing in Beef House

The knocking box was redesigned to increase operator control over the process by allowing only one animal to enter at a time and confining the movements of the animal after entry. The improvements incorporated ergonomic issues and reduced the safety hazards associated with animal behaviour. Further hazards were identified in the subsequent operation where the animal fell from the knocking box onto the ground below. Concern was focussed on possible injuries from kicking animals and manual handling injuries caused by the employee having to bend to ground level to perform work tasks.

Employees were involved in collecting data to assist in the problem analysis process. Some people believed that different cattle breeds contributed to the problem but employees rejected this theory. A possible solution was the introduction of a restraining cradle, which the team had seen on video. As well as restraining the animal, the cradle could lift the animal off the ground and so overcome the manual handling issue. The introduction of this device showed the willingness of management to invest heavily in health and safety.

Enhanced Communication

Communication with employees at supervisory and shop floor level was recognised as an important feature of the Best Practice Project. It was regarded as a prerequisite and a barometer of cultural change.

The following methods were used:

 Meetings were held in work hours, during lunch breaks and after work as a forum to identify problems and explore solutions with employees.

- Employees were involved in data gathering for use by the OHS team.
- Whiteboards were placed in work areas with cause and effect diagram outlines to provide a sense of broad ownership in the company.
- Written communication was available through newsletters and minutes of the OHS team posted in visible locations.
- The team made provision for communication with nightshift and loadout drivers.
- The plant engineer organised plant tours called "Trevor's Tours" during lunchtime for any employee wanting to see work undertaken by employees in different sections of the plant.
- The team placed particular emphasis on communication with supervisors to ensure they understood the purpose of the project so that they could support it by, for example, allowing representatives to attend meetings. It was recognised that supervisors played a central role in the project.

Measuring Success

The company is continuing to develop strategies to measure the occupational health and safety improvements in its plant. Changes have been made to improve the quality of data collected in future. Improving the work environment by allocating water coolers and windows has had an impact on the workers. It is felt that with time the health and safety status of the younger workers will be improved.

From a quality perspective, it is difficult to measure the impact of health and safety on performance and increased productivity.

As the Managing Director said: "We're determined to keep the links between health and safety and efficiency and quality. It is OK to look at the cost of injury but you can't quantify the impact of health and safety on quality. You have to work by gut feeling. You have to take a punt. You have to know in your heart it's going to pay."

Change Champions

The process identified two key "change champions": the general manager and the union delegate who were both active members of the best practice team. The Managing Director noted that these two had taken on joint responsibility for driving the project because they recognised its credibility. Its success would depend on the level of support and the status accorded the project by the company.

While there have been two central team figures to the success of the project, the OHS team at Herds shares a sense of successful teamwork. The various team members have taken responsibility for individual projects and for the success of the project overall.

Managing Director Frank Herd also became a change champion and driver of the project. He played the role of initiator, motivator and supporter. He said he believes that employees who are satisfied with their work and are involved in improving their working conditions will be more committed to the success of the company and ultimately will be more productive.

Future Directions

The approach to OHS is an active one based on management taking responsibility, employees contributing and hazards being controlled through elimination where possible. Any further moves towards health and safety systems would be underpinned by the current hazard elimination strategies and the joint problem solving process established through the Best Practice Project. OHS is likely to continue to improve alongside the development of "Best Practice" management as well as contributing to its achievement.

Metro Meat International Ltd "OHS at the Noarlunga Plant"

Metro Meat International Ltd

Metro Meat Noarlunga is an export abattoir which processes sheep, cattle and meat by products. Located a short drive from Adelaide, it is one of six Metro Meat abattoirs in Australia. More than 90% of the plant's production (an average 420 cattle and 3,600 sheep per day) is exported. The Noarlunga plant includes all abattoir operations -- boning, slaughtering and further processing -- and employs about 540 people.

The company decided to address workplace injuries which were affecting company performance through increased injury rates, poor morale and increased workers' compensation costs.

Past Practices

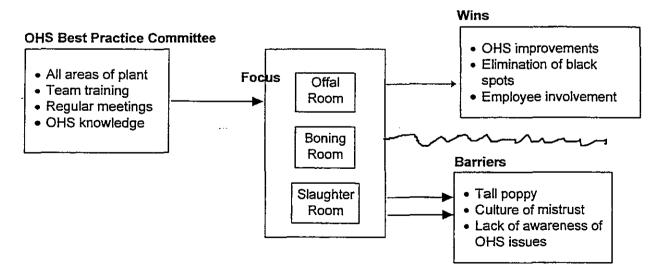
Before the formation of an OHS Best Practice Committee, OHS was seen as a side issue at the plant. According to one employee, who was also a member of the safety committee: "Although the safety committee had been doing things progressively over the years, we were primarily reactive. If a problem occurred -- for instance, slippery floors -- we would fix it, but management would always have the final say."

Practices associated with selection, training and recruitment were not proactive and were based on "putting warm bodies to fill the absent bodies on the chain". Another employee summed up what this meant for workers: "If machines break down they do everything to fix them up. If a person breaks down - can they replace your arm? No, so they just replace you."

A Fresh Start

An OHS Best Practice team was established made up of representatives from the maintenance, offal, slaughter and boning rooms, a supervisor and the plant manager. Management asked employees if they wanted to participate. Many committee members admitted to being apprehensive about management motives for establishing a committee and whether it would achieve anything.

The company joined the Best Practice Project in an attempt to reduce the incidence of strains and sprains. A reactive culture continued to enforce the "them and us" approach between employees and managers within an atmosphere of mistrust and fear. The following diagram indicates the strategy undertaken by Metro Meat to address relevant OHS issues.



The First Improvements

The OHS Best Practice team was trained and given time to attend meetings, which were held weekly for a couple of hours to address OHS issues. Initially, meetings were conducted during company

time, but due to production pressure and time restraints the team agreed to overlap the meetings with their lunch breaks. Team members received training in group processes, problem solving and cause and effect analysis. This enabled them to work together effectively to develop intervention strategies aimed at transforming OHS practices at the plant.

The next step was to map out a strategy for addressing OHS problems. Central to this was the identification of high risk OHS areas, which the team would target with all its resources and promote as high profile wins. In view of the atmosphere of resistance and scepticism, the team thought that high profile wins would go some way to addressing the broad cultural issues.

The team gathered manual handling statistics from the nurse and established a process improvement team in the offal room. This was their starting point, where they believed some easy wins were possible. A couple of team members, who worked in that area, thought they could contain the costs of improvement and thus win support from management. The following examples outline some of the achievements made in the offal room.

Pet Food Tubs

Employees whose job was to remove pet food from bins were having trouble removing it from the sides. They used to lift the bins and try to remove the pet food by hand, causing injuries. After a brainstorming session, the process improvement team approached employees working in the area and suggested they put paraffin oil in the tub. This made the pet food slide out of the bins without the need to lift them. This small change to practice was an enormous win for the company both in time saving and in reduced injuries in a high risk area.

Remodelling Beef Paunch Chute

Employees working on the beef paunch shoot asked the process improvement team to assess the task of lifting the beef paunch. The task required the workers to bend right down into a chute which was low and deep to pick up the paunch then lift it above their heads to reach up and place it on a hook. This placed stress on the backs, shoulders and arms of the labourers who worked in the area. The process improvement team used the cause and effect model in consultation with the employees and the area was remodelled. As a result, the tubs were raised so that most of the weight of the paunch remained in the tub until it was hooked up.

New System for Mutton Loading Mutton Paunch

Workers were required to place mutton paunches in a bucket which was then loaded into a spinner. The process improvement team calculated that labourers were lifting more than three tonnes of paunch per day. After consultation with the employees, the area was redesigned so that the lifting work associated with the task was abolished. This was a significant victory for employees working in the area and removed a manual handling "black spot".

Early Success Strategies

The Best Practice team quickly recognised the importance of promoting its achievements. The team received good feedback from employees who had been involved in projects in the offal room. But, because of the offal room's physical isolation, these wins were not visible to employees who worked in other areas of the plant. Although this was a source of frustration, the situation provided a valuable learning experience to the project team.

These factors included:

Team training

A small core of employees were trained to be proficient in OHS, group processes and problem solving skills. They used their skills to solve manual handling and "black spots" in the offal room.

- Management support
 Managers supported the project by joining the committee and by agreeing to spend money on training and structural changes.
- High profile wins
 Although the team achieved wins in the offal room, these weren't known or acknowledged in other parts of the plant.
- External facilitators

 Facilitators were used to help meet training and developments needs. This contributed to the team's confidence and ability to implement bottom up changes.
- Process Improvement Teams
 The process improvement team comprised members who had received training as part of their involvement in the Best Practice team. They have had significant wins in improving work practices.

Barriers

The team encountered several barriers while developing their Best Practice Project. Some of these were cultural issues associated with the "them and us" approach to work, while others resulted from their concentration on only one area of the plant.

These issues were summarised by the team as:

- The need for more consistent management involvement in the project
- Old culture of suspicion and tall poppy syndrome creates a "them and us" attitude between management and employees
- · Need for an improved communication strategy
- Wins not transferred to other sections of the plant

The Next Step

The project team identified one of the barriers as the need to transfer the process of working toward best practice to other parts of the plant which were being neglected.

A review of manual handling statistics identified the mutton boning room as the next area that required work. In order to address this issue, the team obtained training in ergonomics, with support from the MRC. The team set about a job analysis and redesign of the 26 job tasks undertaken on the boning floor. They also invited employees to participate in the problem solving process.

As well as focusing on a specific area, the team was able to overcome some of the barriers that it had identified earlier in the project. The key issues which the team tackled in its plant-wide issuebased approach to OHS Best Practice were knife training and raising awareness of OHS.

In-House Knife Training

Due to the range of skills and learning methods in knife sharpening, an in-house knife sharpening course was developed. It was presented by one of the experienced slaughtermen, who was also a member of the Best Practice Committee. The course included one on one training on: preparing and sharpening the knife; knife safety; cleanliness; and general knife skills. The greatest difficulty associated with the training was taking people off the line in order to complete the course.

Outcomes

Focused and empowered
 The team believes that it was well focused in achieving its goals and undertaking improvements. The team worked closely together, made changes and in turn it grew in confidence.

· Significant wins

The team had wins in the offal room where there is now a high awareness of OHS; in the boning room redesign; and in the knife sharpening course. A gym was established at the plant which would help in the treatment of long term injuries.

· Bottom up strategy

The team has a good bottom up approach to OHS which allows for all aspects of work performed by team members with little guidance from management.

- Locality and issue approaches to change

 The approach to implementing OHS change was two pronged; in the first place moving from area to area and secondly, looking at issues which affect the whole plant.
- Tools and techniques for change

 The project team used videos and cameras to document jobs in the mutton boning room. Such tools were effective in raising employees' awareness of poor work habits.
- Induction program

An induction program has been developed to improve the selection process and to place the right person in the right job based on their skills and merit to the company.

Limitations

Communication

The team acknowledges that communication of activities in the plant was limited.

Project isolation

The team recognised that they needed methods of ensuring greater levels of employee involvement.

Management support

Management has supported the project but the team required more direct support and participation so that change would be visible from both the top down as well as the bottom up.

- Production focus
 - "Production at all costs" was a limiting factor to address OHS. The next step for Metro Meat was to integrate OHS into the plant's operations and link it to production, quality assurance and preventive maintenance measures.
- Job rotation
 - Job rotation was recognised as a way of making improvements in the area of injury management
- Changing attitudes

One of the greatest hurdles the Team faced was the attitude to change and a "them and us" culture; evident in comments made by employees, such as: "couldn't give a stuff". This still remains a significant issue for the team.

Conclusion

The Best Practice project at Noarlunga achieved its goals and resulted in improvements to OHS. In building on the positive features of the project, Noarlunga is moving from its past, reactive approach to a more proactive and innovative approach. The OHS Best Practice team managed to overcome significant hurdles including resistance to change and individual self doubt in putting in place initiatives at the plant. In shifting OHS from its reactive position to a proactive approach, the team achieved wins, from small to larger projects. The company is keen to move the OHS Best Practice Project to one of its other sites.

RS Morrow & Sons Pty Ltd "OHS and Employee Involvement"

RS Morrow & Son Pty Limited

RS Morrow & Son Pty Limited is a domestic food processing plant, processing cattle, calves, pigs and sheep. The plant, which is located near Ballina, NSW, began as a cooperative run by the local farming community in the 1900s. In 1935, Dick Morrow bought the cooperative, which has been in the Morrow family ever since. In 1974, Keith Morrow became the Managing Director and owner of the company. As a service plant, it only conducts kills and has no boning operations.

The company has always taken an innovative approach to expanding the business. The plant has been enlarged three times and a new kill floor was built in 1987. The company has also expanded its wholesaling business (Booyong Meats) and has been investigating the opportunity to export offal to overseas markets.

Workforce relations at Morrow and Son are based on mutual cooperation and the will to resolve problems. A change in culture in the workplace with the introduction of programs such as Quality Assurance (QA) has provided the impetus for change to work practices. Half of the workforce are Union members.

The company is progressive and has tried to improve its performance. In September 1995 it gained full accreditation for its QA program — the first domestic meat processing plant in New South Wales to do so.

Approach to Health and Safety

Before the start of the OHS Best Practice Project all employees were encouraged to participate in any OHS decisions. The company wanted to focus on reducing injuries and workers' compensation premium and at the same time to improve their productivity.

Commitment to OHS is spelt out in the company mission statement, which it submitted to the MRC with its project application. Involvement in the Best Practice Program allowed Morrow and Son to undertake some innovative and experimental workplace improvements. The company's OHS program has become a catalyst for further cultural changes at the plant.

Resistance-free Approach to Cultural Change

This project was based on innovation, open communication and program flexibility. These features have created a resistance-free approach to cultural change as shown in the following model.

• Innovation

The company showed a willingness to try new approaches to work organisation, employee involvement and management. The three features of the innovative approach were process improvement teams, formation of empowered work groups and delegation of management responsibilities. These features led to extensive employee involvement at all levels.

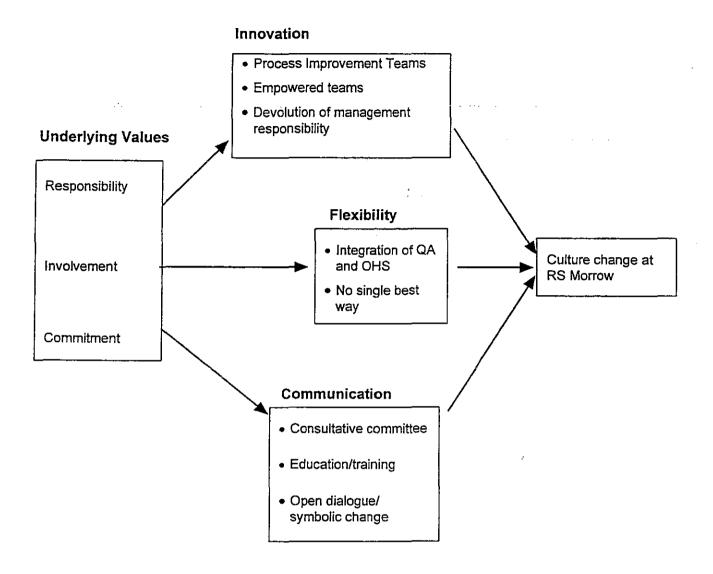
Communication

A focus of the project has been establishing open communication. This has been achieved through meetings, training, communication with management and regular walks through the plant by the safety officer.

Flexibility

Flexibility of the OHS Best Practice Program at Morrow and Son can be seen in the way that the company has managed to integrate QA with OHS and secondly through the focus on experimentation and willingness to learn from mistakes.

Model of Resistance-free Cultural Change at RS Morrow & Son



Process Improvement Teams

The whole plant was organised into four process improvement teams based on departments and geographical location in the workplace. The teams were: office staff; loaders and drivers; outsiders; and the process floor. The role of each team was to work on identified workplace problems, supported by supervisors and maintenance staff. Rotation of team membership enabled all employees to be exposed to the cause and effect and problem solving techniques used by the teams.

Team members were also selected according to the type of the issue to be addressed. Where a problem affected one work group, team members were made up of two or three employees, a supervisor and, if required, technical support. If the problem crossed work group boundaries, the team consisted of a representative sample of employees from the affected areas, a supervisor and a technical officer. The process improvement teams assisted in the improvement of communication across the plant.

The staff used their newly acquired problem solving skills to work through a problem on the slaughter floor regarding manual handling of the pet food bin. The process allows for input from employees, maintenance and technical staff and the development of their own "home grown" solution.

Case Study: Pet Food Bin on the Slaughter Floor

A group of employees on the slaughter floor identified a task which they believed required attention. Every 15 minutes, two men were required to leave the line to empty the pet food bins. Each bin weighed 65kg and required two men to lift it. The workers recognised that not only was the process inefficient, but it posed a significant manual handling risk.

A process improvement team was formed, comprising four slaughtermen, a supervisor and a maintenance foreman. The team used cause and effect problem solving skills to consider options to remedy the problem. They agreed on a solution which required the fitting of a mechanical lifting arm that could be operated by one person. It was effective for safety reasons and also because it helped improve productivity on the line. The cost was minimised as it was constructed by the company's own maintenance section.

Empowered Work Groups

Process improvement teams broadened their scope and grew to become empowered work groups. The teams assumed broader roles than OHS including issues associated with quality management. They became so successful that they assumed responsibility for appointing and dismissing members from their teams as well as resolving problems occurring in their respective areas.

The OHS Committee at the company continues to address safety issues at its monthly meeting. The agenda for these meetings is set after a monthly plant review, where any safety defects are listed as well as possible issues for the future. Employees and management are represented on this committee and all are encouraged to participate in bringing forward new initiatives to discuss such as the development of an employee information manual. Safety is firmly entrenched as part of the culture at RS Morrow & Son.

Management Responsibility

An important part of the innovation process was the willingness of senior management to devolve responsibilities and involve employees in the day to day running of the plant.

This was particularly important in gaining supervisors' support for the project. They were given more responsibility in the everyday running of the plant -- from purchasing through to customer relations. This meant that instead of being squeezed in the middle by employee empowerment, supervisors welcomed their new duties and assistance and involvement by employees in dealing with problems.

As the Managing Director said: "I can leave this plant for up to a week and have no fear that the work will be done properly -- meeting quality and customer delivery times. Involvement must include everybody, even the gardener".

Communication

Open communication is a feature of this company's workplace as it seeks to encourage provision of information and communication to all employees. Workplace initiatives are communicated to staff through the "Booyong Bulletin". A social centre has been set up for barbeques and other social functions. Keith Morrow is a firm believer in making the site look as appealing as possible.

Consultative Committee

The Committee was formed to oversee the OHS and QA projects on the site. All positions on the committee except for the Managing Director and OHS Coordinator turn over every 12 months. The committee met once a month to discuss issues associated with the project and undertook specific tasks such as buying safety equipment.

Induction/ training

The company values its new young employees and has developed an induction manual to help familiarise them with the plant. Most training is conducted on the plant floor although a training centre has been established as a place to conduct OHS meetings and training sessions as required.

Integration of OHS, QA

The focus of the Best Practice Program at Morrow and Son has been on integrating and retaining flexibility of the company's operations by having these elements become a natural part of the work life of the plant. A number of actions were taken to ensure that integration occurred.

For example, in attempting to improve QA on the slaughter floor, sterilisation equipment had to be installed to improve hygiene. Instead of telling the workers where the sterilisers would be located, the QA team consulted with the process improvement team. The employees were involved because their activities, as well as contributing to food safety, also involve risks associated with the task—bending, twisting, walking to and fro, and protection from scalds. This example shows how OHS and QA can combine to produce a successful result to a problem.

More Than One Way

A final element of the flexibility at Morrow's relates to the willingness of employees at all levels of the organisation to experiment with various elements and approaches to cultural change. Where teams did not function well they were given the scope to organise themselves and come up with their own solutions. Behind all the processes at the company is a strong management commitment and belief in the potential of employee involvement.

Morrow and Son has developed a plant strategy which is driven by strong principles and beliefs centred around the notions of involvement, responsibility and commitment.

Q Meat "The Challenges of Cultural Change"

Q MEAT, Brisbane

Q MEAT, owned by the state government, has its main plant in Brisbane, Qld. The plant, which has been operating since 1976, has more than 300 employees. The company's other four sites are located at Ipswich, Toowoomba, Bundaberg and Townsville.

Workplace Environment

Historically, management and union relations at the Brisbane plant have been characterised by a lack of trust, deep seated antagonism and, at times, open hostility. These poor relations have been compounded by other issues, such as, the inconsistency of work associated with a service industry and the environmental pressures created by the growth of suburbia on the border of the industrial park in which Q MEAT is located.

Under these conditions of uncertainty about its future in the metropolitan area, Q MEAT became a participant in the Best Practice Project. The diagram below shows the process that led to change at the company.

Cultural Change at Q MEAT

Workplace Features **Process Changes Achievements** Adversarial Training Employee relations involvement Problem solving through training Lack of skills effective Improved Communication communication communication of results throughout the Uncertainty of Commitment workforce future operation Involvement Management Desire to commitment improve safety performance Developing trust

Catalyst for Change

The company decided that its involvement in the Best Practice Project would assist it address its employee relations and OHS problems by generating good will on a topic that was of interest to both employees and management. The company also wanted to address other workforce issues of job satisfaction, a more informed workforce, multiskilling and a reduction in the cost and number of injuries.

The company's main goal was to reduce the number of sprain and strain injuries. In its original application, Q MEAT identified the following benefits from being involved in the project:

- Improve job satisfaction
- Optimise use of safety equipment
- · Eliminate ergonomically unsound processes
- Reduce the social and financial cost of all lost time injuries
- Increase multi-skilling
- Develop a more informed workforce

Plan of Attack

The OHS Best Practice Project began in November 1993 with the first meeting of a newly formed OHS committee. The committee's first step was to identify how sprains and strains were occurring. These causes were then identified as priorities for action and process improvement teams were formed to devise strategies to eliminate the problem areas.

The first process improvement team was formed in the meat hall, which had been identified as a priority area due to the high cost of compensation claims associated with injuries received there. A meeting was held, problems identified and a team selected to work through and prioritise the problems and seek solutions. This strategy was then extended to other parts of the plant -- the cattle floor, offal, and pig teams.

Barriers to Progress

Initial work by the process improvement teams identified problem areas and introduced changes to limited areas of the plant.

Initial impediments to the project included:

- Changes were not visible and were often implemented after long delays. As a result, few people were even aware of the changes and so remained sceptical about the program.
- The team identified problems associated with organisational culture. Few people were aware of
 the project and those that were felt that the project was so tightly controlled that little scope
 existed for influence or participation.
- Employees were not actively involved because they did not recognise the importance of their contribution and suffered from an attitude that "I'm only a meat worker". Management tended to accept this perception and so did not pursue the involvement of workers.
- Management practice was to promote supervisory staff from within the company. Although this
 allowed workers to move up the ranks, their management style usually reflected the previous
 supervisor. They would learn on the job and not how to become a good supervisor
- Mistrust between management and employee was apparent as each group was suspicious of the others motives. As employees stated: "We have to threaten industrial relations action to get things done." and "We get all this lip service and all well meaning talk of best practice."
- The quality of communication by management and amongst employees was poor. As a result, highly visible changes and other events which are used to symbolise a change in direction were not apparent.
- Attaining the project goals was hampered by an inability to break the culture of suspicion and centralised management decision making although both sides recognised the value of OHS improvements. Related to this was the lack of integration between the individual OHS projects and the organisation's broader work systems and management practices.

A New Approach

One reason for the project's initial failure was the narrow focus of the project coordinator (who was also the safety officer and the quality assurance officer). The safety officer approached the project in a traditional way, tackling a grocery list of safety problems, which did not lead to a best practice approach. In response, the human resources manager assumed the role of coordinating the project.

New life was injected into the project as he looked at it from the human resource perspective. The first job was to find out what was happening and what needed to be done to lead the organisation toward best practice.

Firstly, it was decided that core employees needed a training program in quality problem solving techniques. The MRC supported a funding application and a consultant was enlisted to provide the

necessary training. This process provided Q MEAT with trained staff who could contribute to and lead activities such as process improvement teams.

Secondly, the focus of the Best Practice Project and the process improvement teams was changed. The groups' approach was widened from one of small isolated units tackling ad hoc problems with centralised decision making at the works manager level to one encompassing training, broader communication and the desire to see genuine commitment and involvement at the shop floor level. One of the major successes of the process improvement team was the identification of a major workplace hazard which in turn led to a significant upgrading of the pig line.

Upgrading the Pig Line

A major concern for Q MEAT was workplace injuries of an ergonomic nature occurring on the pig line. The problems were caused by the tight working space, poorly designed work stations and the age of equipment. The process improvement team decided that it would be much more effective to replace the pig line than to repair and upgrade old equipment. The upgrade cost the company a significant amount, but the benefits were felt immediately in a reduction in the number of injuries in the area and an improved working environment.

Steering Group

A steering committee was formed as part of the broader approach based on training, communication, commitment and involvement. The committee was charged with the responsibility of devising programs to implement the following:

- · Career paths
- · Structured training/ multi-skilling
- Process improvement teams
- TQM teams
- Job rotation
- · Reward systems
- Counselling and support program
- Quality standards
- Workplace rehabilitation scheme
- Hygiene education

Training Reward

The committee was most effective in training a critical mass of employees who were then skilled in quality problem solving and could contribute to the process improvement teams. In the past, the teams had been established on a departmental basis. The new approach was to make the process more fluid by involving the newly trained workforce. In total, 130 of the company's 414 employees were trained.

The steering committee also established a process to increase management involvement in decision making. The process improvement team would make a recommendation to the steering committee which would then forward the project onto the works manager for final approval. If management did not support a project, they had to provide reasons for their decision. This accountability strategy also ensured that the process improvement team carefully considered its solutions before submitting them to management.

Achievements

The company achieved a number of significant outcomes as a result of its involvement in the MRC Best Practice Project.

Key achievements included:

- Communicating the need for awareness of OHS
 More people were made aware of OHS through the increase in training, the expanded role of the process improvement teams, and a safety newsletter written by the employees and regularly distributed to them.
- Developing trust

 Although room is still open for improvement, indications are that trust is developing in the workplace. As the Human Resources Manager said: "While some of these gains in employee involvement may appear small, having been involved with this organisation for more than twenty years, I believe that significant cultural change has occurred in a very short time. If the momentum can be kept up, we will all benefit.
- Problem solving training for employees
 The problem solving training of process improvement teams has delivered considerable benefits. Firstly, it has given employees the tools to address problems and secondly, it has increased employee involvement. The training has also affected the organisation by spreading information about the program. It is anticipated that the project's delivery of some high profile wins will further promote the role of employee training.
- Dispute resolution
 In the plant disputes are resolved by delegates and employees rather than taking the problem straight to senior management. Supervisors play a key role in this process. They help resolve the problem in the workplace.
- Management commitment
 Management has demonstrated its commitment by allowing employees to attend interstate
 workshops, providing resources for training; allowing staff to undertake training in production
 time and by considering issues put forward by the process improvement teams.

Observations

The following comments from the workforce relate to the project and its impact:

"Overall the concept of best practice is essential to follow. We need more people who are enthusiastic with the necessary skills to keep doing the project."

"I think all OHS literature must not only be directed to management but also to the union officials and delegate on the plant. It educates them and makes them aware as well,"

Politics of Cultural Change

Q MEAT went through a number of phases which enabled it to integrate OHS into its operation. To continue its growth in this area, the company may consider making safety part of management accountability and performance by delegating responsibility for it to all levels in the organisation as a performance criterion. This would occur in the same way that production goals are achieved as part of core business.

Change

At the beginning of the project, Q MEAT's progress was hindered by a lack of understanding of cultural change. Suspicion and mistrust by both management and employees was apparent. Involvement in the project has allowed employees to develop problem solving skills. However, it is recognised that further progress can only occur on a basis of trust from management and

employees. The process of cultural change is both bottom up and top down, it requires a commitment from both parties.

- Managerial roles and responsibilities
 Due to production and operational pressures, Q MEAT recognises that the commitment of all levels of management to safety can waver. In response, they appointed a Full Time Safety Facilitator to address all facets leading to improved performance.
- Cost cutting vs value adding
 Q MEAT has improved its overall productivity performance by pursuing a cost-cutting
 strategy, that is, reducing staff and addressing general waste and inefficiency. A value adding
 approach through training/quality and reduction in OHS claims would further improve the
 company's performance by using their employees more effectively.

Conclusion

Q MEAT entered the Best Practice Project in order to generate good will on a topic that related both to management and employees. The company has made a number of achievements, the most significant being the training of a critical mass of employees in problem solving techniques. This trained workforce can help the company integrate OHS into its structure.

For OHS management to go beyond ad hoc improvements, it needs to be integrated or linked into the broader strategic framework. This includes the extension of cultural change through training and employee involvement, changes to management roles and responsibilities and the pursuit of a value added strategy.

Tamworth City Abattoir "The Implementation of OHS Best Practice in a Local

Government-Run Abattoir"

Tamworth City Abattoir

Tamworth City abattoir is one of the few remaining local government controlled abattoirs in New South Wales. It is a wholly owned division of Tamworth City Council and commenced operation in 1930. It operates alongside other business enterprises including the local airport and caravan park and is the only business not subsidised by council rates.

Two factors contributed to the company's increased growth in the 1990s. Firstly, the plant relocated from its original 1930s site to a new site which incorporated new and second-hand plant, new buildings and amenities. Secondly, a new plant manager, who undertook an active marketing program to seek new markets and new clients, was appointed. In 1990, the relocated abattoir had 70 employees; by 1994 the number had increased to 250.

The abattoir operates on the domestic market, in premises built to export standards. It is a service abattoir which does not process its own livestock, but kills and processes on behalf of butchers and wholesalers. The abattoir processes cattle, sheep and pigs to into offal, carcase, and boxed meats. Products from the boning room cater for wholesale and supermarket requirements. As well, the works sells cattle hides and sheep skins and uses slaughter by-products in the manufacture on site of meat meal, blood meal and tallow.

Workforce and Management

The production workforce of 250 ranges in age from 16 to the mid-50s and is entirely male. Shifts span from 6.00am to 12 midnight with the main shift from 6.00am to 2.45pm. The major union on site is the AMIEU. A bitter industrial dispute occurred in 1990 following relocation to the new site and this explains the persistence of the 'them and us' attitude of the past. However, according to union representatives and management there are signs that old attitudes are slowly breaking down.

The company has been managed since 1990 by a five-person senior management team, which is led by the plant manager and includes the production manager, plant engineer, QA manager and the finance/human resource manager. This group focuses on production, growth and quality management. Reporting to the quality manager is a back-up quality coordinator who also handles workers' compensation claims and first aid.

Health and safety is one of three areas where work is being undertaken to introduce modern management techniques and systems. The other areas are quality management and employee relations. The abattoir is working toward the attainment of quality accreditation based on AQIS standards.

In the area of employee relations, the company has tried to prepare position profiles for employees covered by the local government award — all staff except production employees who are covered by the Butchers Wholesale (Newcastle and Northern) Award. This process includes the preparation of detailed job descriptions and statements of accountability, which are used later on to prepare personal development plans.

Health and Safety Approach

The company recognised safety as an issue but no real action had been taken. According to one union delegate, "Complaints were made in the past but nothing got done." Even though a number of serious injuries had occurred, there was no response from management and the union delegates were the main proponents of the need for improved health and safety.

The abattoir had in place very rudimentary health and safety systems. They had a health and safety committee, as required by state legislation but there was no general health and safety policy. The committee operated on a reactive basis, dealing with issues raised by employee representatives. Typical responses to these issues have been: consideration of individual behaviour/safe working practices or the allocation of work to the engineering/maintenance crew.

The council policy applied to City Abattoir, but had not been communicated to the staff. A budget for health and safety covered compensation costs and contingency funds for health and safety improvements, but the latter funds were underspent. Staff were not aware of audit reports undertaken by the Council's risk mangers. Although the abattoir had received corrective action notices as a result of audits, no serious consideration had been given to the action required to achieve compliance.

Catalyst for Action

The catalyst to change was entry into the MRC Best Practice Program. The company needed assistance to improve its health and safety performance and saw the project as an opportunity to improve an underdeveloped area of management and to receive the required help. The diagram below shows how City Abattoir implemented the Best Practice approach to OHS.

Process Catalysts Outcomes • Poor injury Formation of Best Structural performance Practice Team improvements Problem-solving Union interest • Induction program training MRC project • Development of • Process Improvement procedures Recognition from Team management to improve performance

Features of Best Practice Project at Tamworth City Abattoir

Senior managers held discussions to decide the focus of the company's Best Practice project. Rather than focusing on the project as a strategic tool for cultural change, the management identified specific projects for attention. These included induction training, the collection and maintenance of statistical information on health and safety, improvement of site level rehabilitation and strategies for faster return to work. Health and safety was also included as an element to be considered by the work improvement teams, which had to be established under the local government award.

The City Abattoir named four goals:

- Upgrade the rehabilitation program
- Integrate health and safety into induction training
- Improve communication with employees
- Upgrade health and safety database

The features of the project were: the development of a health and safety database; the introduction of work improvement teams to address health and safety issues and the development of health and safety training materials.

The scope of the project broadened soon after it started to include a team problem solving approach to improving specific work practices and problems identified by the project team. This change in emphasis was partly due to the influence of the external trainer and facilitator. It also reflected the expectations of the project team members that the project would consider health and safety issues of immediate concern. The emphasis on a team based approach to problem solving gives the project its best practice focus. The case study on the next page shows how problem solving skills were applied to improve safety, quality and performance in the boning room.

Boning Room Improvements

The process improvement team identified a number of problems in the boning room which were not only affecting the health and safety of staff but also quality, productivity and efficiency. Due to the company's expansion, the room which had been designed for three boners was now accommodating nine. The number of slicers and follow on labourers to pack and stack the product, operate the cryovac and shrink tank machines had also increased accordingly. Room layout and work layout was unsatisfactory; product was double handled and thrown from one employee to the other. Most tasks involved considerable twisting, bending and lifting. Bottlenecks in production resulted in meat piling up with the follow on labourers.

Firstly, the bottleneck in production around the cryovac operation was addressed. The problem was exacerbated by old machinery and manual handling risks. The team was able to identify the problems and appropriate solutions and immediately addressed some of the issues associated with the work process and layout. Extensions to the room and upgrading of machinery further contributed to the reduction of manual handling risks.

The boners and slicers faced increased risks from the manual handling of meat. The frequency of twisting and bending and the practice of throwing meat from one work operation to the next was corrected by reorganising the room layout. A final layout was achieved after several trials.

A feature of the project was the enhanced communication with the boning room supervisor and employees. Information about the improvements was circulated to the workforce through the employee representatives.

Difficulties Encountered

A number of problems limited the successful implementation of the project. These were caused by conflicting time pressures during a period when the company was experiencing substantial growth in production and expansion.

Problem areas:

- Time available

 A lack of time to dedicate to the project led to a stop start approach.
- Visible management commitment and leadership
 Health and safety issues competed for management time with higher priority issues, such as,
 production requirements, quality and human resources/recruitment
- Delays in engineering and maintenance work
 It was acknowledged that priority appeared to be given to preventive maintenance and breakdowns rather than to the best practice project.
- Communication

The company made no provision for formal feedback or consultation with employees in working hours. The employee representative attempted to consult and provide feedback on an informal basis.

- Employee involvement
 - Both management and employee representatives underestimated the difficulty of gaining workers' support for the project in the short term. Employee representatives encountered a negative (sometimes, even hostile) response from fellow employees, who resented their increased workload, as indicated by this comment from an employee representative: "The foreman sees the men walk off the floor and leave him with a headache; the workers don't get enough feedback and they have to replace you when you go to the meetings."
- Determining what topics are appropriate for best practice activity
 Best practice topics tend to be defined in the negative, that is, they are neither safety issues nor ongoing maintenance issues. The group experienced difficulties due to the perceived overlap

between health and safety best practice and safety and maintenance issues. The company also had a list of health and safety items requiring attention — due to a lack of health and safety activity in the past. As one of the management representatives commented: "They bring issues to the best practice committee because they don't get done on the safety committee."

Comprehensive approach to consideration of resource requirements
 At the beginning of the project, no detailed planning was made of the resource requirements
 that would be needed to coordinate the project. No plans were made to ensure the project could
 progress without compromising production requirements, even though the difficulties
 associated with rapid growth in production were evident. Attention was lacking to ensure
 supervisors supported the project and in turn allowed employee representatives to attend the
 meetings.

Results

The project team tackled a number of areas despite the difficulties and time constraints they encountered. Their projects included items with an ongoing maintenance or safety focus as well as items with more direct health and safety/productivity linkages. However, of the original project goals, the induction manual was the only one to progress within the framework of the project.

The induction manual "A Handbook for Employees" has allowed for the documentation of a range of previously neglected safety systems. The manual includes:

- General health and safety policy -- adapted from the Council's policy
- Procedures relating to confined spaces, knife handling, tag lock out maintenance; correct lifting; emergency; chemical handling and storage; and procedures for reporting of accidents and near misses
- A role statement for the health and safety committee
- Role and responsibility statements for manager/supervisors and other employees

A number of other initiatives were undertaken as part of the process of managing workplace risks:

- · Lagging of hot water pipes on the slaughter floor
- Guards around the pig restrainer to stop pigs jumping out
- · Preparation of a manual and video on knife sharpening
- The building of new stockyards incorporating design ideas from stockpersons
- Investigation of alternatives to the manual handling of tubs of inedible waste in the boning room

Views differed about the progress of the best practice project. Some senior managers viewed the potential for improvement as significant but the actual results to date as limited. One supervisor commented that the company's approach to health and safety had changed significantly. He believed the growing safety consciousness of the Union was an important factor influencing this change and pointed to the benefits likely to accrue from active participation of employees as opposed to an emphasis on directions "from above".

The Future

The company has few definite plans for the future, although there is a desire on the part of managers and employee representatives to extend and consolidate the achievements of the project to date. The only certain plan is to merge the roles of the Best Practice Project Committee with the Health and Safety Committee.

An understanding is also emerging of the linkages between health and safety, quality, technology and the advantages of considering a more integrated approach to health and safety and quality management.