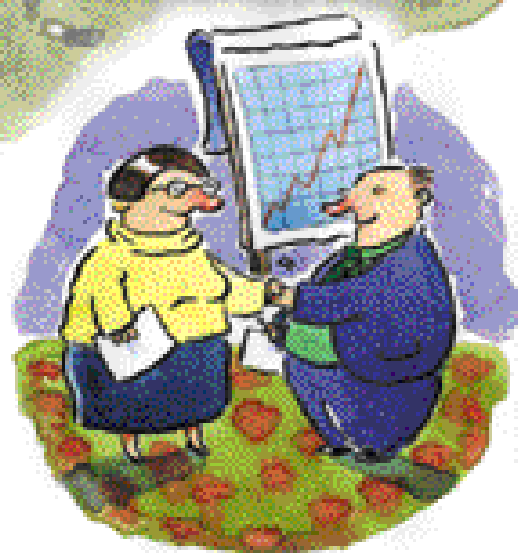


Health & safety benchmarking

Improving together

Guidance for those interested
in applying benchmarking
to health and safety



Introduction

This leaflet is aimed at anyone interested in applying benchmarking to health and safety; you may be a director, manager, owner of a small firm, health and safety adviser, safety representative, *trade association representative or benchmarking consultant.

The leaflet summarises what health and safety benchmarking is all about, and the advantages it offers. It then guides you on the steps involved and pointers to success. It shows that benchmarking can be successfully applied to improve management of health and safety. There is a list of contacts and sources of further information at the back of the leaflet.

In its original meaning, a benchmark is a reference point used in surveying. From this, benchmarking came to mean comparing with a 'standard'. More recently, benchmarking has developed into a business improvement tool. It can be applied to any area of an organisation's work, including health and safety management.

You can design your own health and safety benchmarking exercise and identify partner(s) to work with. Alternatively, you can participate in benchmarking clubs or use 'off the shelf' benchmarking packages. Whichever way you choose, this leaflet will help you to do it successfully.

*'Safety representatives' may include trade union-appointed safety representatives (appointed under the Safety Representatives and Safety Committee Regulations 1977). In other workplaces, any employees not covered by trade union safety representatives must be consulted by their employer under the Health and Safety (Consultation with Employees) Regulations 1996. The employer can choose to consult them directly or through elected representatives. Use of the term safety representative in this leaflet includes both types.

What is health and safety benchmarking?

Health and safety benchmarking is a planned process by which an organisation compares its health and safety processes and performance with others to learn how to:

- reduce accidents and ill-health;
- improve compliance with health and safety law; and/or
- cut compliance costs.

Benchmarking is not just about comparing data or copying your competitors. Benchmarking is more about continuously learning from others, learning more about your organisation's strengths and weaknesses in the process, and then acting on the lessons learned. This is what leads to real improvement. Benchmarking is a means to an end, not an end in itself.

Some organisations aim for business excellence and want to be seen as 'best' or at least better than average. Benchmarking all aspects of your business, including health and safety, can help you achieve this.

But it is also useful in helping you meet your health and safety duties in a more effective and efficient way.



Why benchmark on health and safety - what's in it for you?

Managing health and safety should be just as important to organisations as managing other areas like production, finance or customer care. You may have tried benchmarking in some of these other areas, but not in health and safety. Benchmarking health and safety gives you similar advantages; it helps you:

- improve your reputation - this is increasingly important in getting and keeping contracts;
- avoid 'reinventing the wheel' - learn from others' experience and pick up on others' good ideas by comparing and contrasting how things are done;
- develop relationships with your customers and suppliers, including contractors;
- find out where you stand - you may think you're better than average, or even the best, but are you really?
- save money and help keep your competitive edge. Savings can come, for example, from reduced insurance premiums, increased productivity and reduced staff turnover;
- improve overall management of health and safety and reduce risks to people's health and safety.

Case studies

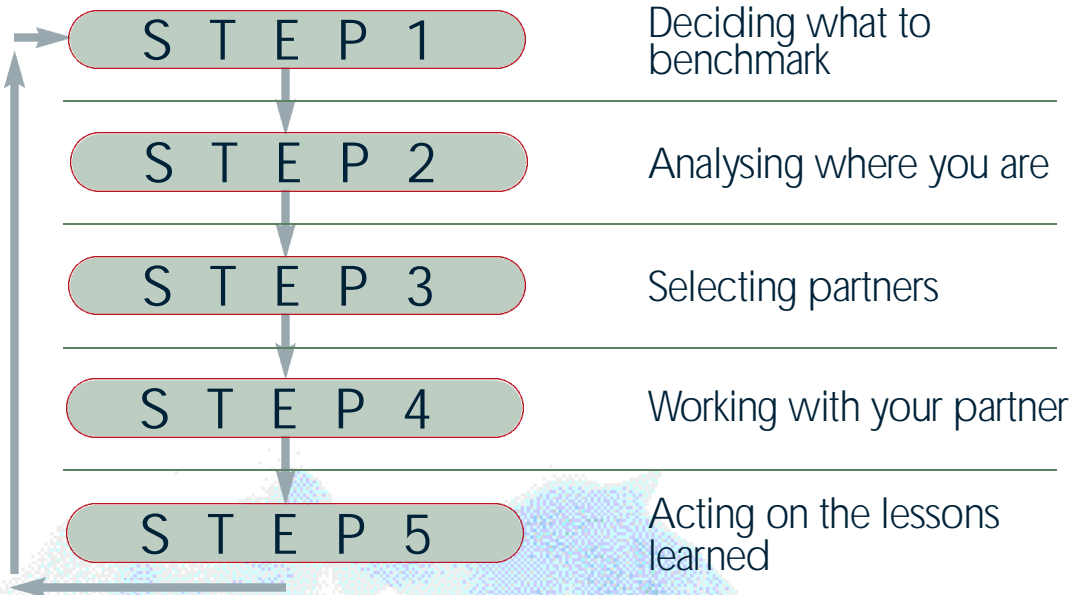
A garment manufacturer was concerned about the number of accidents occurring at sewing machines. Each accident cost between £300 and £1000, as well as causing pain and suffering. The company looked to others in the same industry, who were also experiencing problems. They agreed a 'best practice' standard between them, taking good ideas and pooling them. The group approached a manufacturer to produce an improved design of sewing machine guard. As a result, the number of accidents fell, and the firm has made big savings and improved workforce morale.

A food manufacturer was concerned about its accident and ill-health rates. It decided it needed to improve its health and safety culture. The company identified other organisations that seemed to have a better health and safety culture. They worked together and after a few visits and discussions they identified a number of ideas to develop. They implemented an improved safety behaviour programme, based on what they had learned. The manufacturer has achieved a 30% reduction in reportable accidents. The insurer has since reduced the employer's liability insurance premiums by 20%.



How to apply benchmarking to health and safety

Health and safety benchmarking is a five-step cycle aimed at ensuring continuous improvement:



Each of the following steps lists points you will need to think about and gives examples of organisations' experience at these stages.



STEP 1

Deciding what to benchmark

You can apply benchmarking to any aspect of health and safety. It makes sense to prioritise. High hazard and risk topics are good places to start as these are areas where most harm could be done. You could identify priorities by looking at the findings of your risk assessment. HSE guidance is available which will help you through the risk assessment process¹ Accident and ill-health patterns in your organisation or industry may also indicate priorities, especially if you can identify any common causes. You may have other priorities, which could make equally good places to start.

Safety representatives, team leaders and trade association representatives may have good ideas on suitable topics for health and safety benchmarking as they have good contacts with employees and other organisations. You can encourage these people to make the most of these contacts.

Think about both your health and safety processes (how you do things) and your performance (the results of what you do); you could benchmark both. Performance data (accident and ill-health statistics, percentage of risk assessments completed etc) give an indication of where priorities may be. You should be careful how you use some types of performance data, particularly accident statistics. Accident statistics can be useful but remember that they only show the 'tip of the iceberg.' Process benchmarking allows real improvement to be made as you examine what goes on and how it could be done better.

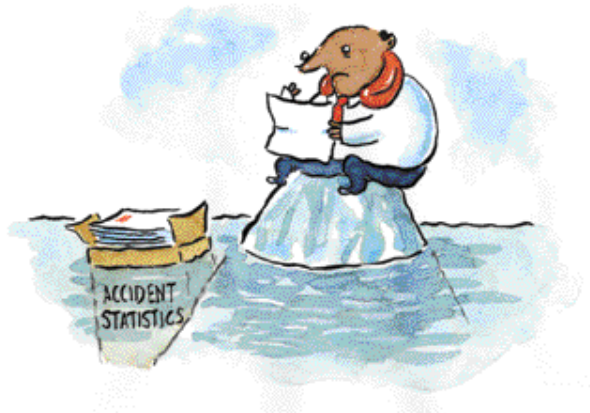
Processes may be at workplace level (eg how you control a particular hazard) or management level (eg how you investigate incidents, carry out risk assessments). HSE guidance² can help you pick out relevant processes.

“Looking at accident statistics is only part of it - you need to really focus on what you do”

Health and safety benchmarking work can be led by or involve various people, for example managers, safety representatives or trade association representatives. You will need both senior management and employee commitment and involvement at all key stages.

Case study

A small engineering firm was concerned about its health and safety performance but wasn't really sure where it was going wrong and what to do about it. The firm worked with its trade association who helped it identify priorities and put it in contact with other members who could help. The firm learned from other members how it could improve its health and safety management in key areas. It put what it learned into practice and achieved real improvement.



STEP 2

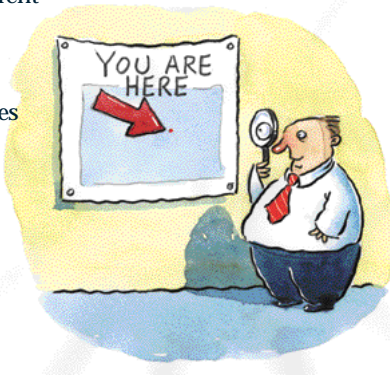
Analysing where you are

You need to identify your starting position - are you meeting health and safety law or relevant codes of practice in your chosen topic? HSE and other guidance can help you find out.

You need to think about how you will **measure** where you are and where you want to be. This will help you measure your improvement from benchmarking. You can use measures based on numbers, for example the percentage of managers who have completed health and safety training, or you may prefer to use qualitative measurements. If you use an audit system you could use your results (sometimes these are 'scores') as a measure. Later you could compare your results with others who use the same system.

As part of this process, you may choose to survey employees to find out what they think the current position is.³

Involvement of safety representatives can help to make surveys more successful.



Check that health and safety benchmarking is the best way to progress. It may be that HSE (or other) guidance will give you all the help you need. Preparation work in analysing your processes may reveal problems that can be sorted without the need to benchmark.

Understand where you're 'at' and be prepared to be open

HSE's guidance *Successful health and safety management* (HSG65)⁴ and *Managing health and safety* (INDG275)⁵ are benchmarks of good practice, which will help anyone improve health and safety management. They are based on good practice in successful firms. *Successful health and safety management* also gives guidance on performance measurement and examples of possible measures. Another useful publication is the British Standards Institution's *Guide to occupational health and safety management systems* (BS 8800).⁶

Case studies

An NHS Trust had decided it needed to improve its health and safety management and thought benchmarking would be a good way of doing this. Managers and safety representatives arranged for a baseline survey to measure where they were. HSE and other guidance gave them an idea of where they should be. They decided to concentrate on using this guidance initially. After some improvements, another survey was carried out which showed some achievements, but other areas where more work was needed. Managers decided they would look for benchmarking partners to help them with these more difficult areas.

A food manufacturer used HSE and trade association guidance to help it decide where it needed to do more. HSE guidance identified priorities and standards. This helped the firm see how it measured up. Managers and safety representatives decided they wanted to see and learn how other firms dealt with these topics so they decided to go ahead with a benchmarking exercise.

As a result, both organisations were able to successfully tackle their priorities and reduce risk.

STEP 3

Selecting partner(s)

“Some of my best contacts have been people I’ve met informally”

If you are part of a large organisation you could find partners both within your organisation (internal benchmarking) and outside (external benchmarking). Smaller organisations will probably need to look

outside, as they are too small to have a wide range of potential partners to choose from inside their firms. The chart shows the advantages and disadvantages of both approaches.

Advantages and disadvantages of internal and external benchmarking

INTERNAL

EXTERNAL

Advantages

Easier to get at information and therefore cheaper.

Improves consistency within a firm.

Can help improve communication and information sharing.

Easier to get management commitment.

Good practice of technique before looking for an outside organisation.

With competitors

Easy to identify potential partners.

Can help your competitive edge.

Use as a marketing feature if you are the 'benchmark'.

Within the same industry

Quite easy to identify potential partners.

Often links already exist with potential partners.

'Speak the same language'; share issues and concerns.

Different industry

Potential for really innovative ideas

No competitor problems.

Disadvantages

Doesn't identify overall best practice.

Can be 'blinkered'.

With competitors

Care needed with competition law.⁷

Some potential partners may be resistant.

Different industry

Can be difficult to identify potential partners.

You may choose to work with one partner or a number of them. You could join a benchmarking club where you will have a range of potential partners to choose from. Your trade association or benchmarking organisations sometimes offer this service. 'Off-the-shelf' benchmarking packages are also available. The further information section at the end of the leaflet gives more detail.

You can use different ways to find partners. Your existing networks are likely to include potential partners, for example networks created by trade associations, local business organisations, your contractors and suppliers, health and safety organisations, trade unions, or neighbouring firms. Initially it's probably best to make contact by phone - explaining who you are, why you're contacting them, the purpose of the health and safety benchmarking exercise, your areas of interest and, importantly, what's 'in it' for them. Confirm the arrangement.

Look for an organisation that leads in your chosen topic, but is not so far in the lead that it would be unrealistic to work together. For workplace processes (eg safeguarding for a machine) it is probably best to look for partners in a similar industry with similar processes. For management processes (eg carrying out risk assessment) you will have a wider choice of partners, as these processes are common across industries.

When you agree a partnership there needs to be mutual benefit - 'give and take'. You should be prepared to give your partner something in return. You should also be aware of the Benchmarking Code of Conduct,⁷ and check you work within it. This is particularly important if you are planning to benchmark with a competitor, as it will help to ensure you keep within competition law.

Decide whether you will need to visit your partner's workplace. Sharing information by phone may be enough. It is usually best to meet, so you can see for yourself, and talk to relevant people.

If you decide to visit, involve your managers and safety representatives in the visit because they are the ones who will be helping to put in place any improvements you identify.

Case studies

One firm used both internal and external benchmarking. It used different ways to spread good practice within the organisation, for example in its newsletter, meetings and the annual health and safety awards. Outside, it worked with a key supplier^{8,9} and some competitors. Health and safety benchmarking work, with its supplier, helped to develop a good relationship and led to some useful ideas for improvement for both firms. Working with competitors was aided by using their trade association as an intermediary. The trade association dealt with sensitive information. It put firms that wanted to continue working with partners in contact with each other.

Big and small firms can together make good partners.^{8,9} One small firm impressed its main customer - a big multinational - with its clever but simple way of removing stains from its finished product. The small firm shared its method with its customer, and in return the big firm included the smaller firm's workers in a health and safety training exercise. This co-operation helped the small firm when its contract came to be renewed. This shows how good relationships can develop to everyone's benefit.



STEP 4

Working with your partner

With the right planning and preparation (Steps 1 to 3), this stage should be straightforward.

- Be realistic - don't try to do too much in one go.
- When exchanging information you need to make sure it's comparable - 'apples with apples'. For example, you may try to compare statistics, but if you record this data in different ways it won't be a valid comparison.
- 'Respect your partner'. Remember confidentiality, give and take equally, keep to agreed topics, do your homework in advance, show awareness of the Benchmarking Code of Conduct, keep to timescales and send a message of thanks.

During contact with partners make sure you really understand what they do, how they do it and why it's better. This is the information you will need to learn.

A director came with us on our visit; **seeing** how good one of our competitors was really blew her mind!

Case study

A firm had identified its partner on the basis of its much better health and safety performance data. However, it wasn't until on-site meetings were held that the firm realised that its partner worked out its figures in a different way, and the partner's performance was really no different. Luckily the visit wasn't wasted and there were still lessons for both to learn. But better planning would have helped!



STEP 5

Learning and acting on lessons learned

This is a key step - if you don't get this right, all the work you've done so far will be lost! Remember the purpose of health and safety benchmarking is not to copy but to learn from others, learn more about yourself and, as a result, take action to improve.

Devise an action plan, based on your findings. It's important to make sure your plan fits in with the 'culture' of your organisation. Your partner may have a very different culture, and the language and methods they use may need to be adapted for your organisation.

Make your action plan SMARTT (Specific, Measurable, Agreed, Realistic, Trackable and Timebound).



Identify what you need to do, who should do it and when. Make sure you get senior management and employee commitment to the action plan. Remember to involve safety representatives.

Implement your action plan and regularly review progress with it. Are you where you want to be? If there are problems it may be useful to contact your partner(s) again to see if they can help you overcome them.

Remember continuous improvement - keep an eye out to see if standards have moved on. If they have, reset your benchmark and you can start from Step 1 again. As in any other area of business, you shouldn't stand still.

To **act** on what you learn is all that really matters.
Winston Churchill

Case study

After a benchmarking visit to a leading organisation (involving a director, managers, safety representatives and a health and safety adviser), there was a lot of enthusiasm in the team to take new ideas forward. It was recognised that a phased action plan would be the best way forward, making sure all relevant people were 'on board'. As a result of improvements made, the firm has become a 'benchmark' in its own right and has enhanced its reputation. It is still on the lookout for good new ideas to keep improving.

Pointers to success

To succeed in health and safety benchmarking you need:

- senior management resources and commitment - for all the steps involved;
- employee involvement through their safety representatives at all key stages;
- a commitment to an open and participative approach to health and safety, including a willingness to share information with others within and outside your organisation;
- an ability to identify your strengths and weaknesses;
- to compare data on a meaningful 'apples with apples' basis;
- to do your homework - proper planning and preparation is vital.

Further information

The following organisations offer help with health and safety (and environment) benchmarking and run schemes for participants. You can contact them for further details of their services.

- **Contour**

The CBI's safety, health and environment (SHE) benchmarking service. It provides business-wide criteria for small, medium and large organisations to measure themselves against. Further details are available from EHS Group, CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU, Tel: 0207 395 8190 Fax:0207 497 2597 email: kay.ashmore@cbi.org.uk and website www.cbi.org.uk

- **Safety, Health and Environment Intra Industry Benchmarking Association (SHEiiba)**

An association for safety, health and environment professionals. It provides a mechanism to benchmark SHE practices, processes and performance with other organisations from their own and other industry sectors. Further details are available from 2 Commercial Street, Edinburgh EH6 6JA Tel: 0131 555 4390 Fax: 0131 477 7027 email: jba@ednet.co.uk and website www.sheiiba.org

- **Inside UK Enterprise (IUKE)**

A Department of Trade and Industry (DTI) business-to-business exchange programme managed by Status Meetings Ltd. It offers a programme of visits to UK 'exemplars of best practice' in manufacturing and service industries. Further details are available from Status Meetings Ltd, Festival Hall, Petersfield, Hampshire GU31 4JW Tel: 01730 235015 Fax: 01730 268865 email: IUKE@statusmeetings.co.uk

- **UK Benchmarking Index**

This is designed to allow small and medium-sized organisations to enjoy the advantages of benchmarking that larger organisations with greater resources have already benefitted from. Managed on behalf of DTI by Winning Moves Ltd, Lea House, Station Road, Barlaston, Stoke-on-Trent, Staffordshire ST12 9DA Tel: 01782 371800 email: wm@winning.co.uk, benchmarking website www.benchmarking-uk.com



References

1 *Five steps to risk assessment* INDG163
HSE Books 1998 Single copies free, multiple
copies in priced packs ISBN 0 7176 1565 0

2 *Essentials of health and safety at work*
HSE Books 1994 ISBN 7176 0715 X

3 *Health and safety climate survey tool* HSE
Books 1997 ISBN 0 7176 1462 X An electronic
product that gives organisations the means
for promoting employee involvement by
collecting employees' views on some important
health and safety-related issues within their
organisations

4 *Successful health and safety management*
HSG65 HSE Books 1997 ISBN 0 7176 1276 7

5 *Managing health and safety* INDG275
HSE Books 1998

6 BS 8800: 1996 *Guide to occupational health
and safety management systems* Available
from BSI Sales and Customer Services,
389 Chiswick High Road, London W4 4AL
Tel: 0208 996 7000
Fax: 0208 996 7001

7 *Benchmarking Code of Conduct* A
European Benchmarking Code of Conduct
has been developed (based on a code
developed by the American Productivity and
Quality Centre and the Strategic Planning
Institute Council on Benchmarking) which
sets out principles of efficient, effective and
ethical benchmarking. Copies are available
from: Performance Improvement Group, The
Old Vicarage, Main Street, Offenham,
Evesham, Worcestershire WR11 5RL,
Tel/Fax: 01386 40705
email: robinwalker@msn.com

8 *Managing risk, adding value* HSE Books
1998 ISBN 0 7176 15367

9 *Working together: Guidance on health and
safety for contractors and suppliers* INDG268
HSE Books 1998 Single copies free, multiple
copies in priced packs ISBN 0 7176 1548 0

Another useful publication

Closing the gap DTI 1998 URN 98/969
Performance of UK small and medium-sized
enterprises within the UK Benchmarking
Index

While every effort has been made to ensure
the accuracy of the references listed in this
publication, their future availability cannot be
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HSE home page on the World Wide Web: <http://www.open.gov.uk/hse/hsehome.htm>

This leaflet contains notes on good practice which are not compulsory but which you may find helpful in considering what you need to do.

This leaflet is available in priced packs of 10 from HSE Books, ISBN 0 7176 2494 3. Single free copies are also available from HSE Books.

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