



Business Leaders'  
Health & Safety Forum

ZERO HARM WORKPLACES

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# Managing critical risks

## Jules Fulton — Fulton Hogan



Having been in operation for 80 years, some would say it is *'expected'* that any construction company, such as ours, would face challenge and adversity along the way.

Our industry, due to the nature of what we do, means our people and the wider public can be exposed to risks, particularly related to safety.

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# Jules Fulton

Executive Manager  
Corporate Services, Fulton Hogan



## ■ The challenge

At Fulton Hogan we place health and safety in the highest regard, which is why no challenge has been more confronting than those we have faced in the past 24 months.

We have been rocked to the core by devastating safety incidents which resulted in five individuals not returning home to their families. The circumstance of each fatality was different; however they all involved traffic and moving plant.

These deaths shook the foundations of what our company stands for. As a member of the company's executive team, and one of the founding families, they were exceptionally personal to me. The names, dates and details of each incident are etched in my memory.

We were at a loss to understand how they could have happened to such good workers and in an organisation that places so much emphasis on health and safety. We invest heavily in making our people, plant and processes safer, and over the last decade we have seen our total injury frequency rate (TIFR) drop from 73.6 to 9.7. However, these fatalities clearly proved we still didn't have it right.

Collaboratively we agreed that we needed to re-think things we were doing, and that re-think has led to a fundamental change in the way our organisation approaches health and safety.

## ■ Focus on critical risks

We have totally recalibrated our approach to risk. The fact we had multiple fatalities at the same time as our injury rates were improving, told us we needed to focus more attention on our critical risks. These are the common hazards that can kill or seriously harm people.

Both data and our people in the field told us we are exposed to five critical risk areas:

1. Electricity and energy (including cable strikes)
2. Fall prevention
3. Traffic
4. Moving plant
5. Bitumen

Now that we have identified these five extreme risk areas we can really focus on managing them.

We have set up working groups involving people at all levels of the business to look at how we can best manage them. These working groups have been an excellent method of engaging our people on issues related to each risk.

There has also been a fundamental change in the way we analyse our health and safety data. We used to spend a lot of time looking at our injury rates. But this wasn't telling us enough about our critical risks. So now we focus on indicators of risk like near-miss reports. When we report on these incidents to our Board of Directors the thing they want to know about isn't the number of incidents – it's what we are doing about them.

As part of managing our critical risks we have adopted seven Golden Rules that everyone at Fulton Hogan must follow.

People sometimes ask why we include wearing a seat belt in these rules given it's already the law. Our incident data told us our people aren't always wearing their belts so we are hammering home the seatbelt message by making it a Golden Rule. If you don't wear one, it is considered serious misconduct and your job could be on the line.

## ■ Standardisation and simplification

We also see simplifying our communications and standardising our processes as important contributors to managing our critical risks.

We realise there is no point in producing thick job instruction manuals when many of our employees have limited literacy. Instead, we came up with our *Safety Essentials* – one page cue cards with lots of photos and simple diagrams which explain the job and process. Producing these has been challenging because the law sets demanding standards for safety documentation. It is tempting to add in layers of complex detail to cover yourself, but our experience is that if your goal is to keep people safe, then sometimes less is more.

We realise there is only so much filtration you get by issuing a memo, so we try to communicate with our people in ways that will have greater impact. Face-to-face is the most powerful, so we use things like toolbox meetings and back to work events. We have also produced a few videos where staff talk about safety, sharing their stories.

Having multiple ways of doing things can add to your critical risks – particularly in a company with operations right across Australasia. We are trying to identify situations where standardising equipment or procedures can make the job safer.

An example of this is our trailer couplings. Our Moving Plant Working Group identified that using a variety of different couplings was contributing to the risk of trailers coming off, so now we are moving to a single type of coupling.

## ■ Subcontractors

Like many New Zealand companies we rely heavily on our subcontract partners to deliver to our clients. For that to happen we need them to be working safely and not hurting themselves (or our workers) through poor safety practices. We still have a long way to go to reach the kind of subcontractor safety performance we want to see.

One area where we are seeing real improvement is through our involvement with the Stronger Christchurch Infrastructure Rebuild Team (SCIRT). SCIRT is responsible for rebuilding the horizontal infrastructure in Christchurch following the earthquakes. I think what it is doing around the management of subcontractors is a benchmark for us and other companies to aspire to.

SCIRT has set consistent safety standards for rebuild worksites. As well as lifting safety standards, I think this consistency is making life easier for contractors. They only

have to deal with one set of rules. SCIRT has also had some hard conversations with contractors – making it clear that if they don't support the move to better safety standards they aren't likely to get work on SCIRT's rebuild projects.

## ■ Leadership

Leadership of safety is integral to managing critical risks. This leadership needs to come from the top table, cascading down and be demonstrated by managers throughout the organisation.

Over the next 12 to 24 months we are focusing on building our safety leadership capability. We have about 1000 business units in New Zealand alone, and the manager of every unit now attends our safety leadership programme. We start this programme by showing a video detailing all Fulton Hogan tragedies. Then we ask our managers if they are genuinely passionate about safety. Because unless they come to work each day determined to make sure their team goes home safe, they aren't in the right headspace to be a manager at Fulton Hogan.



## ■ Just culture and human factors

Over the last year we have also been working to build a 'just culture' around safety. Just culture focuses on identifying and addressing systems issues that might contribute to workers behaving unsafely. It distinguishes between human error (*I made a mistake*); at-risk behaviour (*I took a short cut*) and reckless behaviour (*I chose to ignore the rules*). In a just culture the way you respond to an incident depends on the type of behaviour involved.

When we have a serious incident we do what's called a 'tripod' investigation. Tripod investigations are designed to uncover not just what happened, but why it happened. This is vital information if you want to manage your critical risks and avoid reoccurrence.

These investigations look at the human and organisation factors that contributed to the incident. These include things like the state-of-mind of the people involved or operational decisions made by others. Meaningful tripod investigations are really important in creating a just culture because they enable you to have the right kinds of conversations following an incident.

## ■ Learnings

One of the things we have learnt is the importance of supporting the family through a tragedy. Your lawyer's advice might be to say nothing and steer clear of them. Obviously, you can't go in there and tell them exactly what happened or why because you probably won't know. But our experience is that if you end up one day sitting across the court room from the family, the process will be a lot less unpleasant if you've treated them with respect and demonstrated in practical ways that you cared about the victim.

We've learnt that even in the darkest times good stuff happens in the business and you've got to celebrate that. Last year we had to stand in front of shareholders at our AGM and explain why people had died on Fulton Hogan worksites. In the same year our Auckland office won an award recognising the transformational change they made around safety. So it was really important that we recognised and celebrated their efforts and achievements.

The last two years has shown me that safety is like eternity – it never ends. The moment you start getting complacent, trouble will arise. We work in a dangerous industry, so everyone who works here needs to have their safety radar turned on 100% of the time.

## Leaders make a difference

The Business Leaders' Health and Safety Forum inspires and supports its members to become more effective leaders on health and safety. The Forum has more than 140 members, who are CEOs or Managing Directors of significant New Zealand companies.

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