

Changing the Safety Culture of an Australian Icon

QANTAS AIRWAYS CASE STUDY

Aviation Leader's Safety Journey Results Include:
70% Reduction in Lost Time Injury Frequency Rate
50% Reduction in Lost Work Days
\$500 Million Projected in Cost Savings
500% Return on Investment



'The safety and well-being of our people is a constant priority. A great deal of pain and suffering, as well as millions of dollars associated with rehabilitation, equipment damage, reduced productivity and other incident consequences, have been saved.'

*Margaret Jackson, Chairman
Geoff Dixon, Chief Executive Officer
Qantas Airways Limited*

Improving Operational Discipline Company-Wide

Since taking to the skies in 1920, Qantas has been proud of its reputation as the safest airline in the world. To reinforce this achievement, the Qantas leadership team recognized the need to improve employee safety and committed to deliver the same performance in occupational health and safety as their exemplary record in the air.

Challenge

Achieving that goal required the organization to overcome such challenges as:

- More than 7000 employee injuries occurring every year.
- High loss of productivity due to more than 40,000 lost work days pa.
- Unsatisfactory workplace safety audit results by Government agencies.
- High costs in equipment damage directly related to workplace safety incidents.

A safety improvement program called *be safe!* was developed to achieve the goal of "No Injuries to Anyone at Any Time." Qantas partnered with DuPont to help manage the behavioural safety aspects of this program. Known as *People Safe*, this initiative has been instrumental in driving the safety cultural reform process.

Solution

People Safe was initially rolled out across the high risk/ high cost divisions of Catering, Customer Service (Cabin Crew), Airports, Freight and Engineering Technical Operations & Maintenance Services. Under the stewardship of DuPont, *People Safe* comprised the following key elements:



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- A comprehensive assessment of Qantas' existing safety management performance.
- Qantas executives, managers, supervisors and leading hands received training through a series of interactive workshops, complemented by in-field coaching and mentoring.
- A safety review and management structure was introduced to drive and then report activity from all operations to the Executive Committee.
- Progress evaluations were conducted on a regular basis.
- Leading indicators were developed to link leadership behaviours and skills to a reduction in injuries.
- Safety improvements were communicated via divisional forums, Qantas News and the intranet.
- Managers began talking to employees about safety as they personally conducted safety observation tours. Each member of the Qantas Executive Committee developed a Personal Safety Action Plan and began reporting the safety performance of their segment to the Board.

However, it was the integration of safety into everyday business activities by senior managers that generated most momentum and enthusiasm for safety. As Grant Fenn, Executive General Manager, Airports and Catering and Qantas Safety Champion reflects, "I am very proud of the dedication shown by all staff. The results show that combining a world-class risk and injury reduction system, a behavioural safety program and ongoing staff commitment to a safer workplace has clear benefits for the entire company."

People Safe has now been extended to include the remaining business divisions within Qantas, including Regional Airlines, Jetstar, Australian Airlines, Technical Crew and Office-based Staff.

Results

"The success of *People Safe* can be attributed to 3 key drivers", says Dr. Graeme Peel, Head of Occupational Health Services at Qantas. "The first was the will of the management team to commit to the journey. Then came the behavioural safety expertise DuPont provided through training and mentoring, customised to meet the unique needs of Qantas. The final factor was the strong and visible leadership shown towards safety by managers at all levels."



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Qantas is now a worldwide benchmark for workplace safety excellence in the aviation industry. In less than 3 years, **be safe!** and in particular the *People Safe* component, has delivered outstanding safety improvements and financial and operating gains, including:

- Lost Time Injury Frequency Rate has reduced by 70% across the organisation, and by 100% in some departments.
- Over 20,000 lost days are being saved annually. \$11 million of workers compensation provisions have been removed from the company's books in the past year alone.
- Workers compensation claims costs have reduced from 1.5% of wages to 1.0%.
- A 500% return on investment.
- Direct cost savings of \$500 million predicted over 5 years.
- Process improvements including greater efficiencies in workshops and significant reductions in solvent use.

Qantas was named "Airline of the Year" (2003) by Aviation Transport World magazine. Their achievements in employee safety, and the subsequent cost and efficiency savings, were recognised as a key influence in winning this prestigious award.

The Qantas safety journey has also established a culture of improved operational discipline through the company. The dedication and ongoing commitment by every person to carry out each task the right way every time has underscored the success of *People Safe*. Furthermore, the non-adversarial and employee-supportive nature of the safety journey has allowed many operational deficiencies to be identified and addressed free of industrial conflict.

"As well as reducing the number and severity of incidents that hurt employees and cause them to miss work, *be safe!* has been a great catalyst for engaging the workforce and making Qantas a more productive workplace," says Kevin Brown, Qantas Executive General Manager, People. "Our employee safety performance is now another reason for employees to be proud of working for this great airline."

Qantas is the world's second oldest airline. It was founded in the Queensland outback in 1920 and is Australia's largest domestic and international airline. Qantas employs approximately 35,000 staff across a network that spans 141 destinations in Australia, Africa, Americas, Asia-Pacific, the UK and Europe.