Product Safety and Sustainability Go Hand in Hand

And both of them add to the bottom line.

By Nancy Westcott | Feb 01, 2013

While sustainability continues to prove itself a valuable tool in manufacturing facilities, as well as an environmental necessity, accurately defining is has been an elusive task. The triple bottom lines of the economic, the environmental, and the social aspects of sustainability are the fundamental building blocks, but many view them as public relations rhetoric.

Deborah Grubbe offers a rationale that borders on elegant. She is the chair of the AICHE (American Institute of Chemical Engineers) Institute for Sustainability and owner of Operations and Safety Solutions, LLC, a consultancy that specializes in safety and operations troubleshooting and support. Grubbe was trained in the characteristics of safe operations during her 27-year career at DuPont, where she held corporate director positions in safety, operations, and engineering. She was also a member of the NASA Aerospace Safety Advisory Panel (the panel issues annual reports evaluating NASA's management and safety culture).

"Consider safety, particularly human safety, as the ultimate form of sustainability. If you are seeing sustainability as the protection of the environment, the only reason you would asked. "Why do we need to have continued innovation? Why do we need to have good stewardship? Why do we need enlightened leadership? It's so the human race can continue to survive, to flourish. And one way to do that is to assure that the human race is as safe and sustainable as possible."

Whether companies are building products in a more sustainable way or building products that help others to be more sustainable, one thing is for sure: While the triple bottom line of sustainability sounds good on paper, an individual company will most often focus on the economic bottom line because that equates to the company's sustainability. A good business professional wants to spend money once

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and spend it effectively so that shareholders get a good return on their investment. Failing that, the company is in an uncompetitive situation relative to its peers and will not be sustainable itself.

Senior Management's Role

Getting executives, EHS professionals and employees pulling in the same direction is ideal. In 2002, the Subaru plant in Lafayette, Ind. challenged its associates to create zero landfill waste and to do so within four years. They did it in two.

"A couple of things that are important about that plant: It's located in Lafayette, Indiana -- the home of Purdue University. There is a healthy innovation component which is part of sustainability; there is a good relationship between the university and that factory," said Grubbe. "I would say that the senior execs in that facility gave their employees the time and the budget resources to experiment. While there was good work from the bottom, the direction came from the top. There are times when the employees get together and say 'This is how we're going to do it.' And they actually have the latitude, either by management support or management neglect. I've seen it both ways. It's far more sustainable when everyone's on board pulling together, where everyone has a role. That's why management cannot neglect its leadership function."

Within the first month of the challenge, the associates found 268 small and large improvements to begin to make the difference. The achievement of zero landfill waste also made substantial improvements to its profit structure, which has long been among the highest in the industry.

Health & Safety Complements the Strategy

While safety programs are considered a necessary evil to meet OSHA requirements by many, the safety record at the Subaru plant speaks volumes. The plant's OSHA incident rate of 1.96 shows that products can be built in a sustainable way while keeping employees safe.

"The more enlightened management teams understand that healthy investments in safety and sustainability projects actually lead to higher returns and better returns, so it's not a necessary evil -- it's an investment. A number of years ago, DuPont did a study that found that for every dollar they invested in safety, they received between \$2 to \$4 in return," Grubbe said.

An effective health and safety program reflects the company's sustainability strategy. "If the company is thinking correctly about its overall sustainability strategy, it will see the linkage itself," she explained. "In order to have good sustainability, it's more than just good environmental performance. It's more than just a robust supply chain that has minimal waste. It's more than just innovation. How does one become

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innovative? How does one have productive employees to do this? They have to have employees who are safe because if employees believe they're not in a safe environment or that management doesn't care, they're not going to be able to do their best work, which means they're not going to be innovative, they're not going to be able worry about the small things that makes good performance outstanding performance.

"The difference between good and great is the fine tuning that's required. The good companies and the great companies are doing the same activities; the great companies are doing the same activities at a much finer level of detail. And the way you get people to focus on all of that detail, like the Subaru example, is to give the employees the freedom and the ability to address them and support them. That includes making sure that employees are safe and they don't have concerns with being hurt, both emotionally and physically at work," she added.

"I've heard executives say, 'Our business isn't a help and support group. We survive by making money and providing value to our shareholders.' I say, 'Absolutely!' But I also say smarter executives are worried about how their employees are from a human being standpoint. These execs must remember that their employees are human beings; they are not human doings. I think many executives tend to forget the psychosocial aspect of the human animal. If you think of the four groups of stakeholders -- employees, customers, the community, and stockholders -- they are all human. So you'd better make sure you understand what makes the human perform best and make sure you're dealing with that -- make sure your humans are sustainable."

Grubbe continued: "If you're in the knowledge business -- an engineering business or a call center -- so much of your business is wrapped up in your assets that go out the door at night and, you hope, come back in the morning. Not many worry about the human aspect. They only think about it when benchmarking shows that they are at a disadvantage -- 'Our turnover rate's too high, we weren't able to hire like we should have hired.' That's when the executive starts to get involved and asks questions, and that's too late because the damage is already done."

About the Author

Nancy Westcott is president of Westcott Distribution Inc., which distributes hand-pressured Goat Throat[™] pumps for commercial and industrial handling of liquids and chemicals. To reach her, call 646-486-3636 or email sales @goatthroat.com.

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