The background is a solid dark blue. On the left side, there are two large, white, curved, abstract shapes that resemble stylized wings or blades. One shape is larger and curves from the top left towards the center, while the other is smaller and curves from the bottom left towards the center.

Practical actions for safety leadership: Safety governance frameworks for boards

Dr Kirstin Ferguson

Safety governance



Any consideration of safety governance for board members and senior executives must consider the corporate governance framework in which they operate. The concept of safety governance is designed to ensure that boards and senior executive teams have the tools, knowledge and structures in place to maximise the safety performance of the organisations they lead and govern beyond merely ensuring compliance with safety legislation. Recent research¹ has defined safety governance in this context.

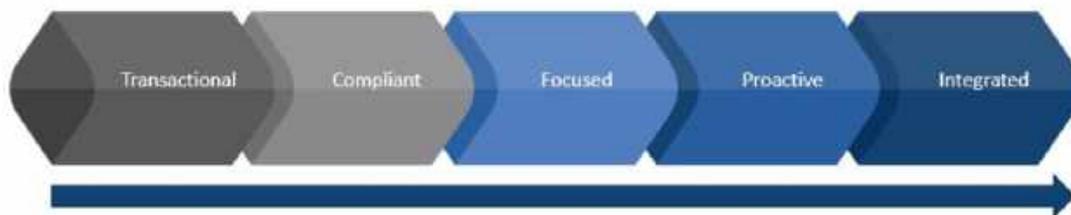
Safety governance is the relationship between board members and senior executives in the safety leadership of an organisation and provides:

- *the **structure** through which the vision and commitment to safety is set;*
- *agreement on how **safety objectives** are to be attained;*
- *the framework for how **monitoring performance** is to be established; and*
- *a means for ensuring **compliance** with relevant safety legislation.*

Safety governance may be reflected in the charters and policies, communication channels, and reporting and measurement tools established by board members and senior executives to maintain attention and oversight on workplace safety performance beyond simply ensuring compliance with legislation.

Safety governance pathway

Every organisation moves along a continuum as they develop a safety governance framework and it is essential to recognise where your organisation may sit in terms of safety governance maturity in order to influence change progressively and effectively. To help identify the maturity of a safety governance framework, a five-stage safety governance pathway has been developed.



Safety governance pathway

¹ Ferguson, K. (2015). A study of safety leadership and safety governance for board members and senior executives. PhD thesis. QUT.

Transactional stage



The least effective boards with respect to safety outcomes appear to take a transactional approach with a minimal emphasis on workplace safety in the organisation. These boards and senior executive teams may view safety as a management responsibility, with the board generally only engaged after an incident has occurred. These organisations do not tend to make any disclosures about safety performance in their annual reports.

Compliant stage



New safety legislation in many countries has seen a large number of boards become compliance focused whereby the board is aware of their responsibilities in a legal sense and will seek to ensure basic safety reporting is in place, often focused on lag indicators. A brief reference to safety may be made in an annual report such as reporting the existence of a safety policy. Overall, compliance with legislation is the main driver rather than seeking to go 'beyond compliance' to understand the importance of safety leadership by the executive team and the resulting impact on safety culture.

Focused stage



Once a compliance framework for safety has been achieved, boards often become more focused on safety beyond mere compliance with legislation. Safety may be included in the board charter at this point, a vision for safety and safety targets may be set, and lead indicators introduced. Often safety systems and processes are now disclosed in annual reports.

Pro-active stage



During this stage boards might become more pro-active in safety and are comfortable with their role in safety leadership. Boards may seek even greater safety performance from their executive team and establish a sub-committee of the board to ensure safety receives the focus it requires. Often in this stage the Chairman makes a personal commitment to safety in their annual report and public disclosures may also include both lag and lead indicators.

Integrated stage



The most effective safety governance frameworks are those boards which ensure that safety is completely integrated with the operations of the organisation. The link between high safety performance and business excellence (or safe production) is understood and accepted by the board and senior executive team. Clear statements about the role of the board in safety are disclosed in annual reports and safety-related disclosures are honest and transparent sharing both the good news and the bad.

Best practice safety governance frameworks

After identifying where your organisation may be placed in moving towards an integrated approach to safety, it is valuable to consider some of the measures which may be taken to further progress through the various stages.

Some practical measures might include:

- Ensuring the CEO primarily, and Chair where appropriate, reinforce the company safety vision often and consistently
- Demonstrating safety leadership when on site visits or in the office through authentic engagement with employees on safety issues
- As a board, acknowledging and accepting the role of the board in safety (beyond compliance) and supporting the CEO and senior executives in their day-to-day safety leadership efforts
- Including a commitment to safety in board charter
- Ensuring a safety vision exists and is communicated regularly and widely
- Ensuring a safety vision aligns with, and supports, company values
- Ensuring board and senior executives accept, promote and communicate the concept of 'safe production' and that all decisions from the board are consistent with that message
- Establishing a board sub-committee focused on safety matters
- Ensuring regular, robust and meaningful safety reporting of company safety performance
- Encouraging senior executives to think strategically about safety and not just as a source of statistical analysis
- Ensuring a range of lag *and* lean indicators are reported and disclosed to stakeholders
- Developing open communication with other companies to enhance best practices in safety
- Including team safety performance within the executive remuneration system

Further reading

Ferguson, K. (2015). A study of safety leadership and safety governance for board members and senior executives. PhD thesis. QUT. A copy can be accessed online [here](#).

Additional white papers can be downloaded from www.kirstinferguson.com :

- Safety governance and safety leadership for board members and senior executives
- Practical actions for safety leadership : Safety governance frameworks for boards
- Going public on safety leadership : Best practice safety disclosures for annual reports & CSR reports

About Dr Kirstin Ferguson



Dr Kirstin Ferguson is a business leader, company director, keynote speaker and author. Sitting on a range of company boards across a variety of industries since 2008, Kirstin has extensive experience as a non-executive director, Board Chair, Remuneration Committee Chair and Nominations Committee Chair.

During her executive career, Kirstin was the CEO of an international consulting organisation working in health and safety as well as a senior executive of a large corporate law firm. Kirstin began her career as an Officer in the Air Force. Kirstin has a PhD, Bachelor of Laws (Honours) and Bachelor of Arts (Honours).

Kirstin's PhD research was focused on safety leadership and safety governance for board members and senior executives and was awarded the QUT Colin Brain Corporate Governance Fellowship as well as the Eric Wigglesworth Medal from the Safety Institute of Australia for her research contributions. Kirstin is an Adjunct Professor at the QUT Business School.