

# Seizing the Workforce Safety Imperative & Opportunity: The “Playbook” of Paul O’Neill

Mark Graban and Ken Segel

Michigan Lean Consortium — Annual Conference

August 11, 2022

## More Resources:

<https://www.ValueCaptureLLC.com/MLC>

For Polling:



# Did You Know?

**“A hospital is one of the most hazardous places to work.”**

**“This is almost TWICE the rate of private industry as a whole.”**



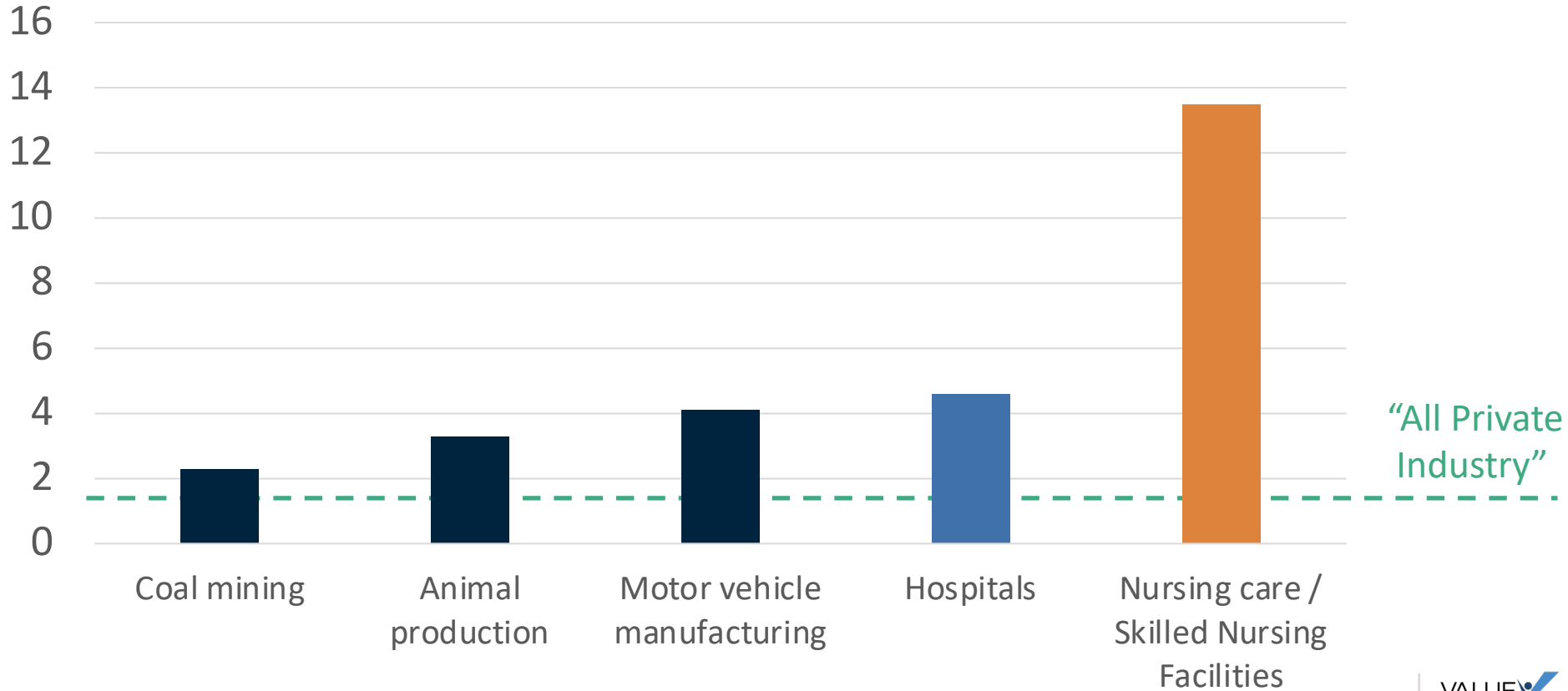
<https://www.osha.gov/hospitals>



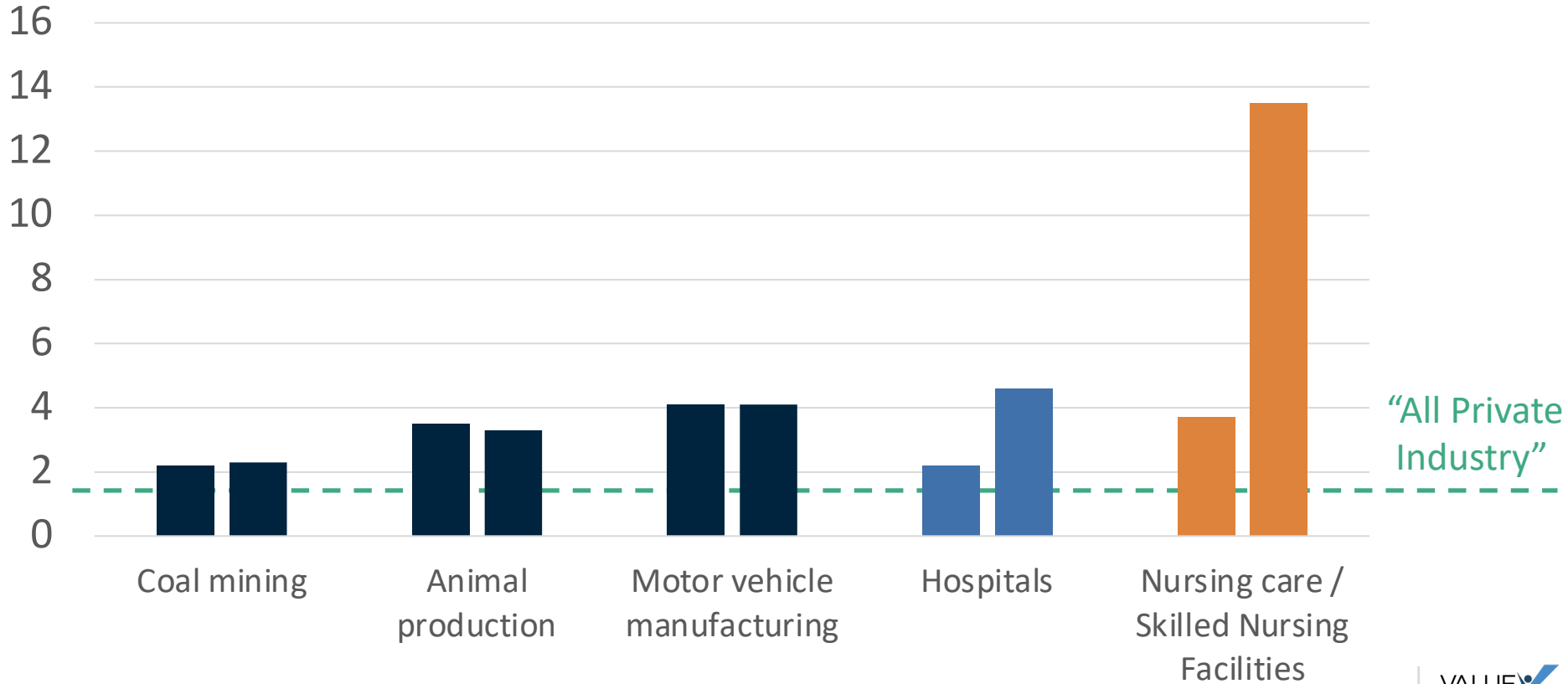
Do you know your  
organization's  
**DART** rate?

**Days Away, Restricted, or Transferred**

# Comparing Industries (DART Rate, 2020)



# Comparing Industries (DART Rate, 2019 and 2020)



# SQDCM

## Paul H. O'Neill, Sr. (1935 – 2020)

---



**“I believe  
organizations  
are either  
habitually  
excellent or  
they’re not.”**

# The CEO “Playbook” of Paul H. O’Neill, Sr.

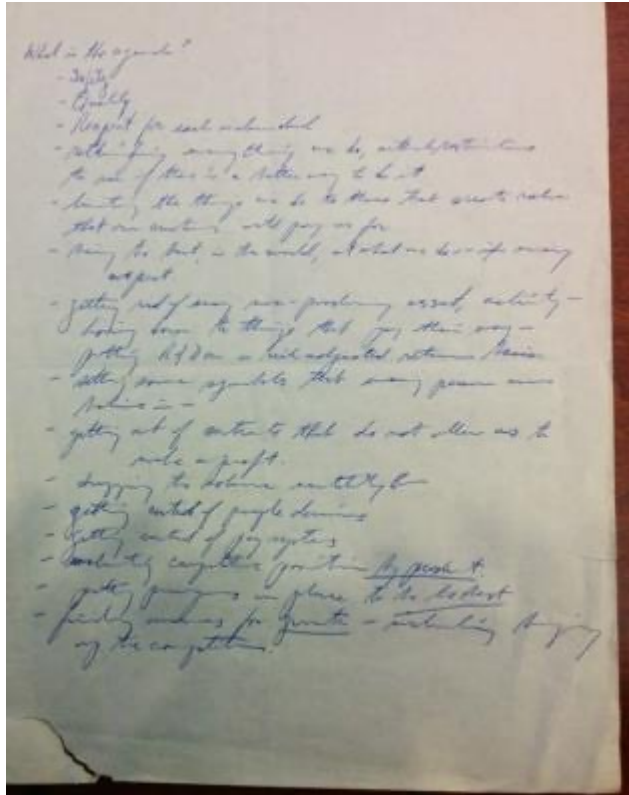
---



- Not a “cookbook”
- Principles-based GPS more than a “roadmap” for the road ahead
- Shows a decidedly different way than other CEO playbooks



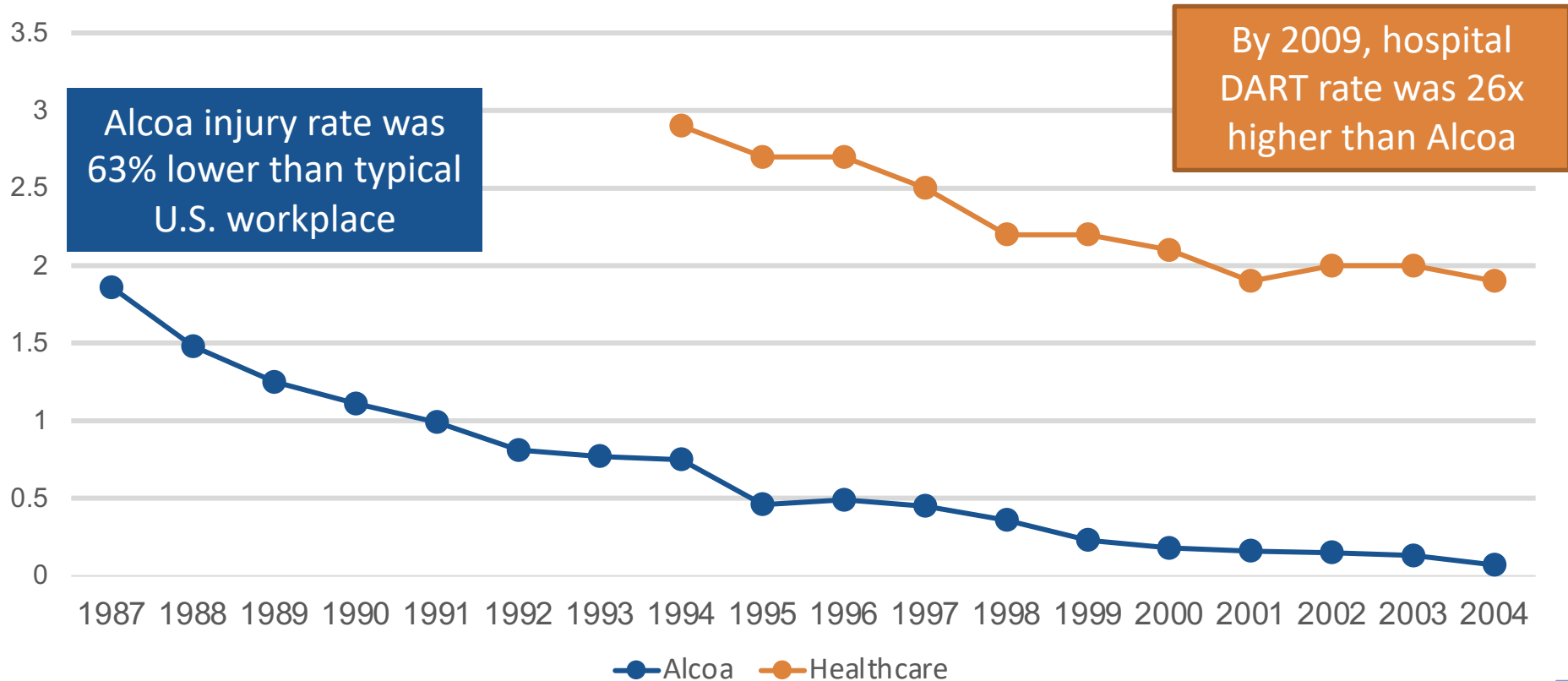
# “What is it that you want to remembered for when you leave?”



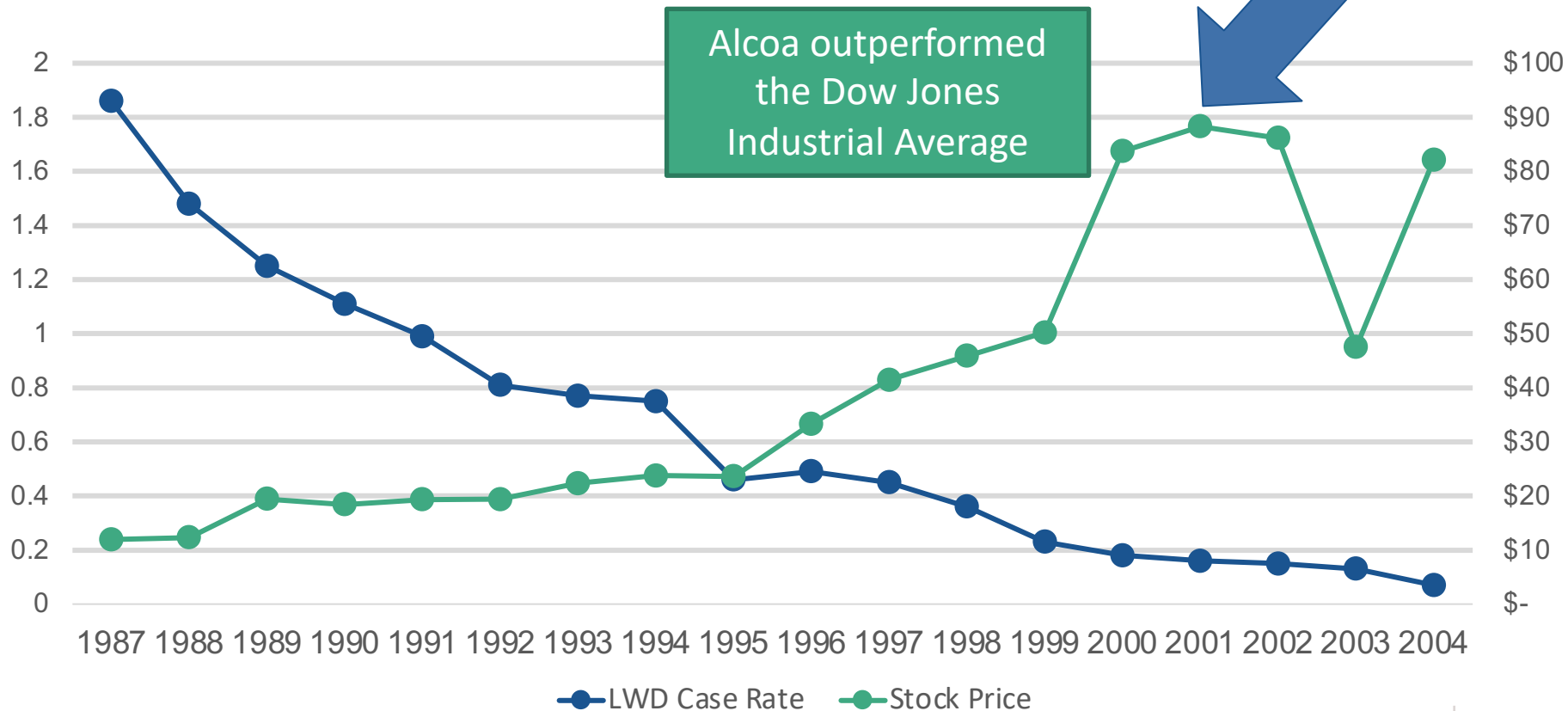
## What is the agenda?

- ✓ Safety
- ✓ Quality
- ✓ Respect for every individual
- ✓ Rethinking everything we do, without reservation, to see if there is a better way to do it
- ✓ Being the best in the world at what we do, without exception

# Results: Lost Workday Rates Over Time



# No Tradeoffs: Alcoa Lost Workday Rate and Stock Price



# Sustained Safety Performance

“If the rate continues to fall after I leave, I will have been a success.”



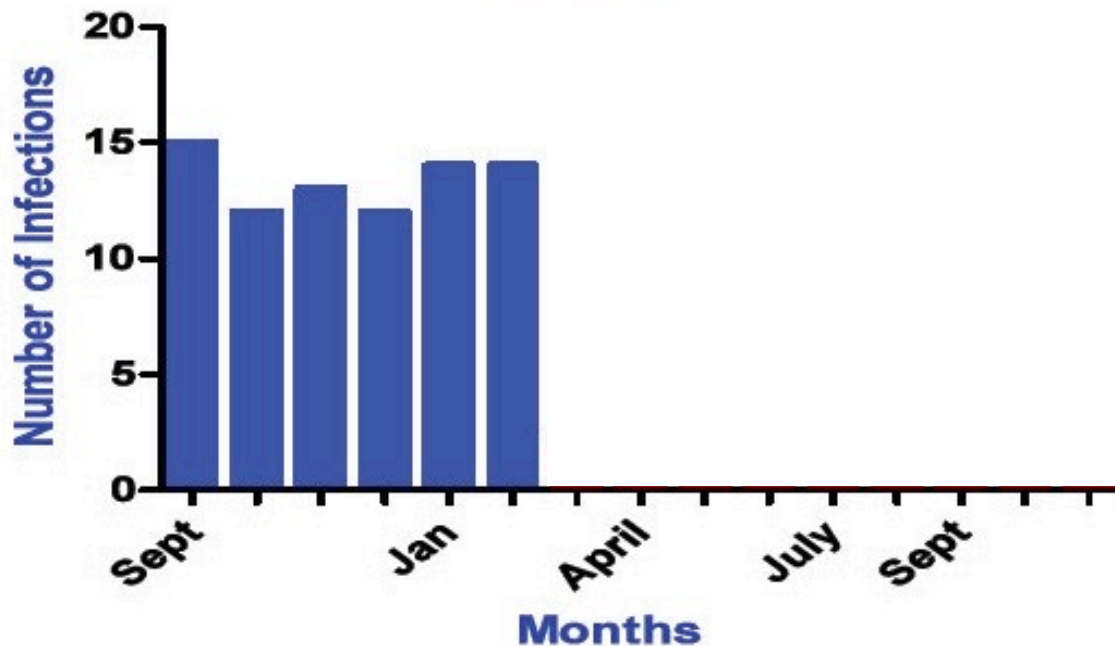
44% of sites with zero total recordables

82% of sites with zero lost workdays

# Dramatic Improvement: Dr. Rick Shannon, Penn Medicine



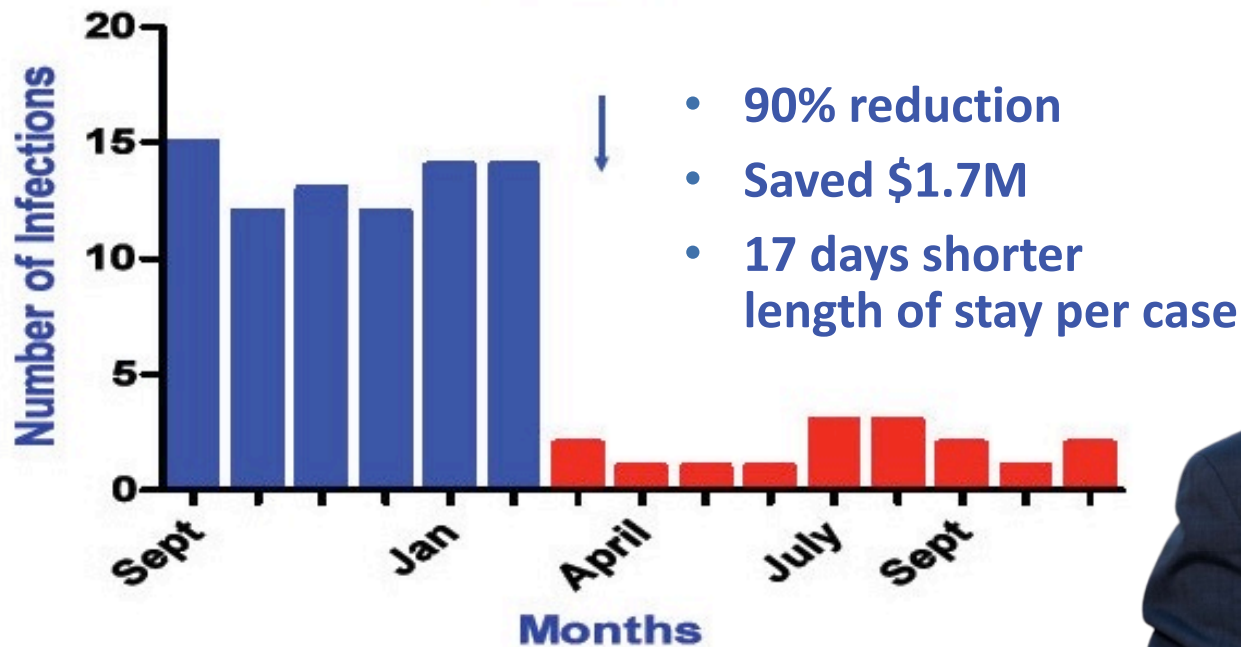
## Central Line Associated Blood Stream Infections



# Dramatic Improvement: Dr. Rick Shannon, Penn Medicine



## Central Line Associated Blood Stream Infections

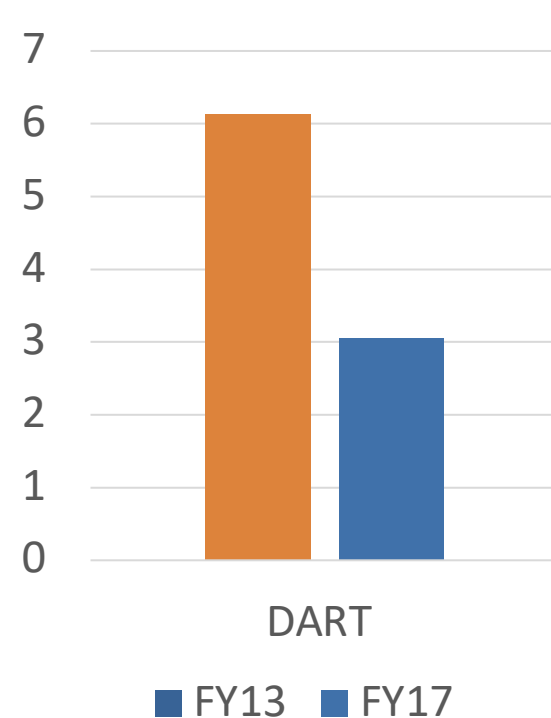
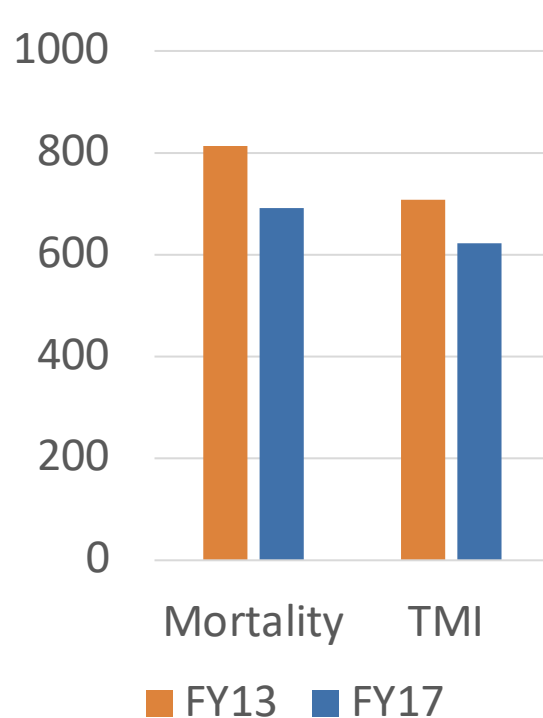
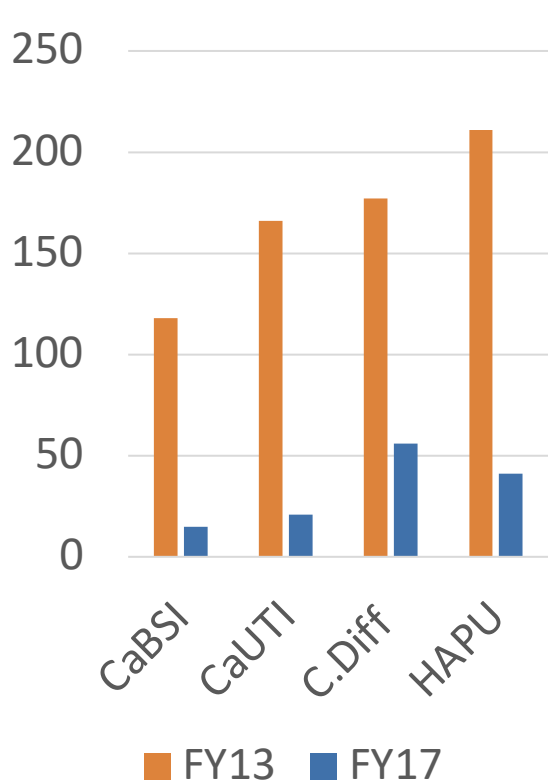


# Rapid Early Returns at UVA: No Tradeoffs, Habitual Excellence

Safety Improvement	Financial Impact
58 fewer CABSIs/63 fewer UTI (62% reduction)	\$2.6M
109 fewer pediatric infections	\$4.2M
53 fewer sepsis deaths (27% reduction)	\$1.83M
36 fewer falls (22% reduction)	\$82,800
46 fewer pressure ulcers (17% reduction)	\$1.6M
95% reduction in stock-outs	\$3.2M supplies 29,000 hrs nursing staff time saved
96 fewer worker injuries (13% reduction)	<b>Priceless!!!</b>



# 4 Year Longer-Term Results at UVA Under Dr. Rick Shannon





# U.S. Treasury Secretary Paul O'Neill (2001 to 2002)

---



# Safety Leading to Habitual Excellence — Alcoa

---



# Why Talk About This “Playbook” Now in Any Industry?

---

## Worker Concerns and Struggles



## Stalled Out Lean Journeys



# The Paul O'Neill Playbook



# First Things First: Lay the Foundation

Principles, Goals and Personal Modeling



A blurred photograph of a hospital hallway with medical staff in white coats. A large blue diagonal graphic is on the right side.

# Respect



“An organization has the potential for greatness when everyone can answer 'yes' to three questions without reservation...”



1. Am I treated with dignity and **respect** by everyone I encounter?
2. Am I given the **resources** I need to make a contribution to the organization that adds meaning to my life?
3. Is my work **recognized** by someone whose opinion matters to me?



“Leadership is all about obligation, and nothing about privilege.”

---



“Leaders are personally responsible for everything that goes on in their facility, including, most importantly, for **everything** gone wrong.”

# Create a More Egalitarian Culture



# Realize What Only the Leader (CEO) Can Do

---



# Declare That Nobody Should Get Hurt at Work

---

- **Unarguable goal**
  - **The only defensible goal**
  - **Rallying cry**
- ✓ “Safety should be like breathing.”
- Paul O’Neill

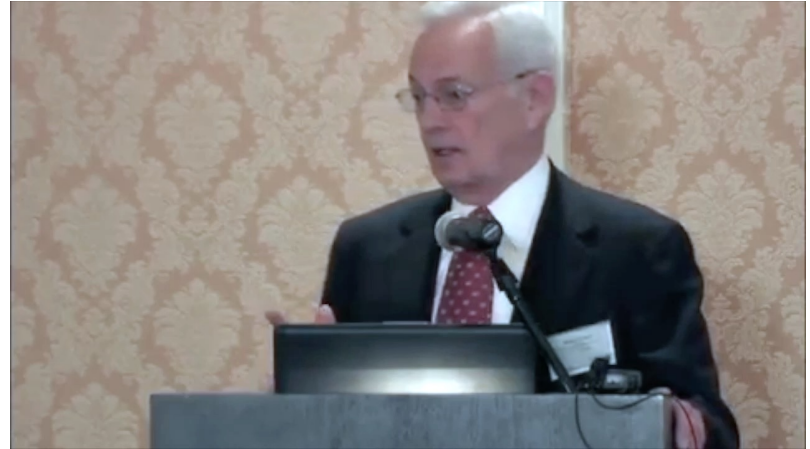


# Set Goals At the Theoretical Limits

---

Then, you have to **DO** the work

- “If God doesn’t prevent us from doing it via the laws of physics, we can do it!”  
— Paul O’Neill



Applies not just to safety, but *all performance*

- Zero or 100%

## Dr. Lisa Yerian, Chief Improvement Officer, Cleveland Clinic

---



“I think it's really hard to say anything other than **zero** for the safety of our **patients** and our **caregivers.**”

“**Patients First,  
Caregivers Always**”

## Rhonda Brandon, CHRO and Senior VP, Duke Health

---

“We have created a mission or an aspiration of **zero harm** — zero harm for our patients and each other.

Aiming high is not enough. There needs to be intentional, focused, and collective **drive towards excellence.**”



# Stop the Use of the Word “Accident”

---

“**Accident**” makes it sound like God intended it to happen

Say “**incident**” instead





# Say That You Won't Make Anyone Budget for Safety Improvement – You'll Find a Way to Pay for It

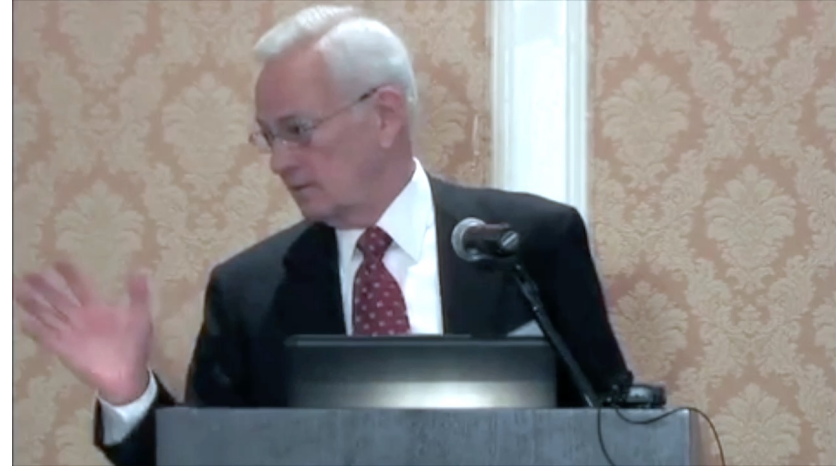
---

Safety is a **precondition** – not a priority

Tell the finance staff they're **fired** if they calculate cost savings

“After **we killed** Betsy Lehman, in some ways we spent far more than our budget on safety...”

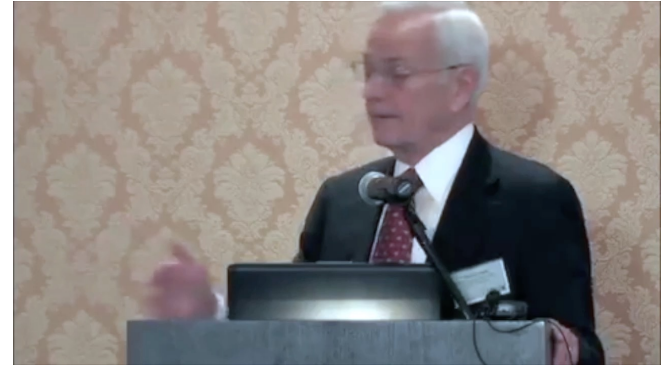
- Jim Conway, former COO,  
Dana Farber Cancer Institute



## Go to Where the Work is Done and Make These Commitments

Give your **cell phone number** and tell employees to **CALL** you if the safety commitment isn't being met locally

When you get the first phone call, **thank** the employee and **follow up** immediately with the plant



# Paint the Curbs!

People must:

- see and
- be a part of
- visible action in their environment
- soon
- to believe it's more than words

Before



After



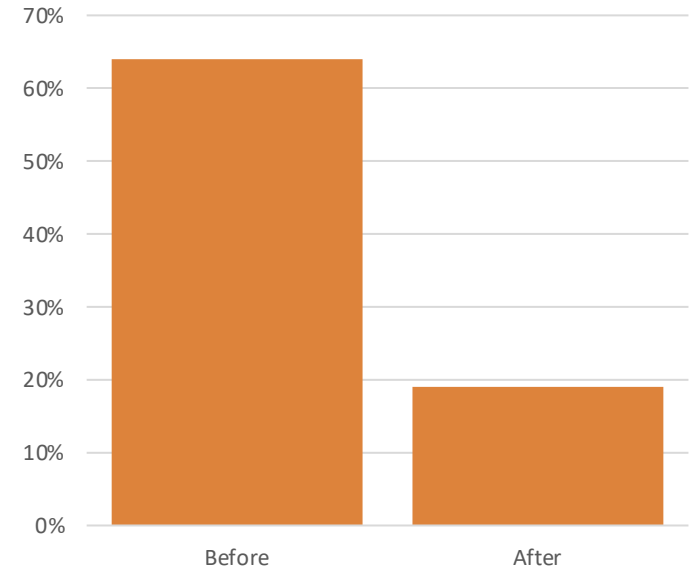
# Make the Connection Early – Systems Thinking and Value Streams!

Connect the pursuit of

- Theoretical limits in safety with
- Theoretical limits for ALL key objectives

To produce win-win-win  
best-in-world performance!

- Covid-Era Attrition at Duke Home Health & Hospice



# Learn to Ask Questions Like a Third Grader

---

And keep asking “**Why?**”

Fundamental to “lean”

As leaders, do we do it and encourage it, consistently?



# Build and Drive the Systems and Behaviors to Make it True for “Everyone, Everyday”



# Take Away Excuses!

---

Always the same in any industry:

- “It’s not possible.”
- “It’s not in the budget.”
- “People aren’t perfect, so human error is inevitable.”



# Insist on Root Cause Problem Solving

---

**Don't paper over  
problems!**

**Improve the system...  
systematically!**



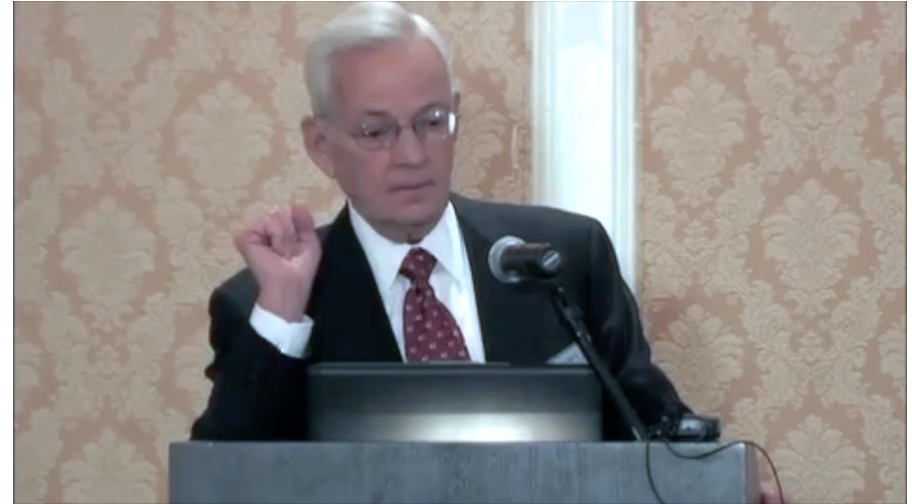


# Establish a “Real Time” Safety Information System

---

Any injury is identified, investigated, recorded and shared **within 24 hours...**

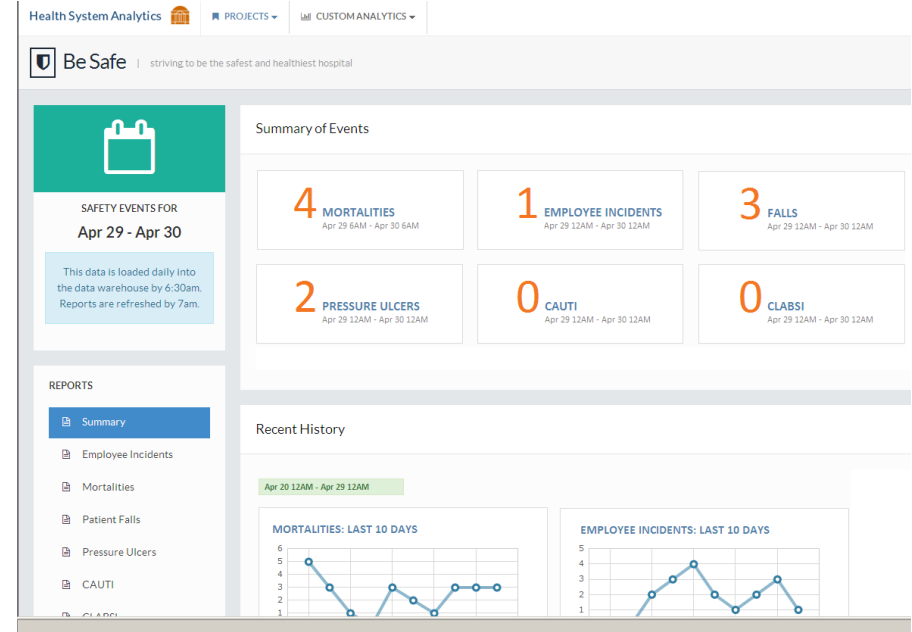
And solutions are recorded and shared **within 48 hours**



# Practice Extreme Transparency With Information Company Wide

Injury reports start with the **team member's name** to humanize the situation

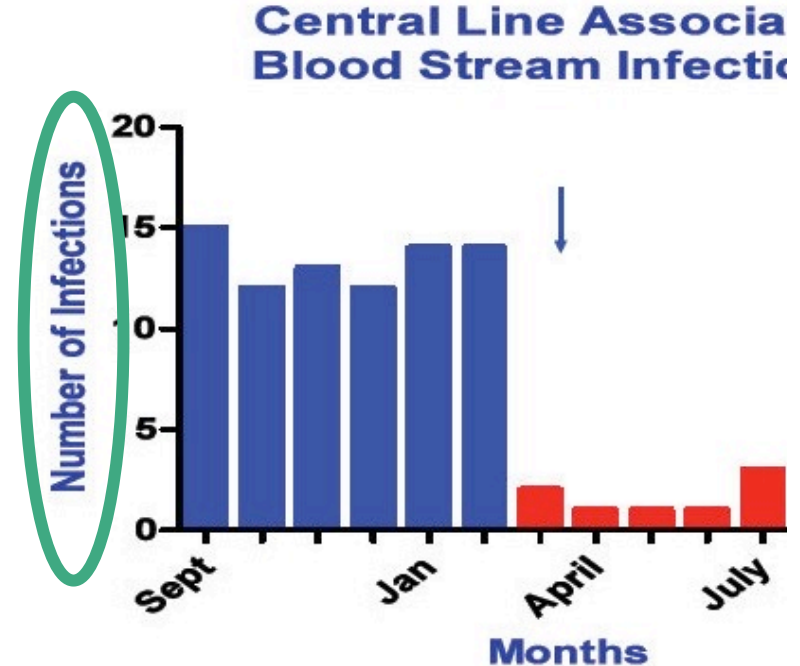
- “If a **law** doesn't prevent you from sharing information with everyone, share it.”  
— Paul O'Neill



# Publish Employee and Customer Injury Data Publicly on the Company Website

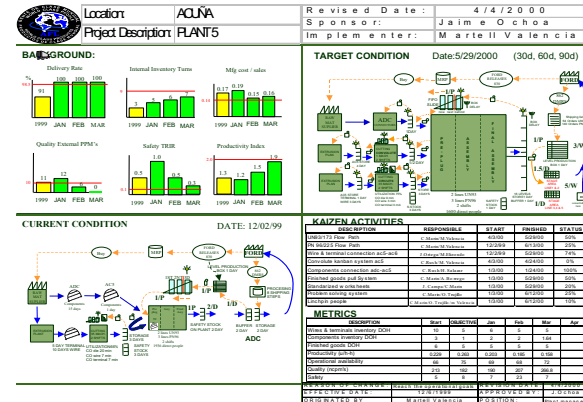
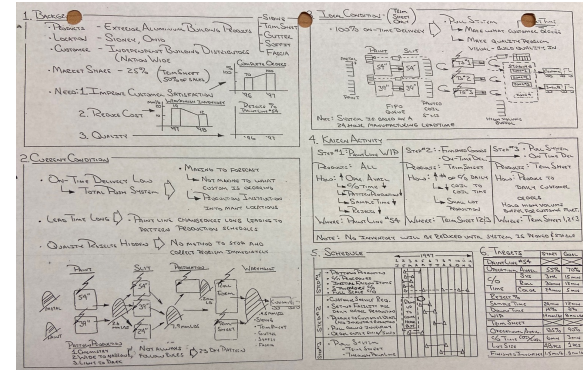
State metrics in ways that are **easy** to understand

Not “rate of infections per thousand line days”



# Scientific Improvement – A3 Thinking

Annual rate of improvement should be **30 to 50%** if not more...



# What Focusing on Safety As Your Anchor Gets You

---

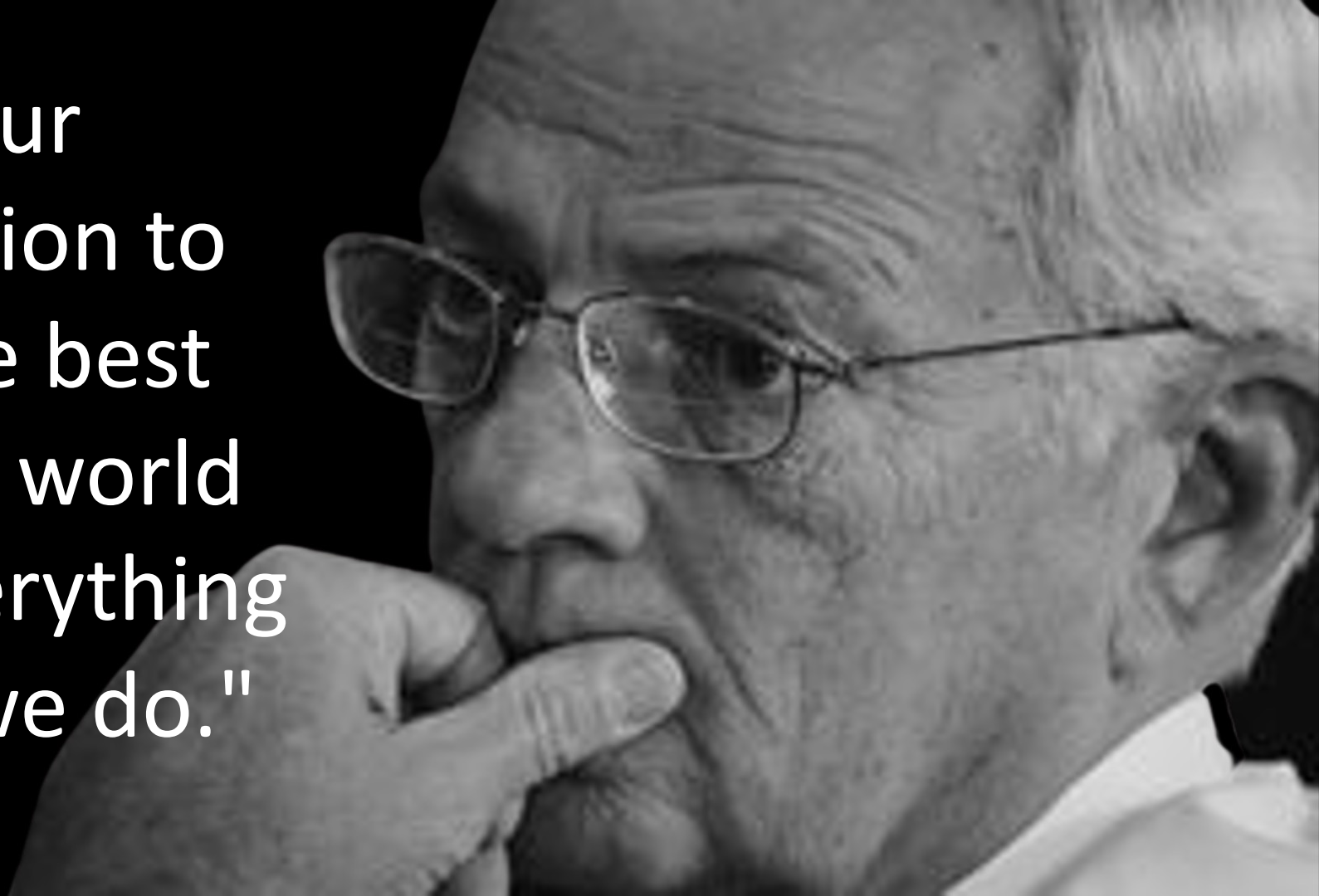
Rebuild **trust** with each person in the workforce by “walking the walk”

Brings energy to the **core values and key habits** that power successful “lean” or TPS journeys, thus...

**Accelerates** the path to habitual excellence, for **EVERYTHING** we do



"It's our  
ambition to  
be the best  
in the world  
at everything  
that we do."



# Getting Started Or Escaping a Plateau in Your Organization

A few keys to success



# Leadership





# Getting Started or Escaping a Plateau

---

Base the journey on **principles**

It starts and ends with the **leader**

- ✓ The Playbook cannot be delegated, especially not to the improvement team
- ✓ Fundamental change is easier when the leader is new

Not much changes through **talk** alone

- ✓ Go and See Together
- ✓ Know Together
- ✓ Do Together

Be fierce and consistent following the Playbook...  
**constant and visible**

# Calls to Action



## Our Shared Hypothesis:

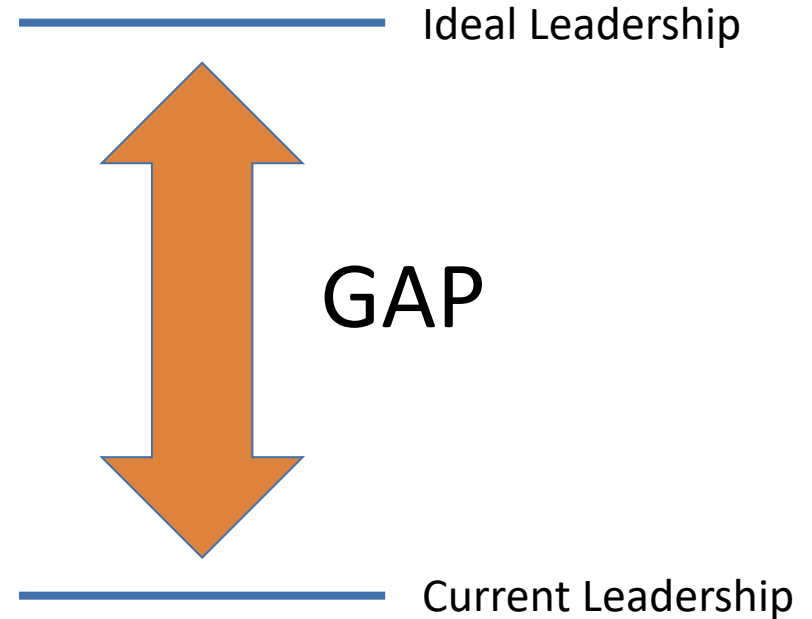
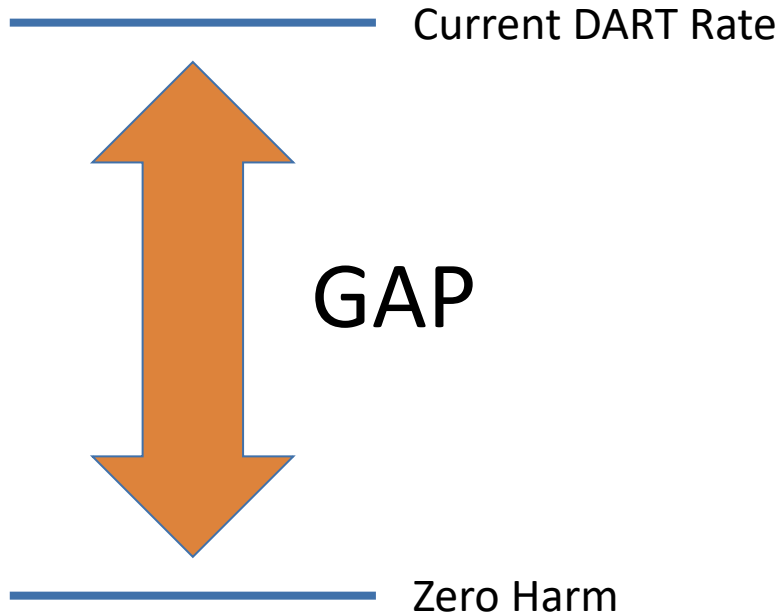
---

# The companies that follow this playbook:

- ✓ Will see dramatically better **safety** performance
- ✓ Will have significantly higher employee **retention**
- ✓ Will have much more **engagement** in their Lean journey
- ✓ Will perform better in **all KPIs** and their bottom line

# What are the Gaps? And Causes?

---



“With leadership, anything is possible...”

---



# Thank You / Q&A

---

## Ken Segel, CEO

- [ksegel@ValueCaptureLLC.com](mailto:ksegel@ValueCaptureLLC.com)

## Mark Graban, Senior Advisor

- [mgraban@ValueCaptureLLC.com](mailto:mgraban@ValueCaptureLLC.com)

Search for us on LinkedIn!

## More Resources:

Free eBooks, videos, and deeper dives...

[www.ValueCaptureLLC.com/MLC](http://www.ValueCaptureLLC.com/MLC)

