

PERFORMANCE INDICATORS: Learning from other industries

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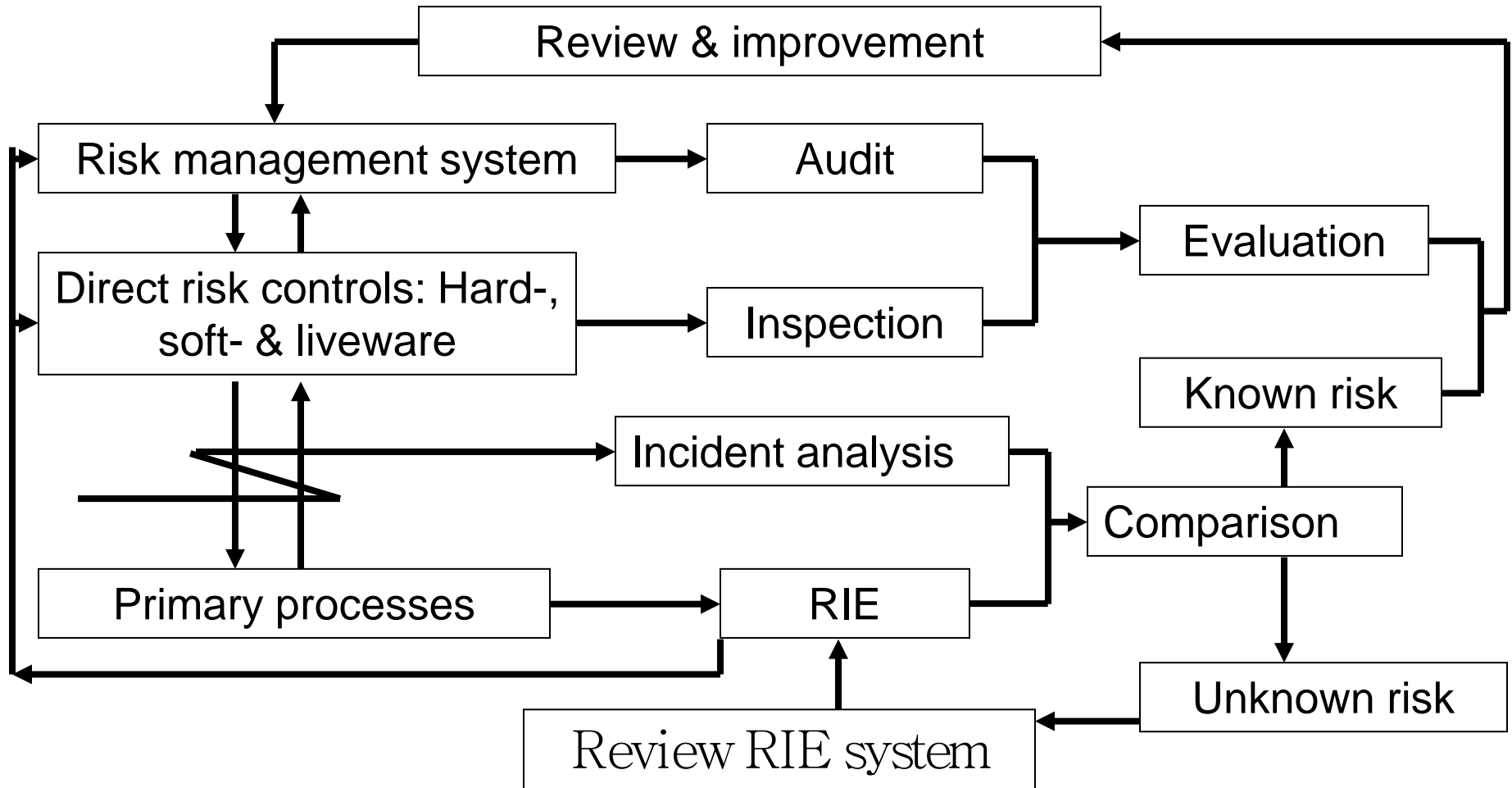
Chairman, Health & Safety Technology & Management (HASTAM), UK

**Workshop on Performance Indicators in Healthcare.
DTU. Lyngby, Denmark 30th September 2013**



Safety Pls: Theory & purpose

- **Triggers for action – dichotomous (yes/no), trends & action thresholds**
- **Guides to what action to take – priorities for improvement – causal links to risk picture & safety management system**
- **Motivation – target setting – behavioural safety – links to incentives & remuneration packages**
- **What do they measure?**
 - **Input: effort, resources (financial, technological, human)**
 - **Process: control actions, safety management processes**
 - **Output: accidents, diseases, shutdowns**
 - **Personal vs. process vs. product (patient) safety**



Relevance: Doctors are the maintenance engineers of the body

- 1000 employees on 3 shift system.
- Poor personal safety record (15-20 LTI/year)
- Threat of outsourcing based on poor process performance
- Charismatic manager determined to turn performance around, choosing safety as spearhead also to drive other production criteria & improve workforce-management collaboration
- Centrepiece: a dashboard of 9 KPIs for departmental managers measured on a 6 week cycle
 - The chosen KPIs & generation of targets
 - Introducing the dashboard & changes over time
 - Results. Over 6 years LTIs dropped to 0 & outsourcing was beaten off

Chosen KPIs

1. **Lost Time Injuries (LTIs) – 1 day lost shift**
2. **Recordable injuries (first aid treatment & alternative work)**
3. **Reporting of incidents & dangerous situations**
4. **Taking action on investigation reports**
5. **Communication rounds (toolbox talks) including safety**
6. **Observation rounds for safe working with praise/debate**
7. **Risk assessments of work tasks with plan of action (also feeds 4)**
8. **Housekeeping inspections & results (5S)**
9. **Safety plan kept up to date & acted upon**

Targets set each year for each department under each heading

Introduction process & changes

- Introduction all in one go overwhelmed the managers → phased introduction: Output criteria + 3/7 compulsory + 1 free choice, working up over time to full 9
- After 2 years dropped output KPIs – too few accidents, not motivating
- Added KPI related to use of Permits-To-Work
- Raise targets as performance ran up against 100%
- Review after 4 years – routinisation, ‘window dressing’, managing the indicator not the indicated – need for independent audit
- Introduce self-evaluation based on SMS criteria – rating by management team & shop floor – action on difference

Issues for discussion. 1

- **What should KPIs be about?**
 - Personal – process – product safety
 - Leading vs. lagging; proactive vs. reactive; input – process – output
 - Are they for correcting things when they have gone wrong, or modifying them before that?
 - What about emergent risks?
- **Managing the indicator & not the indicated – culture, incentives, independent verification**

- **What qualities should they have?**

Measureable	Valid
Simple, clear, practical, limited	Reliable
Sensitive enough	Not open to falsification
Directly linked to objectives	Representative
Timely	Cost-effective
Influenceable	Deemed relevant by subjects
Based on success not failure	Motivating

Special issue of Safety Science on Process Safety Indicators: 2009 v47 (4)

- J. van Ginneken & AR Hale; From hanger-on to trendsetter: Decision making on a major safety initiative in a steel company maintenance department. Safety Science, v47 (6), 2009, p. 884 - 889.