



# **Risk Management for Leaders, Certificate Series**

Leadership Commitment to Safety

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The webinar will begin soon



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Leadership Commitment to Safety

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ICW Group Risk Management Services



Series Presenters:

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Risk Management Team Leader – Northern California Region



# Risk Management for Leaders Certificate Series

A Framework for Success

Commitment to Safety – A Way of Doing Business

Cultural Impact on Safety

Engaging and Empowering Teams

Continuous Improvement – A Fundamental of Growth

The Power of Communication and Transparency



# Leadership Responsibilities

Leaders are responsible for the safety and health of others.

Demonstrate risk management leadership through actions.

Budgeting for risk management provides significant opportunities for managing long term costs.

Risk management provides an operational strategy to improve organizational performance.



## Poll

What does it mean to be a **leader**?



- a. Someone who gives direction to their subordinates.
- b. Someone who drives employees to produce for their own personal gain.
- c. Someone who guides, inspires, and influences others to achieve a shared goal.
- d. Someone who enforces rules and regulations.



- a. Someone who gives direction to their subordinates.
- b. Someone who drives employees to produce for their own personal gain.
- c. **Someone who guides, inspires, and influences others to achieve a shared goal.**
- d. Someone who enforces rules and regulations.



# Leadership Responsibilities

A leader's responsibility for productivity and profitability is substantial, but what responsibility do you have on your shoulders for the safety of your **employees**? Their **families**?

# New Responsibilities



Yourself



Your Family



Your Team



Your Team's  
Family



The  
Organization

# Live Your Vision

- Understand your “Whys.”
- Develop your personal and team vision for the future.
- Practice articulating your vision, be intentional.
- Communicate the vision frequently.



# Effective Communication

- Create an atmosphere of curiosity.
- Invite feedback.
- Listen for understanding.
- Understand each individual's communication style.



# Lead with Integrity

- Identify your moral compass.
- Develop your decision-making process.
- Hold yourself accountable.
- Have intentional conversations.
- Model vulnerability.



## Integrity

# Lead with Empathy

- Understand your team's needs and motivations.
- Model curiosity and ask questions.
- Ensure everyone feels seen and heard.
- Normalize learning from mistakes.



## Empathy

# Be Decisive

- Practice your decision-making process.
- Set a reasonable confidence level.
- Establish a process for gaining consensus.
- Make firm decisions quickly and confidently.



# Adapt

- View change as an opportunity.
- Be resilient in the face of change.
- Move from known to new.



# Adapt



# Empowerment

- Competence breeds confidence.
- Trust in others.
- Provide resources for success.
- Inspire a sense of ownership.
- Promote interpersonal risk-taking.



# Resilience

- Maintain a positive attitude.
- Lean on your “Whys.”
- Know when to ask for help.
- Take action.



# Inspire

- Passion and purpose
- Atmosphere of ownership
- Respect, not just recognition
- Personal growth, not just responsibility



# Inspire

# Development of Others

- Find fulfillment in the success of others.
- Provide opportunities for growth.
- Celebrate milestones.
- Challenge your team to bet on themselves.





A photograph of three construction professionals—two men and one woman—wearing white hard hats and high-visibility yellow safety vests over collared shirts. They are standing on a construction site, looking upwards and to the right. The woman in the center is holding a clipboard and pointing towards the upper right. The man on the left is also holding a clipboard. The background shows industrial structures and scaffolding. A semi-transparent blue overlay covers the left side of the image, where the title text is located.

# Risk Management Leadership Through Action

# Making safety practices a visible priority

- Actively participate and model safe behaviors
- Make safety metrics visible
- Employee involvement in safety & health programs
- Integration into Daily Operations
- Technology and other communication strategies





# Genuine involvement at all levels of leadership

- Involve leaders in development of risk management goals.
- Participate in safety training and drills alongside team members.
- Regularly communicate about safety.
- Empower leaders.
- Integrate risk management goals into leaders' performance metrics.



# Make decisions prioritizing employee well being

- Plan for safety
- Involve team members in decisions
- Be dedicated to continuous improvement





# Avoid mediocrity, complacency and status quo

- Safety programs should be dynamic
- Develop a system for continuous hazard assessment
- Create a feedback loop to identify emerging risks
- Be aware of emerging technologies
- Avoid negative reinforcement, keep it positive



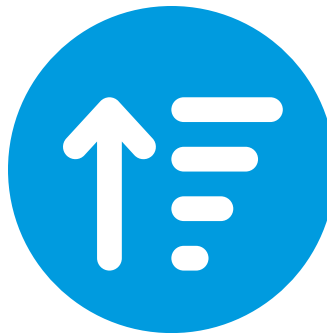


# Establishing a Budget for Risk Management

# Budgeting for Risk Management

## Assess Risk Management Needs

- Identify Risks
- Quantify Risks
- Prioritize Risks
- Review regulatory requirements



# Budgeting for Risk Management

Establish Risk Management Goals and Develop a Plan

- Define objectives
- Prioritize Initiatives
- Action Items
- Create implementation timeline



# Budgeting for Risk Management

## Estimate Costs

- Direct Costs of Plan
- Indirect Costs of Plan
- Estimate Return on Investment



# Budgeting for Risk Management

## Gain Leadership Consensus

- Prepare Budget Proposal
- Review with Leadership Team
- Make a decision to act



# Budgeting for Risk Management

## Allocate Resources

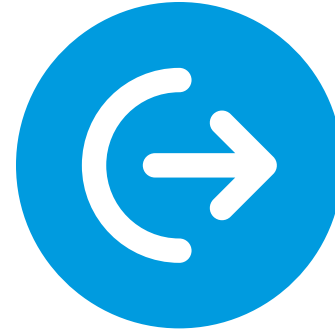
- Financial Resources
- Human Resources



# Budgeting for Risk Management

## Implement the Risk Management Program

- Execute plan
- Monitor progress





# Budgeting for Risk Management

## Continuous Improvement

- Evaluate Effectiveness
- Revise Budget
- Create Feedback Loop
- Update Program



# Cultural Impact on Safety

An Operational Strategy  
to Improve Organizational  
Performance



# Mitigation of Loss Increased Productivity



# Incidents are Expensive... but can be Controlled

Direct Costs

Indirect Costs



# Managing Safety Provides Opportunity for Managing Cost

## Obvious Cost

- Workers Comp Insurance
- Medical Insurance
- Damage to Equipment & Product
- Down Time
- Repairs & Replacement
- Lawsuits and Liabilities



# Managing Safety Provides Opportunity for Managing Cost

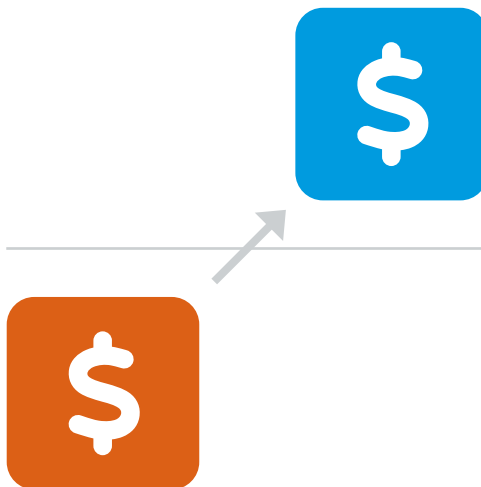
## Other Significant Cost

- Investigation Time
- Cost of Hiring and/or Training Replacements
- Lost Productivity
- Overtime
- Extra Supervisory Time
- Administrative Time
- Loss of Business & Goodwill



# Managing Safety Provides Opportunity for Managing Cost

- Traditionally, safety has been considered as an expense, as a cost of doing business.
- However, many modern managers now see and treat it as an investment.
- An investment with significant returns, all producing profit, production, and safety.



# Opportunity Costs



Client experience  
requirements  
(DART or XMOD)



Less  
competitive  
pricing



Incidents  
limit  
resources



Recruiting



Reputation



# Increased Productivity

A Construction Industry Work Force Foundation sponsored study showed proactive implementation of risk management in construction firms resulted in:



**17% increase**  
in productivity

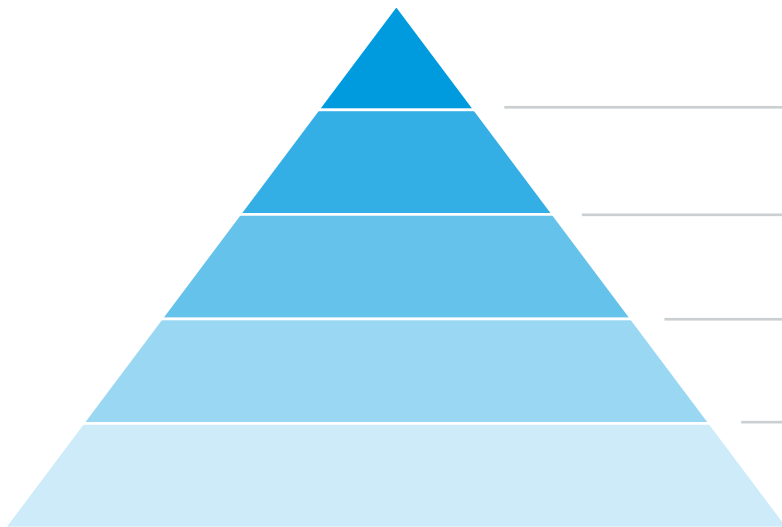


**9% reduction**  
in turnover and  
absenteeism



**A decrease**  
in workers losing  
interest in their jobs

# Increased Productivity



## **Self-actualization**

Desire to become the most that one can be

## **Esteem**

Respect, self-esteem, status, recognition, strength, freedom

## **Love and belonging**

Friendship, intimacy, family, sense of connection

## **Safety needs**

Personal security, employment, resources, health, prosperity

## **Physiological needs**

Air, water, food, shelter, sleep, clothing, reproduction

# Increased Productivity...Why?

- Designing for safety leads to better efficiency
- Reduced downtime
- Healthy morale
- Attracts top talent
- Lower turnover

# Increased Productivity

60% of CFOs surveyed reported

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**\$1** invested in injury prevention returned **\$2** or more.

Over 40% of CFOs cited

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**productivity**

as the top benefit of an effective workplace safety program.

# Recap

1. Scope of leadership responsibility
2. Demonstrating risk management leadership through actions.
3. Establishing a budget for Risk Management
4. Risk management as an operational strategy to improve organizational performance.

# Leader's Responsibilities

*Start with Why* – Simon Sinek

*Dare to Lead* – Brené Brown

*The Fearless Organization* – Amy C. Edmondson

*Safety by Objective* – Dan Peterson

*People Work* – Kevin Burns

*Practical Loss Control Leadership*  
– Bird and Germain

*Difficult Conversations* – Stone et al.



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- ✓ A Framework for Success
- ✓ Commitment to Safety – A Way of Doing Business

## Cultural Impact on Safety

Engaging and Empowering Teams

Continuous Improvement – A Fundamental of Growth

The Power of Communication and Transparency



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Social Media Badge

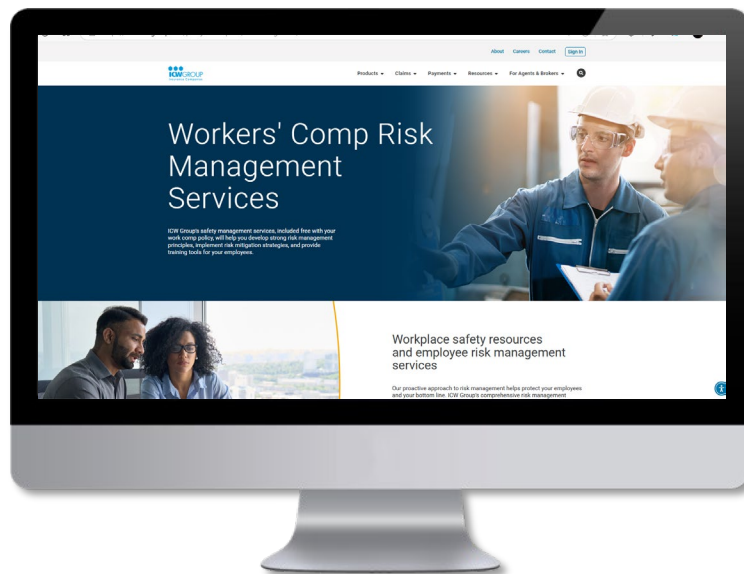


# Safety Resources Available to You

## Policyholder Website

- Injured Workers Resources
- Safety Webinars on demand
- Safety *OnDemand*®
- And More!

[icwgroup.com/safety](https://icwgroup.com/safety)





# QUESTIONS?

Contact Us:

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# THANK YOU!

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