



Safe Work and Return to Work Awards example entry Category four – Most significant improvement to work health and safety performance

1. What was the work health and safety performance issue?

In 2015 and 2016 the safety performance was below the Directors expectation. A total of 11 injuries were recorded in 2015 with two resulting in medical treatment. The following year saw an increase again with 16 recorded injuries, with one resulting in lost time and another two resulting in medical treatment.

In 2016 our LTIFR (Lost Time Injury Frequency Rate) was 9.15 injuries per 1,000,000-man hours worked. Although this was below the industry standard of 13.7 in Heavy and Civil Engineering Construction, Management wanted to strive for zero injuries (refer to graph slide 5).

The Mendi Group hold accreditations with the Office of the Federal Safety Commissioner (OFSC), established in 2005, the Federal Safety Commissioner works with industry and government stakeholders towards achieving the highest possible workplace health and safety standards on Australian building and construction projects. Mendi also hold Third Party OHSAS 18001, AS/NZS 4801, ISO 9001, ISO 14001 as well as National Heavy Vehicle Accreditation Scheme, with annual surveillance/reaccreditation audits held to evaluate the level of compliance within our organisation.

As per the following graph, there was a high number of external non-conformance and corrective action reports recorded in the years between 2014 and 2016 (refer to graph slide 6).

Some of the non-conformances detected in external audits included:

- Poor implementation of the Integrated Management System
- Lack of required records
- Incorrect safety statistics recorded and lack of detail
- Failure to implement company procedures to achieve plans and objectives
- Lack of control on system documentation
- Incident reporting – investigations lacking detail and without root causes and follow up actions.

2015 OFSC Summary Audit Findings

'The maintenance audit included the review of eight minor CARs, WH15, FP5 and Hazards H7 & H16. There was minimal work at height activities occurring at time of audit i.e. installation of steel sections via a EWP and for this reason and due to bulk excavations occurring the excavation hazard was reviewed along with mobile plant operations.

On review eight previously issued CARs were closed and a further 10 CARs were issued; although fair to note that the Mendi Constructions Pty Ltd OHSM systems is currently being reviewed to further streamline the system and new requirements identified within the OFSC hazards criterion. In total ten CARs remain open.

At the time of site inspection immediate risks were identified as highlighted within this report in relation to risk of falls. This was immediately raised and discussed with Mendi Constructions Pty Ltd senior and site management which were immediately rectified by installing barricading.'

By December 2016 the safety department was under-resourced, and Senior Management believed that this was having a direct impact on the safety performance of the business, which could potentially result in:

- Increased insurance premiums
- Low levels of conformance
- Time and costs due to repair of plant and equipment
- Reduced production
- Unsatisfactory employee relations
- Complacency
- Ongoing MTI & LTI's or more serious injuries.

2. How did your organisation improve its health and safety performance?

In 2017 the business made a conscious decision to invest in recruitment & resources in our Safety Department, specific for the expressed purpose to have a marked improvement in our safety performance. In January 2017 the Mendi Group introduced an experienced Health Safety Environmental & Quality Team. Jason Fowler joined the organisation as HSEQ Coordinator & Kirstin Ohlsson as HSEQ Administrator.

The new HSEQ Teams brief was to improve the Groups Safety Performance & eliminate injuries, they set about this by:

- Educating workers on their responsibilities & accountabilities for their own safety & their work mates' safety Promoting a positive Safety Culture
- Improving Communication & Consultation
- Promoting a positive Reporting Culture with a no blame philosophy
- Training workers in Basic Risk Identification & Control
- Empowering workers to raise issues with Management
- Increase on site safety presence
- Identification of underlying issues & actions to resolve.

By mid-2018 the business had grown by 30% across all sectors, with growth comes risk so another two recruits joined the Mendi HSEQ team. Bruce Miller & Nick Dunn both became Site Safety Officers assisting Supervisors & the Project Management Teams across all projects. Having these extra H&S on deck further developed safety awareness & positive safety attitudes out on site. Workers were starting to speak out about safety & take responsibility in their own safety. Rather than allocate a Safety Officer to one site our approach was to have them rotate across all project sites which worked well to ensure a set of "fresh eyes" was available to ensure all risks were identified & controlled, it also provided the workers on site with an opportunity to learn more about safety with the various skill sets the HSEQ Team now had in their toolbox.

Following these recruitments Jason Fowler was then promoted to HSEQ Manager to oversee the team.

By mid-2020 the business had nearly doubled the number of Trucks & Trailers, Vehicles, Equipment & Machinery with an additional 113 items purchased across the Group.

The team had a very strong focus on employee engagement & noticed this was something the business had not achieved very well in the past. Each employee should want to give their best each day, commit to their organisations goals & values & be motivated to contribute to organisational success, with an enhanced sense of their own well-being. To achieve this, they started going the extra mile to encourage workers to get involved in discussions & being given a voice in their own journey to offer ideas & express views.

The team started building relationships with the workers by:

- Providing opportunities for everyone to meet on a social level.
- Creating a sense of belonging through team building – regardless of their position, title or demographic profile.
- Providing good amenities on site, this promotes interaction & shows that management cares about the wellbeing of the workplace.
- Generating conversations about safety on a social level.

Last year a total of 222 toolbox talks were presented across our project sites doubling the amount completed in 2015 & 2016 (refer to below graph). Informal training through toolbox meetings is also delivered when required in topics such as specific methods of work, appropriate use of trades tools, hold & witness points, non-conformance, corrective action & record keeping, etc. The toolbox talks encourage open communication between onsite workers, the HSEQ Team & Management.

Daily pre-start meetings are now held across all our sites prior to the shift commencing. Often Management is also seen attending these meetings to improve communication with the workers on the ground. Mendi believes it is important to engage with all levels of the workforce to encourage a positive & happy work environment. Communication & feedback is the key to our successful working environment, positive achievements are communicated at these meetings as well as identifying any issues that need to be addressed.

BBQ lunches are held across our project sites at least every quarter throughout the year. This is a perfect opportunity to foster the team spirit & get everyone together in a work-related work environment.

First Aid & CPR Training is conducted across the Business with the last group training attracting over 40 employees. Through education & training the Mendi Group's safety culture is to ensure a safe workplace for all employees. We were proud to see so many of our employees willing & able to participate in this worthwhile event.

The Mendi group has also launched the Mendi Get Fit Program which is an 8-week private boot camp for all Mendi employees. Over 30% of the workforce across all sectors participated in the group training.

To further reinforce our direction on safety & bring reality to all of the effort & resources that we had put into safety, most people need a 'Reason' to use the training & systems & procedures that we put in place. We provided that reason by showing & explaining how a workplace accident can change their life & affect many of the people around them. To do that we engaged the services of a public speaker to address all our personnel & major subcontractors. This was delivered in conjunction with our annual Mendi General Safety induction in January 2018. James Wood is an internationally recognised award-winning Safety Speaker. His passion for sharing Safety Messages & educating employees, employers & management teams on the real impact of workplace injury has seen him share his message from the workshop floor to the boardroom. James spoke about Choices & how everything changed when he made the wrong choice while doing a simple job at work. He was airlifted to hospital & then spent the next 3 months in a hospital bed & then a rehabilitation centre for another 6 months. He had become a paraplegic as a result of a workplace injury by making the incorrect choice. This hit home the importance of safety to our workers & left an impression that remained with them.

Mendi have made many improvements to our Integrated Management System which encompasses Health, Safety, Environment & Quality this system has continued to evolve over the years with the following evidence of continuous improvements being noted in the Audit Report by the Lead Auditor in our 2017 ISO Recertification assessment.

- Increase in community engagement.
- Review of Records Management Procedure.
- Project auditing process.
- Review & improvement of KPI reporting process
- Review of training modules.
- Client communication.
- Improvement to Performance Review Process.

The following has also been introduced over the past few years:

- Implementation of an improved online General Safety Induction
- Development of a Project Hazard & Risk Register as an overarching risk assessment of the whole project from design to completion
- Implementation of an improved Project Site Safety Induction
- Weekly Project HSE Inspections (HSE Team)
- Fortnightly Supervisor Site Safety Inspections
- Worksite Safety Observations (Weekly)
- Introduction of Electronic Site Safety Inspections
- Senior Management Inspections
- Internal Project Audits
- Emergency Response Drills
- SWMS Reviews with workers
- Internal & external training & upskilling
- Involving Subcontractors in Site Safety Inspections
- Participation in Industry Safety seminars
- Promotion of TTT's (Take the time – Job Safety Checklist)
- Offering incentives for positive safety performance based on leading measures.
- Monthly Safety Awards
- iAuditor Daily Progress Reports.

2020 ISO Recertification Assessment – Overview of Performance findings (refer to slide 14).

Mendi believe that employees that are adequately trained in the activities they are undertaking will ultimately contribute to them undertaking that activity more safely than they would without training.

Over 125 nationally recognised Courses & Qualifications have been completed across the Mendi Group since January 2018.

Approximately 10% of the Mendi workforce is currently engaged in training, committing around 10% of our payroll to training expenditures. Monthly time expended on training can reach to over 135 hours/month allowing for classroom & practical on the job training.

Training for employees is integrated largely with on-the-job training. Mendi aim to make the training for employees as stress free as possible & to try to give each employee undertaking training as much assistance as possible. This can be achieved through mentoring & working with the RTO organisation to achieve the training plan objectives. At times personnel may be required to move to alternative job sites to complete the practical task that is required.

Coordination between the employee, the trainer & assessor & Supervisors ensures that the training targets are met.

Mendi recently asked our current trainees for some feedback on what it means to be provided a traineeship/apprenticeship & work within the Mendi Group. Positive feedback was given by all employees, some examples, refer to slide 17, 18,19 & 20.

Mendi have continued to have a strong focus on training & development within the business with increasing the number of employees engaged in some form of external training by over 35% in the last 24 months. Training not only improves employee performance & growth but also reduces employee turnover & allows for deeper talent succession in pipelines.

In 2019, Mendi prepared their nomination for the QLD Training Awards Medium Employer of the Year & successfully made the top 3 finalists in North QLD. Mendi have also made the shortlist for the 2021 QLD Training Awards Medium Employee of the Year. Finalists will be announced early July.

Introducing Mendi Mick - Safety Ambassador & Team Mascot for the Mendi Blackhawks! Mick is featured in all our project signs & safety posters onsite (refer to slide 22).

Mendi Group – WINNERS of the Queensland 2020 CCF Earth Awards (\$30 - \$75 Million) for the QLD Country Bank Stadium Project (refer to slide 24).

3. Explain how the changes have improved your performance. How have you ensured this improvement will be sustained?

On the 4th May 2021 the Mendi Group reached the significant milestone by working 1750 days without incurring a Lost Time Accident. For almost five years (and still counting), Mendi employees and subcontractors have safely worked day after day such that they were able to return to work the next day and continue to contribute to the team's successes. Higher levels of productivity, better staff morale and engagement, manageable cash flow, and safer, happier staff.

Mendi has grown over the years, most significantly in the past 5 years. Staffing levels have increased by over 40% since June 2016. The growth is not only in our workforce but also across the diversity of the business. The Mendi Group portfolio now includes, in addition to our core business of civil construction, crushing operations, property development, heavy haulage and sand mining operations. The Mendi Group currently has an annual turnover of nearly \$40 million and the most recent acquisition and business venture has seen the company venture into quarry operations, starting up CAMM Quarries.

Business performance and profitability has improved in a number of ways, including:

- Reduced costs associated with workplace incidents
- Reduced costs of rehabilitation and return to work processes
- More efficient work performances
- Improved business reputation – gaining confidence of new clients and other stakeholders
- Increase in the number of projects awarded
- Improved risk management
- Higher levels of employee productivity.

Workers Compensation

Our current Workers Compensation premium rate is 0.652, in comparison to the industry rate for Site Preparation Services 2.971 for 2020/2021.

Mendi currently pay 78% less than the industry rate due to our low claims performance. (Refer to slide 26)

Continued monitoring of HSE Performance ensures we not only sustain the improvement we have made but also continually improve our Integrated Management System and Safety Performance, this is achieved by the following –

Fortnightly HSEQ Meetings with the Safety Team and Senior Management, Agenda Items include:

- General Safety Items
- Review of Incident and Hazard Reports
- Inspections Compliance Scores
- System Improvements
- Audit Results
- Monthly Internal Safety Report
- Review of HSEQ Task List (Details ongoing improvements and upgrades to system and project documentation in order of priority).

All HSE Inspections provide a Compliance Score out of 100%, any non-conforming inspection items are allocated an action to close out, this creates a process whereby the evidence to close the action is sent back to the person that raised the action to verify before it can be closed out. The person completing the inspection can also raise an “Opportunity for Improvement” so if the inspection item does conform but there is an opportunity to further improve this can be facilitated.

Fortnightly Supervisor Meetings – first Agenda Item is Safety; this meeting facilitates the sharing of positive Safety Performance as well as raising and underperformance in a group discussion this allows the lessons learnt to be shared with the group and also ensures each site will operate with the same high standard of safety.

Stakeholder Feedback

We often receive feedback about our Safety Performance from stakeholders and we see this as an important source of information to ensure our Safety Performance is consistently at a high standard, the below comments are excerpts from emails or testimonials from clients (refer to slides 28, 29 & 30).

Continued improvement in External Audit Reports further endorses improved and sustained Safety Performance.

Non-Conformances and Corrective Action Reports have considerably decreased in the 2021 and 2019 OFSC Audits.

2021 OFSC Audit Report to be finalised by the OFSC – subject to peer review 2019 OFSC Summary Audit Findings (refer to slide 32).

2018 OFSC Summary Audit Findings (refer to slide 33).

Safety Culture Survey

In May 2018 the Mendi Group participated in a LEAD Safety Culture Survey which was developed in collaboration between the Office of Industrial Relations, the University of Queensland and the University of Western Australia.

The survey was conducted across the workforce and included 70% of Mendi employees.

Mendi believes by measuring employees understanding and expectations of safety culture, while continuing to track safety performance it gives us a complete overview and better understanding of our safety culture.

The HSEQ Team identified this to be a very important survey to be involved in and a means to identify current strengths and opportunities to improve.

The results of the Survey provided valuable information that our efforts to improve safety was working and having a positive effect on the workplace culture.

The LEAD model is represented by four control strategies that if implemented effectively, equip teams and organisations with the capabilities to perform at their best. Each of these control strategies corresponds to work situations that teams are likely to encounter.

Leverage - giving clarity, recognised achievements and coordinating work.

Energise - inspiring, empowering and helping workers to grow new skills.

Adapt - reflecting on past performance, encouraging speaking up and building resilience.

Defend - helping the team to be vigilant, driving accountability and monitoring work.

Participation comments include

"I find the safety culture at Mendi is top notch with a strong leadership group that pushes the safety message 100% and the team I work with (drivers) are very professional and safety conscious".

The following graphs are a benchmark against 17 other companies that participated in the survey. These results provide a solid base to continue to build the safety culture across the Mendi Group.

The Team Safety Climate (perceptions of teammates and supervisors) at Mendi returned a positive result with an average score of 4.5 out of 5.0. The team safety climate was found to be:

- People are encouraged to talk openly about their mistakes and errors.
- The team shares information about health and safety incidents and how to prevent them.
- After a problem at work, the team discusses what happened to prevent similar situations from happening again.
- Managing health and safety risks is an important priority for the Mendi Team.
- The team is thoroughly trained in health and safety duties and obligations.
- Workers in this team help each other to complete routine work quickly and safely.
- Our supervisor talks to people in this team about their health and safety concerns.
- Our supervisor helps workers to develop new health and safety skills.
- Within this team, our supervisor regularly consults with workers about health and safety matters.
- Within this team people are encouraged to talk openly about their mistakes and errors.
- Our supervisor closely monitors high risk work and enforces safe work methods.
- Our supervisor sets clear and specific health and safety goals for this team (refer to graphs - slide 35).

Workplace climate (perception of senior management and the organisation in general) at Mendi also returned a positive result with an average score of 4.3 out of 5.0. The workplace climate was found to be:

- Senior leaders encourage teams to make changes that prevent safety incidents.
- Senior leaders praise workers who achieve high safety performance.
- Different teams within the Mendi Group coordinate their activities so everyone knows what work is being done.
- Efforts are made to consult with workers before health and safety changes are made.
- Senior leaders emphasise health and safety duties and obligations.
- In this workplace efforts are made to consult with workers before health and safety changes are made.
- This workplace requires teams to prepare for emergency situations that could happen.
- Senior leaders show appreciation when workers openly admit to their errors and mistakes.
- Senior leaders share a clear vision for health and safety at this workplace.
- People at this workplace regularly share information about the types of hazards they have to manage.
- Workers around here routinely use safety policies and procedures to guide their work.
- Senior leaders emphasise health and safety duties and obligations (refer to graphs - slide 36).

Safety Awards

The Mendi Group are proud to reward employees who have a positive safety culture. It's great to see our guys on the ground who have continued to foster the development of attitudes and beliefs that support safe behaviour.

Knowing safety is not enough, here at The Mendi Group we PRACTICE IT! (Refer to slide 37).