



Together We Can Make a Difference

Culture of Safety

Meijer

Jim McDonald
Vice President Total Rewards





Meijer is a Midwest retailer which operates 227 super-center stores in Michigan, Ohio, Indiana, Kentucky, Illinois and Wisconsin. In addition to the retail stores, Meijer operates 6 Distribution and 6 Manufacturing Facilities with a total team member population of over 70,000.

Founded in 1934 as a supermarket chain, Meijer is credited with pioneering the modern super-center concept in 1962. Meijer was ranked No 19 on Forbes' 2014 list of America's Largest Private companies.

Business Problem



Together We Can Make a Difference

In 2011, Meijer witnessed a significant increase in Lost Time Accidents (LTAs) and Workers' Compensation costs. We determined the root cause of the increase was attributable to the following:

- ❑ Accident reduction performance reached a plateau
- ❑ Inconsistent or ineffective engagement of team members to support a safe work and shopping environment
- ❑ Culture of silence is pervasive

2011 Safety Statistics

- ❑ **Claims with Treatment: 3,420**
- ❑ **Lost Time Accidents: 549**

Strategic Project Objective



Together We Can Make a Difference

MISSION

- ❑ Zero Accidents – Our **Team Members** Expect It!

STRATEGIC PROGRAM GOAL

- ❑ Develop a Plan to Engrain Safety into the Culture of Meijer
- ❑ Standardize Reporting and Analysis
- ❑ Identify and Prioritize Improvement Opportunities Across the Corporation

Message from Leadership



Together We Can Make a Difference

A Message from Mark Murray

Video



Plan of Attack!



Together We Can Make a Difference

Recognizing the problem, Meijer created a cross functional team in order to attack to the problem and create a robust, multi-faceted solution to work safely:

Team Participants:

- ❑ Corporate Asset Protection
- ❑ Human Resources
 - Generalists
 - Talent Development
 - Disability Management
- ❑ Supply Chain Operations
- ❑ Retail Operations
- ❑ Finance
- ❑ Risk Management
- ❑ Corporate Communication

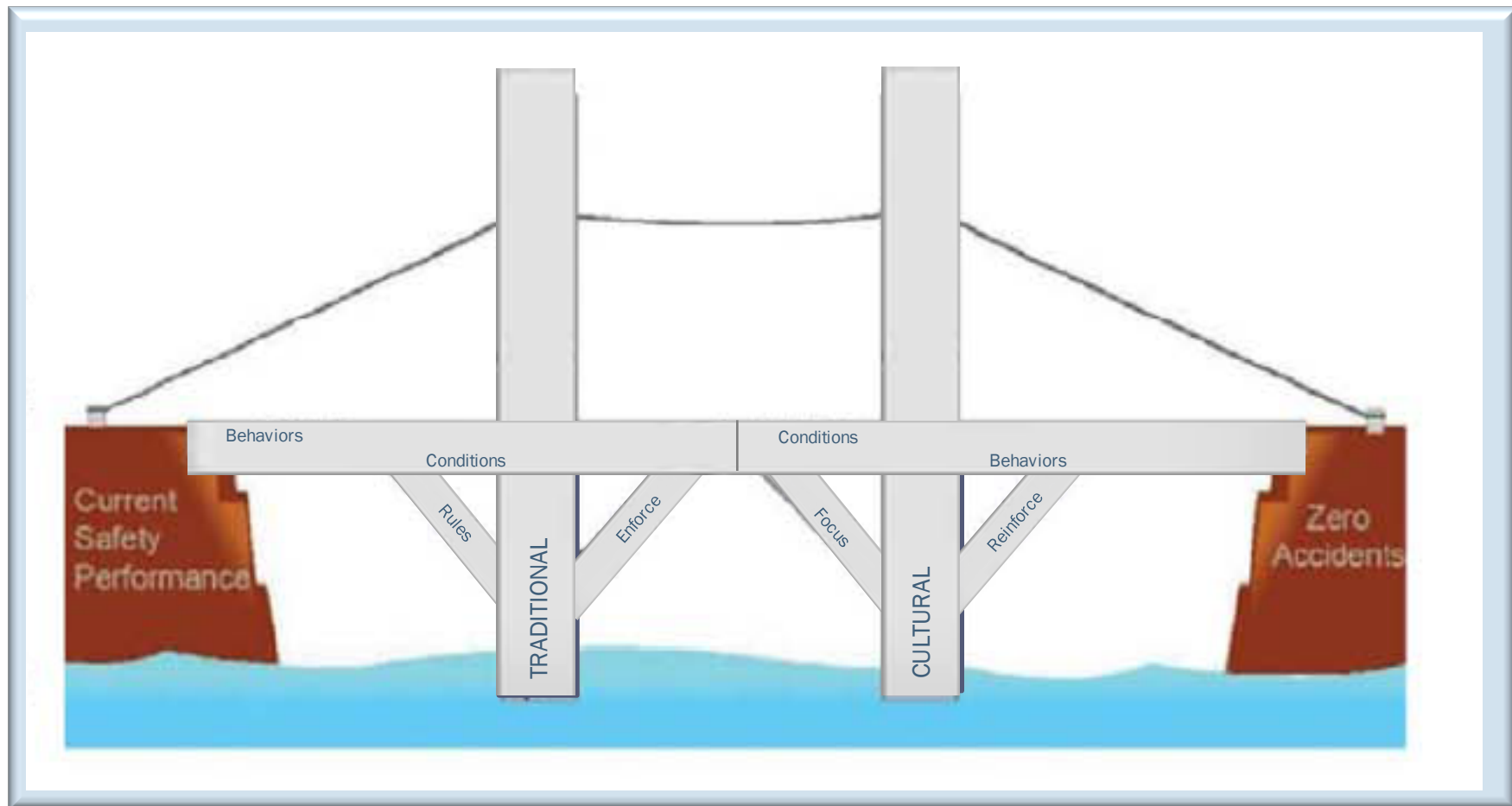


Defined a Vision



Together We Can Make a Difference

- ❑ A Strong Traditional Safety Coupled with A Strong Safety Culture
 - ❑ Consistent focus of safety standards and expectations
 - ❑ Supported by structural, social and individual motivation & ability



Outlined a Roadmap for Success



Together We Can Make a Difference

CULTURE

Mission
Core Values
Code of Conduct

-
- Begins in Interviews
 - Include in Orientation
 - Leadership Adhere to Dept Practices
 - Training, Standards, & Expectations

200% RESPONSIBILITY

100% to Me
100% to You

-
- Change Culture of Silence
 - Work & Shop Safe
 - Help Others Work & Shop Safe
 - React
 - Respond
 - Create an Emotional Connection

ALLOCATION MODEL

Department
Accountability

-
- P & L (Near Real Time)
 - Charge Back to Each Department Based on (Estimated) Full Cost of Claim

SCORECARD ONE FORMAT

Specific to
Each Division

-
- Near Real Time
 - Visible & Centralized
 - Leading & Lagging Metrics
 - Dept Assessment
 - Drill Down Capability

Safety Logo & Tag Line



Together We Can Make a Difference

- ❑ We re-purposed our current logo with a focus on safety and health
- ❑ At Meijer, being safe and healthy go hand-in-hand



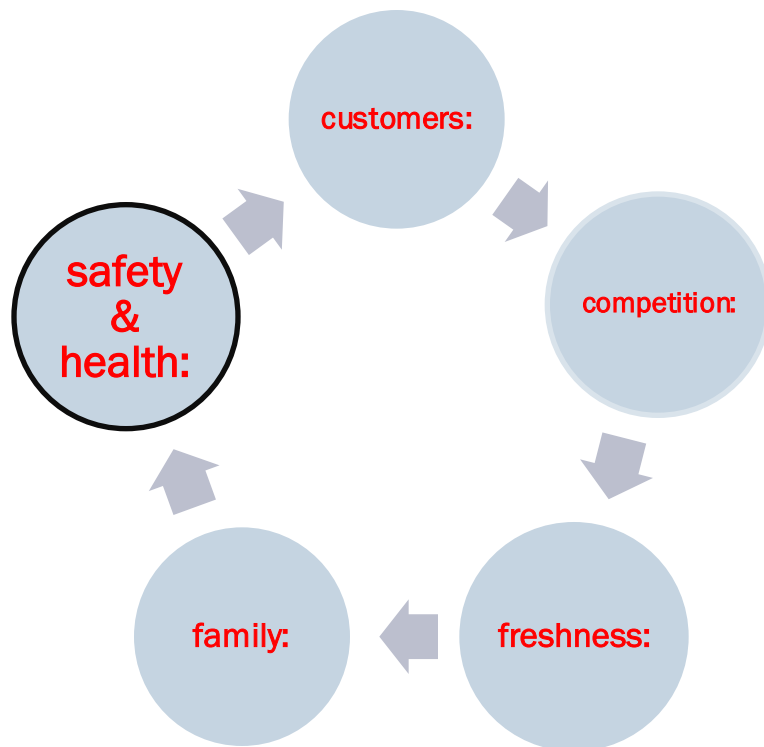
Together We Can Make a Difference

Core Values



Together We Can Make a Difference

Meijer added Safety and Health to Core Values



safety & health:

Meijer provides a safe and healthy environment for our team members. We create a safe shopping experience for our customers and offer products and services to help our customers lead healthier lives.

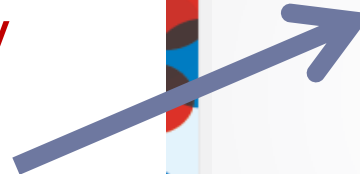
Code of Conduct



Together We Can Make a Difference

❑ Code of Conduct becomes Guiding Principles

“Be Responsible for my safety and the safety of other team members”



200% ACCOUNTABILITY!



Safety Banner



Together We Can Make a Difference

- Reminded team members to “think safety first” by hanging banners in multiple areas in every Meijer location

think safety first



Culture of Safety Meetings



Together We Can Make a Difference

Partnered with Talent Development and Retail and Supply Chain Leadership in the development and implementation of the Culture of Safety Meetings. These meetings were a “hands on” teaching moment for all Store Directors, Supply Chain Leadership and their direct reports. Everyone participated in the Safety Simulations and Learning Lab Stations. Each team developed a Safety Action plan that was implemented at their unit.

Safety Simulations Stations

- ☐ Box Cutter
- ☐ Floor Spills
- ☐ Lifting
- ☐ Deli equipment cleaning
- ☐ Merchandising Cart

Learning Lab Stations

- ☐ Safety Scorecard
- ☐ Recognition 365 Club
- ☐ Medcor

Scorecards



Together We Can Make a Difference

Meijer developed a Safety Scorecard for real time benchmarking of Team Member and Customer Injuries. The Scorecards have drill down capability and ranking as follows:

Retail: Region → Market → Store

Supply Chain: Facility → Complex → Unit Number

Measurements:

- ☐ Lost Time Accidents (Work Comp Claim with 7 or more days lost)
- ☐ Claim with Treatment per 100 FTE's (OSHA equation)
- ☐ Claim with Treatment Counts
- ☐ General Liability per 100K Transactions

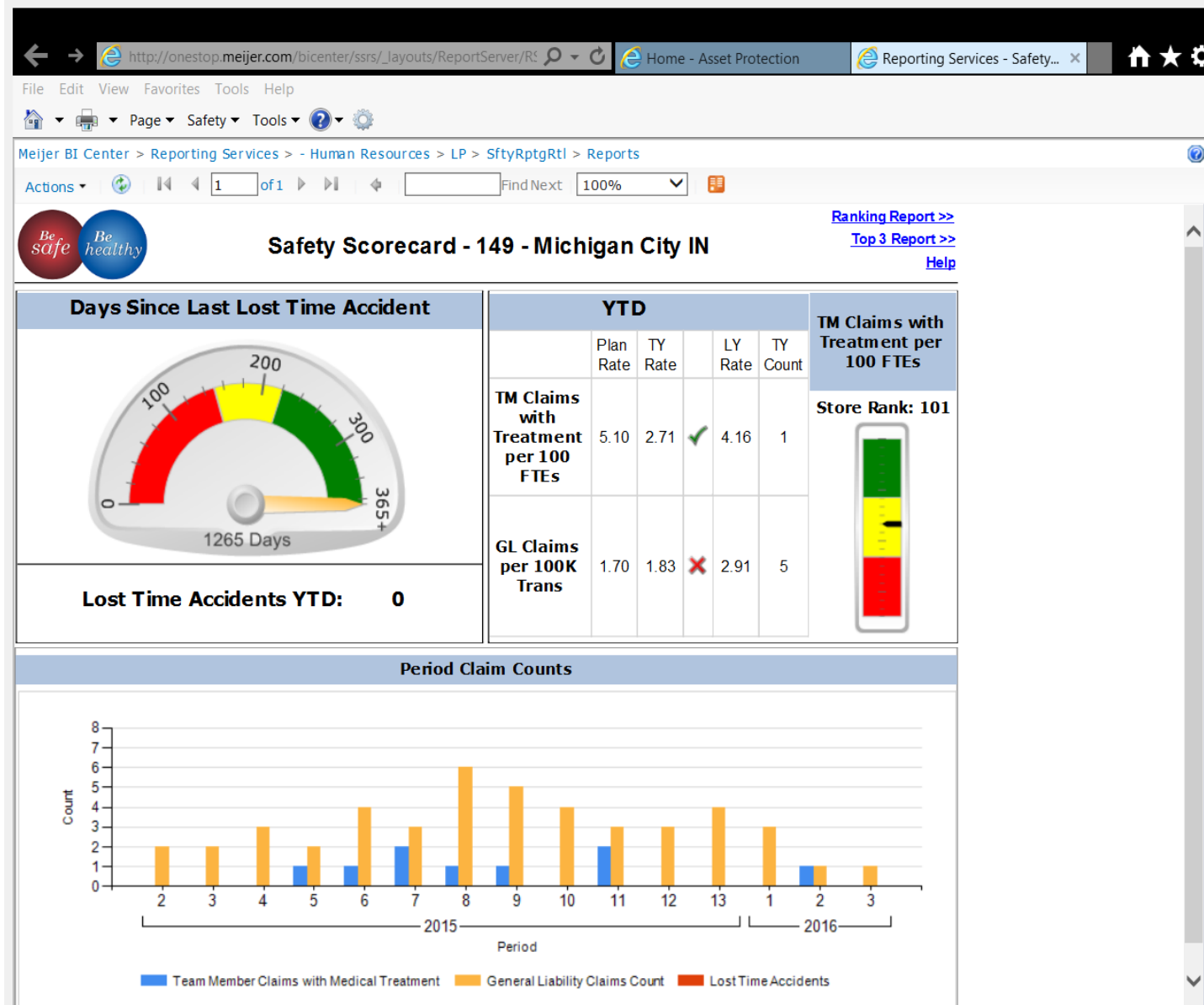
The Safety Scorecards also assist with injury analysis by utilizing the automated Top 3 Reports:

- ☐ Area of Injury: (Parking Lot, Deli)
- ☐ Event Type: (Fall, Same Level, Struck By)
- ☐ Objects Involved: (Box cutters, Knives, Slicer)

Safety Scorecard



Together We Can Make a Difference



Store Director View

- LTA's = 0
- Days since last LTA = 1265 days!
- 2016 Claims With Treatment = 1
- Store Rank= 101

2015 Results:

LTA's: 174

Claim Count: 2,782

Recognition



Together We Can Make a Difference

365 Club

- Recognize stores with **(zero)** Lost Time Accidents for the year
- \$500 towards a store celebration for achievement
- 365 Club Banner
- Quarterly recognition of stores for achievements towards 365 Club



Unit Safety Co-Chairs

- Responsible for facilitating the Unit's Safety Committee meetings
- Ensures compliance of safety standards
- Appointed by Store Director
 - Hourly Team Member
 - Leadership/Team Leader (not Store Director)
 - Eligible to receive Bonuses

Communications - Recognize safe behavior, practice and performance.

- Huddle Meeting
- Video One-Stop (VOS)
- Fast Lane Newsletter
- Portal – Safety recognition article featured on Safety/AP portal

“In the Moment” Recognition

- Existing Remarkable Program – (Reflect the new core values)
- Wearing PPE (Personal Protective Equipment)
- Pushing a cart vs. pulling
- Targeted safety topics/message for the period or quarter
- Proper lifting



Leadership Responses



Together We Can Make a Difference

Leadership Interaction with Team Members Key to Success

- ☐ **Role model supportive coaching for desired behavior**
 - ☐ Catch people being safe and acknowledge real time
 - ☐ *“Not only is your box cutting efficient, the way you hold the cutter protects you from accidental injury. **Nice job!**”*
 - ☐ Redirect when safety risk exists
 - ☐ *“I appreciate that you want to get those boxes opened quickly, but I’d rather have you safe. Please follow the techniques that protect you from accidental injury.”*
 - ☐ Model safe techniques when helping TMs on the job
- ☐ **Avoid criticism that belittle or embarrasses Team Members (TM’s)**
 - ☐ *“This isn’t rocket science, you are holding that box cutter all wrong and your are going to get hurt.”*
 - ☐ Even worse if the above is said loudly in front of other TMs, TLs or Customers

Changing the Culture of Silence



Together We Can Make a Difference

CULTURE OF CONFORMITY

- ☐ I do it because I'm told I have to
- ☐ I mind my own business, I don't want to create conflict
- ☐ I do it because I may be punished if I don't

CULTURE OF CONFIDENCE

- ☐ I do it out of care, concern and it's the right thing to do
- ☐ I assume responsibility supportively and courageously
- ☐ I do it because it is positively acknowledged

The Challenge:

- When both cultures exist, there is a risk of default to conformity
- Where a culture of confidence is desired consistent role modeling by everyone ensures sustainability

Performance Support for the Shift



Together We Can Make a Difference

How does our environment support the culture shift?

- ☐ Candidates are educated on our culture of safety expectation in ***interviews***
- ☐ ***Orientation*** is designed to engage new team members in what we mean by a culture of safety
- ☐ Any ***training*** related to safety has a peer to peer coaching component to reinforce expectations
- ☐ ***Leaders performance reviews*** have a culture of safety component evaluating them as role models
- ☐ ***Team member performance evaluations*** have a culture of safety component as it relates to being safe and supporting others in being safe
- ☐ ***Recognize*** safe work practices and helping others work safe by utilizing the “Remarkable” program.
- ☐ ***Corrected action*** process is clearly stated and used as a last resort

Deli Deep Dive



Together We Can Make a Difference

Deli Bakery Safety Improvements – Deli/Bakery is our highest area for work place accidents. The following improvements were made to focus on safety in this department.

1	Personal Protective Equipment (PPE) Central Stations and Adherence to Policy	
2	Slip Resistant Shoe Program	
3	Safe Work Behavior	
4	Wear Mitts When Placing Racks in Oven	
5	Hot Zones for Racks Being Removed from Ovens	
6	No Storage Zone for Space in Front of Oven Doors	
7	Standard Knife Racks	
8	Ergonomic Studies in Area	
9	Slip Resistant Floor Material Standard	
10	PPE Adherence Policy	
11	3 rd Party Deep Cleaning Crew	
12	Knife Cleaning Process Established (Not allowed in standing water)	
13	Fryer Use Standards Established (Product not dropped into hot oil)	
Confidential – Property of Meijer		

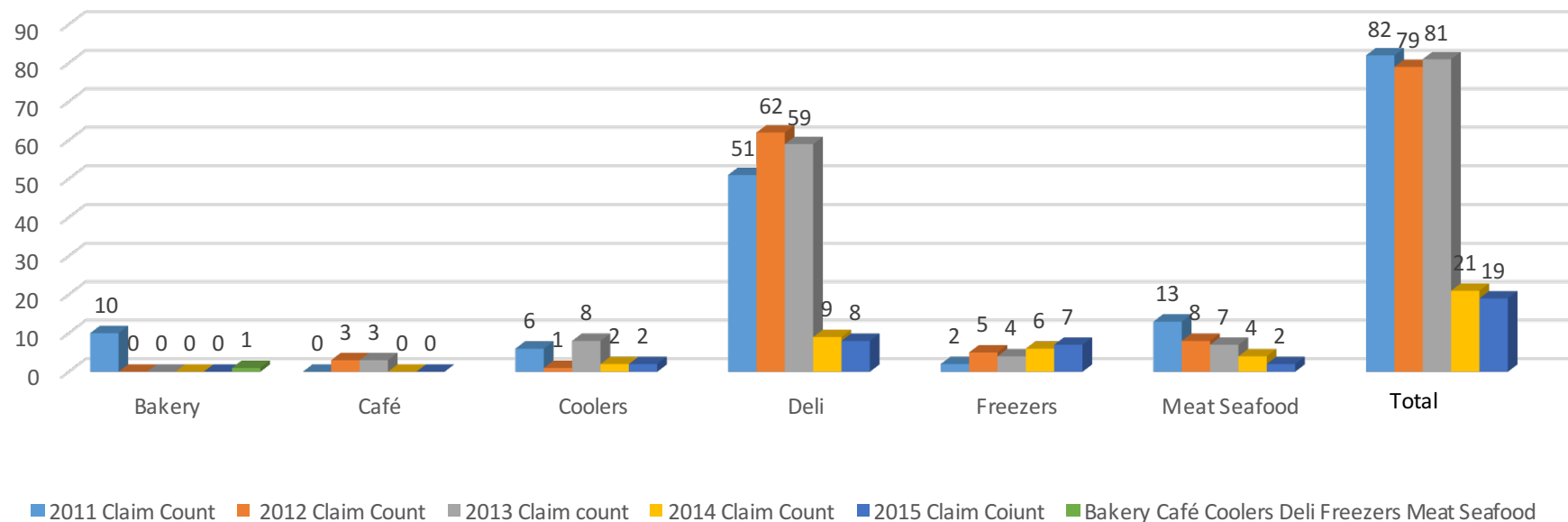
Shoes for Crews



Together We Can Make a Difference

In 2012 Meijer implemented Shoes for Crews in the Fresh Departments. Meijer provides “toe guards” or the team member can purchase shoes from Shoes for Crews. The Deli Department has achieved a **87.09%** reduction in Slip and Fall injuries since implementing the Shoes for Crews program.

Fresh Area Slip and Fall Injuries



Fresh Area Achieved a 75.95% reduction in slip and fall injuries!

Medcor RN Telephonic Triage Service



Implemented Medcor RN Telephonic Triage Service

- Injury Triage is a pre-claim service activity. It is not post injury case or claim management, and it is not about keeping team members from seeking care.
- Medcor's Accredited Injury Triage service offers a manager and an injured team member the opportunity to speak with a registered nurse immediately after the injury has occurred to help determine the severity of injury, and the appropriate suggested course of action.
- Injury Triage is preferably done while the team member is still in the workplace, and is not intended to replace a doctor visit.

2015 Medcor Statistics

Non Referral Rate: 42.50% Referral Rate: 57.50%
Cost Savings: \$275,835

Safety Results



Together We Can Make a Difference

Meijer opened 29 New Stores and several Supply Chain Facilities since 2011. Even with the extensive growth, we have experienced a decrease in Lost Time Accidents, Claim Counts and WC Claim Costs.

2011 LTA's: 549

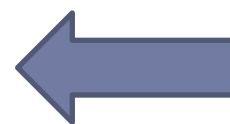
2015 LTA's: 174

**68.31%
Reduction**



Meijer Division	2011 LTA's	2012 LTA's	2013 LTA's	2014 LTA's	2015 LTA's
Retail	516	379	219	186	145
Supply Chain	29	28	26	29	26
Office	4	3	7	0	3
Total Meijer	549	410	252	215	174

Meijer Division	2011 Claims	2012 Claims	2013 Claims	2014 Claims	2015 Claims
Retail	3,068	2,558	2,412	2,374	2,390
Supply Chain	328	316	306	375	372
Office	24	18	23	21	20
Total Meijer	3,420	2,892	2,741	2,770	2,782



2011 Claims: 3,420

2015 Claims: 2,782

18.65% Reduction

2011 WC Spend: \$23,469,000

2015 WC Spend: \$13,168,529

43.89% Reduction

Safety Results



Together We Can Make a Difference

Meijer has opened 8 new stores in FY 16. We continue to experience a significant decrease in Lost Time Accidents and Claim Counts. The decrease in LTA's is a direct result of the Culture or Safety and accommodating team members with restrictions.

2016 LTA's: 39

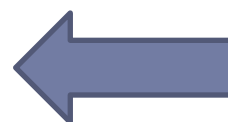
2015 LTA's: 74

**47.30%
Reduction**



Meijer Division	2016 YTD LTA's	2015 YTD LTA's	2016 Plan
Retail	33	64	93
Supply Chain	4	8	8
Office	2	2	1
All Meijer	39	74	102

Meijer Division	2016 YTD Claims	2015 YTD Claims
Retail	822	835
Supply Chain	111	119
Office	9	9
All Meijer	942	963



2016 Claims: 942

2015 Claims: 963

2.18% Reduction

2016 WC Spend: \$4,991,326

2015 WC Spend: \$5,597,588

10.83% Reduction

Meijer Culture of Safety



Together We Can Make a Difference

Meijer Team Member Pledge

- ☐ I am 100% responsible to keep myself safe
- ☐ I am 100% responsible to keep you safe

Safety is an ongoing commitment and not a one and done program.

Working safely together we make made a difference!

Meijer Culture of Safety



Together We Can Make a Difference



meijer

Jim McDonald

Vice President, Total Rewards
2929 Walker Ave NW | Grand Rapids, MI 49544
P: 616.791.3669 | C: 616.295.8464
james.mcdonald@meijer.com