

Safety Culture: A Catalyst for Sustainable Development

Abstract

This paper develops theory that explains how organization's safety culture affects its performance on multiple dimensions, i.e. financial, environmental, and safety performance. We argue that the employees motivated by organization's safety culture and their management commitment in improving their safety and well-being, will be willing to reciprocate and further contribute to the organization's success and to help the organization reach its objectives. Analysis of the data collected from a survey of 251 Canadian plants supports the existence of a positive relationship between organization's safety culture encompassing two critical components, i.e. management commitment and employees' participation/empowerment, and its financial performance. The results also demonstrate that organizations with a positive safety culture are more likely to (1) adopt environmental practices such as life cycle analysis and material recycling, and improve their environmental performance in terms of lower levels of air emissions, waste water generation, and energy consumption, and (2) adopt safety practices such as hazard identification and assessment and safety discussion groups, and improve their safety performance in terms of preventing accidents and incidents or decreasing their adverse impacts.