



TRADE-OFFS

in Workplace Systems

Trade-offs are often made as a result of conflicting goals, like cost, time, and quality.

It's easy to think about trade-offs at the frontline level of the workforce, however, trade-offs made at the senior management level, without adequate consideration of the resulting risk, have the most significant impact on potential harm.

For example, a construction worker working at height may omit clipping in their fall protection harness because it makes walking around the site slow and cumbersome, impeding speed of production. However, a senior management decision to tie financial bonuses to production goals was a trade-off made that ultimately contributed to this act. See the case study [right] for more details.

For more information on systems thinking and performance influencing factors see [Canadian Standard Association. \(2022\). Human and organizational factors for optimal pipeline performance \(CSA Express Document No. 16:22\).](#)

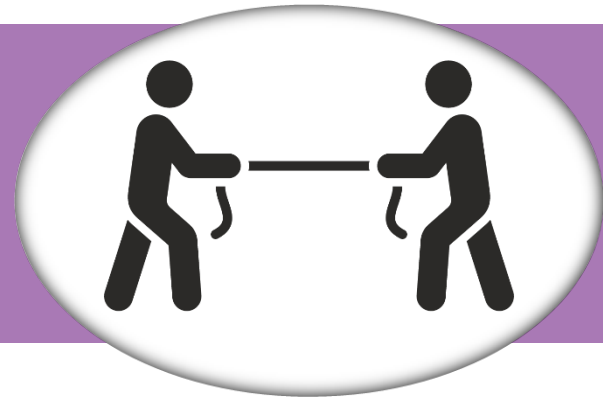
For more learning resources on Human and Organizational Factors and Safety Culture visit the [CER's Safety Culture Learning Portal](#)

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Within the workplace system trade-offs are constantly made to ensure goals are met and work gets completed. This means that how the work is **actually** completed can sometimes stray from how the work was originally **intended**, whereby we may intentionally or unintentionally break a rule (e.g., organizational policy) or circumvent a procedural step in the interest of meeting our goals and objectives.

While this can often be a harmless act and help us in achieving our goals, in high-risk organizations with safety sensitive operations, doing so may unintentionally introduce significant risk of harm.



While trade-offs made at the frontline level of the workforce may be easier to see, decisions and trade-offs made at higher levels in the organization can create unintended consequences of significantly higher risk. Unfortunately, latent threats introduced by higher level management trade-offs are typically more difficult to detect and often not identified until after a negative event. See the below case study for an example.



Case Study – Trade-Offs & Unintended Consequences



In a recent budget meeting, senior management of a construction company discussed the potential to meet the company's highest earnings year yet. As a result, they decided to employ a new monthly bonus structure to support frontline supervisors and workers meeting monthly production targets.

To achieve this, senior management decided on a 20% monthly salary bonus for frontline supervisors, and 10% for frontline workers when production goals were met. Careful consideration was made to ensure allocating these leader and staff bonuses would provide the best opportunity to achieve the company's highest annual earnings. Unfortunately, while the bonus structure was set with good intentions, the potential risks to safe outcomes were not evaluated.

Despite a robust health and safety policy within the organization, the implementation of this new bonus structure ultimately resulted in frontline leaders and workers circumventing certain safety procedures and practices to ensure production deadlines were met and safety bonuses were achieved. Unaware of this potential consequence, senior management did nothing to guard against this potential outcome, and ultimately, introduced significant risk within the workplace system to achieve their profit goal.

Reflective Question:

- 1) In the above case study, what could senior management have done differently to guard against the unintended consequence of increased safety risk?
- 2) Within your workplace what could be changed to support better evaluation of risks and potential unintended consequences when trade-offs are made?