

# Role of Safety Culture In Improving Performance What Everyone Should Know

Virginia Pipeline Safety Conference  
October 20, 2015

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# Agenda

- How Culture Helps SMS
- What are Organizational Factors
- What are Outcomes of Good Culture
- Why Leadership is the Heart
- Where the Culture Connection Happens
- How Your Role is Personal and Positive
- How to Know About Your Culture and If It is Working

# How does Safety Culture Help the Safety Management System?

People applying processes and procedures are **motivated**

- to protect the safety of the people and
- to protect the assets/infrastructure of the organization

Good culture makes it likely the organization can do needed tasks

People feel **enabled** to execute risk management – assessments, controls, and continuous improvement

People apply more discipline in using data and other information for better decision making.

These are ORGANIZATIONAL factors – why do they matter?

# With a Good Safety Culture People Will Believe SMS is Right to Do

- People feel good about regular, formal structure
- People will identify gaps and make improvements
- People want to measure, track and improve their safety programs and performance
- While people will want procedure, they understand there can never be a procedure for every situation
- They will want to be ready to address the unexpected.
- These are also organizational factors

# NTSB Indicators of Organizational Failure

- Lack of top-level management safety commitment or focus
- Conflicts between production and safety goals
- Poor planning, communications, monitoring, control or supervision
- Organizational deficiencies leading to blurred safety and administrative responsibilities
- Deficiencies in training
- Poor maintenance, management or control
- Monitoring failures by regulatory or safety agencies

## People Who Want to Improve Their Safety Results Look Around - inside and outside their organizations

- We look to see what high performers in other companies do
- We look to see what high performers in other high risk industries do
- In the API 1173 Team, we looked at the aviation chemical and nuclear industry, and we were impressed with their results - thoughtful imitation is a good thing
- And we look to learn lessons from events with high consequences and incorporate them into our thinking

# Challenger, Fukushima and VW Commonalities

- Information needs to move - we cannot have a culture of silence yet we often think it is better to say nothing
- Hindsight/Monday morning quarterbacking- it's easier to look back and say How Could We Miss That rather than anticipate
- Oversimplifying- It's easier to blame one thing than to analyze in depth
- We're different - It's easy to say why it cannot happen here
- Perceptions- People build expectations based on what people around them think rather than face reality

# You know what we say about people who make assumptions

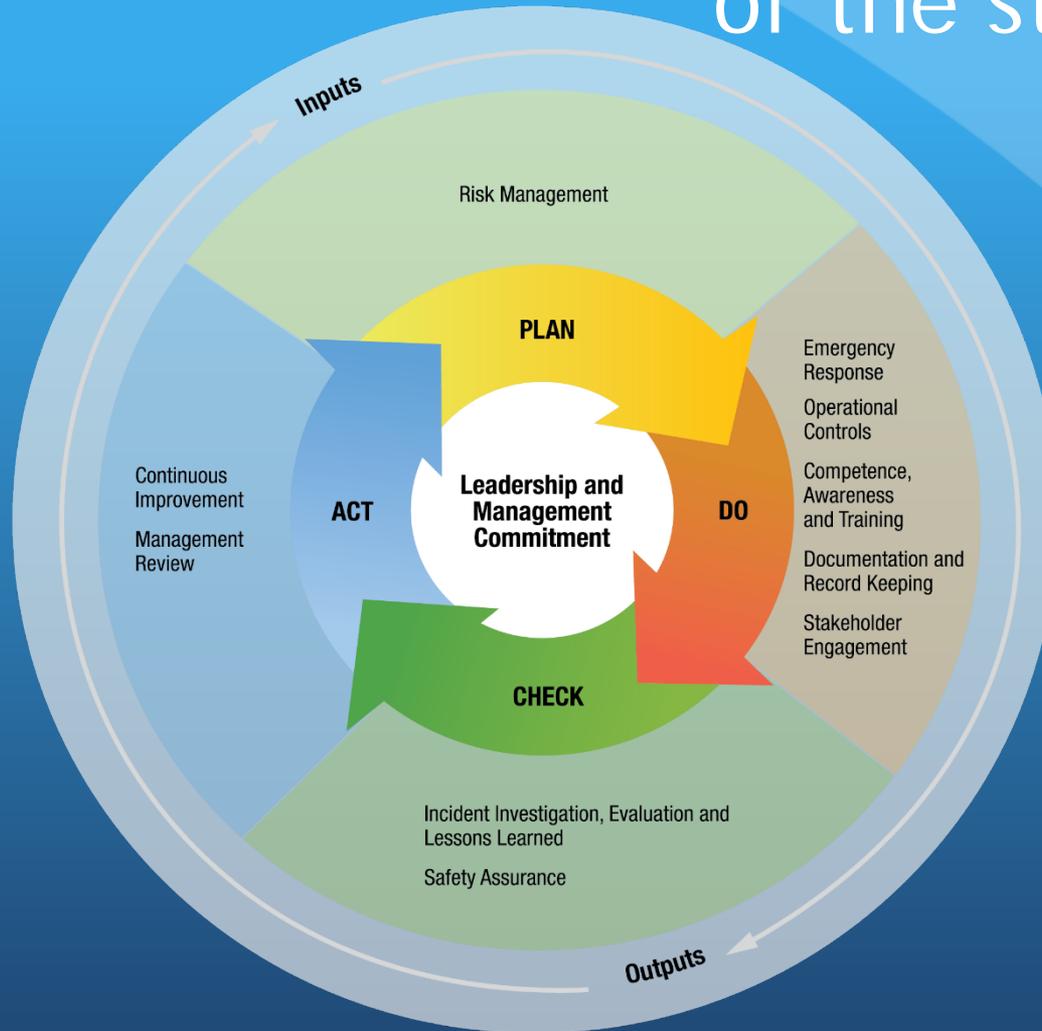
- Assumptions in organizations help justify the rationale behind decisions that become easier to make
- We select information which will not mess with these assumptions to avoid what is inconvenient.
- We agree we don't need to make changes because "a major accident won't happen to us"
- Over time, collective assumptions keep us from integrating new information from the outside.
- This keeps the organization from learning. Can it happen to you?

# High performers with SMS and good safety culture produce certain common outcomes

These outcomes make a difference:

- Enlisting employees top to bottom in a commitment to safety
- Driving leaders to engage stakeholders inside and out
- Clarifying responsibilities for safety initiatives and oversight
- Driving leaders to proactively address safety issues early
- Systemizing regular evaluation of operations to identify and address risks and measure risk reduction
- Routinizing and formalizing safety process review
- Advancing investigating, learning from failures as an opportunity to improve, not punish, and tracking correction
- Ensuring a safe environment for employees to report safety concerns and widening communications up, down and sideways

# Plan, Do, Check, Act - The core of the standard...



Continuous Improvement is the Goal

# Why in RP 1173 is Leadership at the Heart ?

- Leaders Set the Culture!
- Do you have an example of a great leader you think of? Do you think of what makes them so good?
- Where in your company Are The Leaders?
- What is Your Answer?
  
- With a Healthy Safety Culture, we believe  
They ARE EVERYWHERE

# What do Leaders do

- Front Line - identify improvements, reveal risks & own your part of the asset
- Mid Management- ensure process, procedures and training to meet objectives; assess, evaluate and adjust to meet objectives
- Top Management- accountable for continuous improvement
  - Consider employee, public and pipeline safety when implementing Stop Work
  - Bring rigor of employee safety to asset protection - this is process safety
  - Evaluate the safety culture periodically

# How SMS and Safety Culture Connect

- Execution of each element of the PSMS depends on actions of every individual and organizational units at all levels.
- Actions and inactions of individuals at all levels of an operator's organization define the safety culture of that operator.
- The foundation of your operator's safety culture:
  - Policies
  - Operating processes and procedures
  - Continuous vigilance and mindfulness
  - Lessons learned
  - Employee and contractor engagement
  - Communication - up, down and sideways for all stakeholders

# SMS Elements Produce Safety

## SMS Elements Result in Culture

- Leadership
- Stakeholder Engagement
- Risk Management
- Incident Investigation
- Safety Assurance
- Emergency Preparedness
- Vision, confidence, resolve
- Comprehensive commitment/partnership
- Employees connect to being guardians - of people and the infrastructure
- Insistence on learning
- Rigor, culture of trust
- Situational Awareness, resiliency & realism

# Safety Culture - it's the glue

“The collective set of attitudes, values, norms, beliefs and practices that the operator’s employees and contractor personnel share with respect to risk and safety”

“It is the glue”



# Where ever you fit in the company -Ask "What is MY Role"

- How can you help in advancing Leadership, Risk Management and Safety Assurance in your company?
- How should your company assess itself against this standard? Which improvements first?
- Have something to say: is it better to be in on the ground floor or wait till this process is more mature?
- Support your company begin to assess its policy and processes vs the standard API 1173 now, if you aren't already doing so
- Ask how you know if your culture is working.
- Understand and emphasize : this is an evolution.

# How can you play a positive role?

- Identifying barriers and behaviors that inhibit safety culture
- Determining what affects safety culture in your company
- Determining if there are concerns with sharing and tracking lessons learned from adverse events and if so, how to resolve
- Recognizing what is a **system failure** rather than a personal failure
- Planning for greater transparency with internal and external stakeholders - Opening up may be your greatest challenge
- Evaluating your contribution to defining policy and vision -Give safety the highest value, create vigilance and engage everyone in protecting the public, themselves and the infrastructure assets

# Can you help with culture diligence?

Maintaining a positive safety culture requires continual diligence throughout the organization to notice and address issues:

Complacency

Normalization of deviance

Production pressure

Fear of reprisal

Over confidence

Tolerance of inadequate systems and resources

# Determining what you need to know about your safety culture...

Every operator has a safety culture, operating at one level or another. Executives and Senior Management must navigate a path to a stronger culture:

1. Determine the level at which the safety culture currently functions, being realistic.
2. Commit both in words and actions to continuously enhance the safety culture
3. Chart the path forward, move forward and check progress, and recalibrate where needed.

# Indicators of a Positive Safety Culture

- Embraces safety (personnel, public and asset) as core value,
- Ensures everyone understands the operator's safety goals,
- Fosters systematic consideration of risk, including what can go wrong,
- Implements change when necessary,
- Allocates adequate resources to PSMS execution,
- Encourages employee and contractors engagement and ownership,
- Fosters mutual trust at all levels, with open and honest communication,
- Promotes a questioning and learning environment,
- Reinforces positive behaviors and why they are important,
- Encourages two-way conversations about learning and applying lessons &
- Encourages non-punitive reporting and ensures timely response to issues.

# Knowing Culture and SMS Are Working

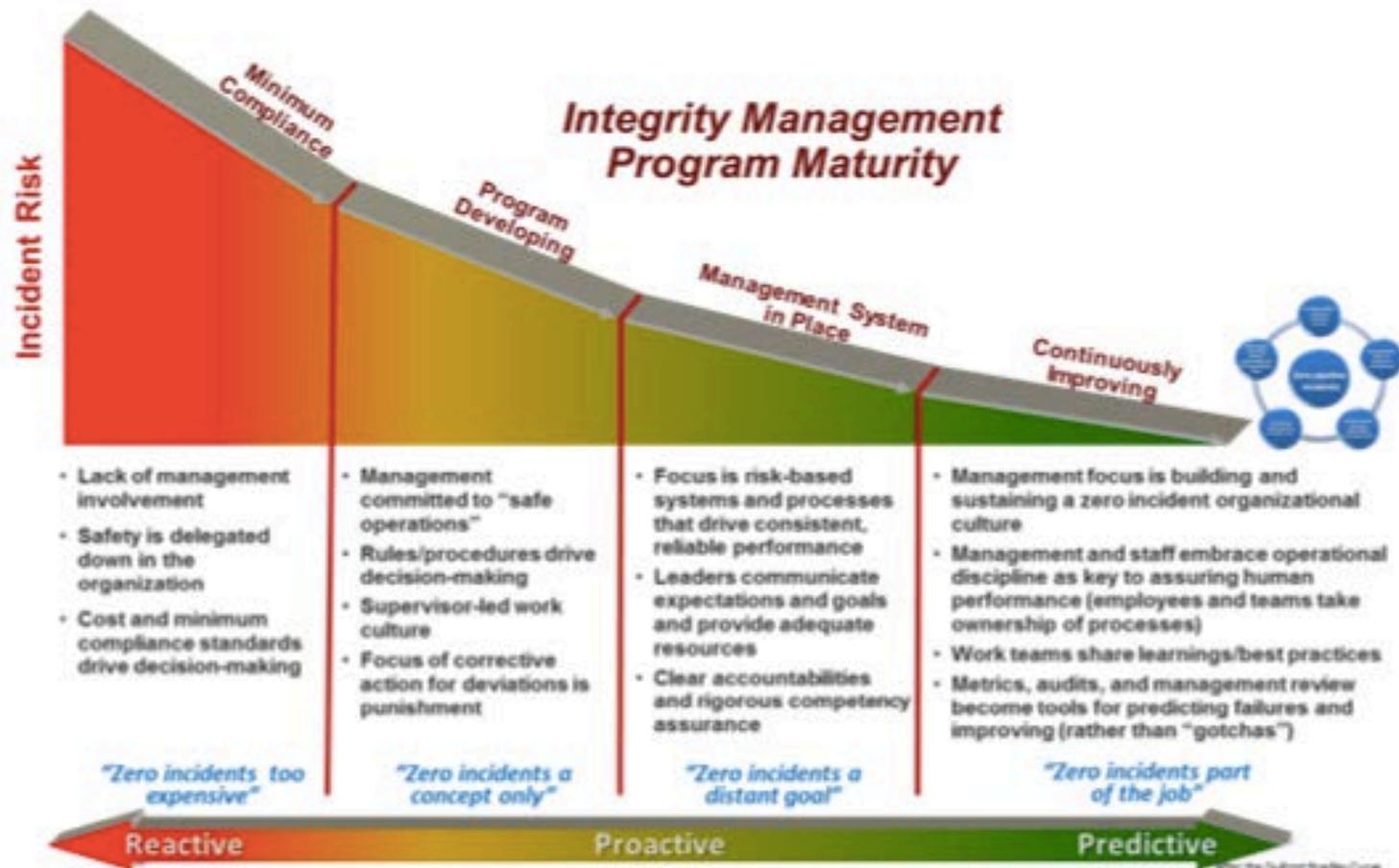
Safety Assurance New Focus- The “Check” in PDCA

- Auditing
- Evaluation
- KPI's on risk reduction specific threats

Using a Maturity Model to gauge planned progress against estimated targets

# EXAMPLE : How we know it is working

## Assessing Maturity



# Sample of Maturity Stages/Indicators

	1. Conceptual approach developed	2. Deployment undertaken	3. Results measured	4. Continuous improvement
	<ul style="list-style-type: none"> <li>Approach is documented.</li> </ul>	<ul style="list-style-type: none"> <li>Approach is implemented</li> </ul>	<ul style="list-style-type: none"> <li>Approach is monitored, reviewed.</li> </ul>	<ul style="list-style-type: none"> <li>Improvement initiatives focus on making process more systematic</li> </ul>
Management Leadership and Commitment				
	Safety policy reflects commitment to continuous improvement in risk reduction.	Established goals, objectives, responsibility, authority and accountability .	<ul style="list-style-type: none"> <li>PSMS analyzed and monitored at top and mid-levels</li> </ul>	<ul style="list-style-type: none"> <li>Assessment process to determine skill levels to execute risk controls.</li> </ul>

# Sample Maturity Stages

<p>Risk Management</p>	<p>1) Risks assessment process is defined with direction to assess and address according to clearly established criteria.</p>	<p>2) Risks to employees, the public, assets, customers, and the environment are identified, assessed and controlled</p>	<p>3) Improvements measured in many areas of safety and operational efficiency, including leading indicators on processes leading to specific threat reduction.</p>	<p>4) Analysis of aggregated data discerns integrity risks not otherwise observed from independent review of individual data elements.</p>
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# Help Build Safety Culture thru Interaction with Others

- Clarify the iterative nature of continuous improvement
- Explain decision points in setting goals and evaluating results
- Explain objectives in structuring audits - what are you looking for in results - this is your plan and your evaluation
- Be proud of measuring progress against your plan
- Point out the process of increasing comprehensiveness & being systematic is planned, routinized and trackable

# Embracing Safety Culture to Inform Your SMS is Your Best Bet for Safety

- Your company is better informed, making better decisions with a maturing SMS and safety culture.
- Your regulator is watching and waiting, hoping for good reports over the next five years, cautiously optimistic, that you will step up to building your safety culture and SMS.
- And the regulator in Virginia is the greatest champion of safety culture there could ever be, so appreciate that you have such leadership here.
- I am proud to be his co-conspirator and a Virginian!