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Managing Organisational HSE Performance and Prevention of Workplace Fatalities – Back to Basics

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There is a lot of attention on current safety performance in the resources industry, in line with several fatalities recently sustained in various operations around the country. Severe and debilitating injuries are also on the rise and should not be forgotten. Even the state minister of mines focused recently on a number of fatal accidents and publicly delivered a reminder to organisations operating in this sector about the “... complacency in regard to safety”.

Leaving aside other important issues such as legislative system governing resources industry in Western Australia, lack of media attention to workplace fatalities and apparent semi - normalisation of workplace deaths in general society (when compared to road fatalities for example), one very important question needs to be asked.

Are we focusing on the right things at all?

It seems that we are not. Looking at recent comments by some government officials in Western Australia, we should not even bother as mining is just ‘dangerous’ business and ‘workers just need to be more vigilant’. I suppose we should just normalise ‘inherent danger’ of mining and normalise workplace deaths. Let’s ignore those mindless comments and focus on important things for a moment.

If we are serious about prevention of harm in the workplace, especially prevention of fatalities, what are our current strategies? The reality is that vast majority of operators in the resources industry predominantly use reactive and binary approaches in trying to measure health and safety. They are still focusing on meaningless audit compliance percentages and various lagging indicators in an attempt to identify where the issues are and how to fix them. It makes as much sense as waiting to be stranded with a broken down vehicle on the side of the freeway before realising that an engine needs oil to be able to function. It is a true case of trying to manage organisational performance by measurement of failures. Something bad happens; we react by adding more training, discipline, systems, processes and tools and hope that we have pushed the risk profile down and that organisational ship is sailing in much calmer waters, at least for a while. We also talk about organisational culture, leadership and our commitment but one critical thing almost never changes substantially. The perception on the shop floor of what is really important on the operational level,

specifically what is rewarded, valued, seen as a real priority, how operational decisions are made and how balance between production and protection is maintained.

Many organisations which have experienced fatalities had very low recordable injury frequency rates, clearly showing that most HSE paradigms based on traditional measurement methods and reactive thinking are ineffective. Yet, we are still using them. In fact the whole concept of trying to manage health and safety by numbers makes very little sense. Imagine what it would be like if we were to manage nuclear reactor this way, or an airplane manufacturing process for example. Disasters would be the only way of learning. We seem to be great in being proactive in so many operational and technological areas, yet when it comes to health and safety we are still helplessly staring into frequency rates and waiting for a next failure to tell us how we are performing. One of the key reasons why we continue to pursue failed approaches is our inability to understand what drives human behaviour and decision making, especially at line management and shop floor levels and specifically in relation to operational priorities.

In the main, most 'proactive' safety efforts currently applied in the industry seem to be focused on a 'person approach', and are specifically aimed at 'fixing' people on the sharp end through training, awareness, discipline, behaviourally based observations and myriad of other things. Regardless how much this approach continuously proves itself unsuccessful; it continues to be applied over and over again. It is almost as if it is the only thing we know.

It is tragic, as we do know better. We know that successful management of safety is made of more than just one component. Aside from systems, processes, proper tools and equipment, the most important components are **leadership, culture, and operational discipline**. One monumental underpinning component without which there is no progress is safety culture. **If we are to truly define meaning of safety culture, it would have to be the way priorities are being set, communicated via formal and informal methods, and executed in the workplace – at operational level.** This is the area where all systemic safety efforts are either successful or are broken. Clear management expectations on accepted behaviour and **risk mindful work execution practices** are what really prevents fatalities in the workplace, not the shared values and beliefs of the collective as the safety culture is commonly described. There is no magic involved; safety needs to be so important that it becomes critical measure of success in every stage of the work execution practices. This attention and enforcement of safe practices must flow from the top of the organisation to the bottom to be considered a true safety culture. As per old management paradigm, what management demands is what is most likely to get. This requires leadership and integrity.

Whilst we are continuously seeking to make our employees more situationally aware in work execution, the real question we need to ask ourselves as leaders is, are we situationally aware? Are we collectively lured into a paradigm of trying to manage organisational health and safety performance by numbers and negative outcomes alone, whilst we continue to take large, miscalculated risks for the sake of increased production? Although production does pay for protection, there has to be a perfectly even balance between those two 'opposing' factors, and it is the culture of safety in operational decision making which maintains this critical balance. How are we making sure that balance between production and protection is maintained and the imaginary scale is not tipped to one side? Do we know what our critical risks are and do we have effective controls in place? Are we resourcing appropriately for safety to create a clear vision of where we are going or are we running half blind most of the time? No organisation can tip this scale permanently to one side and sustain stable, loss or fatality free performance indefinitely.

To illustrate critical steps involved in creating the culture of safety as operational priority, I like to offer following example:

Few years ago, I was assisting an organisation which was experiencing some significant issues with their safety culture, especially in terms of decision making, poor choices and behaviours, causing serious negative events in work execution. The organisation has already tried several cultural interventions including behaviourally based safety programs, seemingly with little improvements. In an attempt to improve its workplace culture the company even developed a recruitment strategy aimed at targeted intake of employees from larger, more reputable and more safety orientated organisations, again with little success. This was constructed in a belief that employees with higher safety standards and values will somehow raise the standard of those around them. The effect was completely opposite. Over time, new employees conformed to norms and practices accepted, recognised and silently rewarded in their operating environment. Some of those new workers managed to keep their work standards but did not influence anyone else around them. The culture in operation and messages of what was really important simply did not support the new 'desired' ways of working and an attempt to create a safety culture from the bottom up failed. Key ingredient for safety was missing – leadership.

Buy why?

Answers soon appeared as I continued to interact with senior operational leaders. It was obvious that some culture of safety was present; however it was grossly overshadowed by culture of 'production at all costs'. Safety was talked about a lot however when faced with operational challenges and priorities, everyone knew that whatever happens, production targets cannot be compromised. When it counts the most, the scale was tipped to one side and the actual practices did not align with advertised organisational commitment, quite on contrary. This in turn clearly set expectations to all operational staff, regardless of what was written or proclaimed in documents or any other method of communication. All confidential feedback indicated that behaviours and decision making at critical points in work execution were biased and compromised, regardless of what was written in official incident investigation reports. When asked about the function of safety professionals, one senior operational manager replied: "Well, we do what we do to achieve targets and they try and keep us safe".

The balance of production versus protection was actually tipped slightly at the very top of the organisation, mostly intentionally and through selection of targets, priorities, rewards, recognition tactics, promotion methods and other organisational practices. Safety was verbally promoted. Every meeting at every level was started with a safety share but the practices even at the highest levels contained different message. As this message cascaded down through stratum levels, the amount of distortion was further amplified until it reached the coal face where it created 'production first and foremost' culture. There we have it, the board and executive team sits at the top of the company absolutely puzzled what creates such poor behaviours and decisions which result in so many injuries and losses not even realising their own contribution to those events. This is a staggering commonality in organisations of all sizes operating in Australian resources industry. Brave are those executive teams which recognise those contributions and embark on the journey of recovery. This organisation was one of those.

My feedback to senior decision makers was received with surprise and a great deal of concern. This was not the behaviour they truly wanted on the shop floor. I asked them if there was ever a survey of the workforce and the answer was negative. I also asked about production targets and bonuses as well as how people are selected for promotions and if safety performance forms a critical factor in promotions. I did not have to ask any more questions, silence was deafening. Entire executive team clearly understood that there is a whole chain of factors setting up human perception in the organisation on what is really important, valued and rewarded. The balance between production and protection was leaning too far towards production, causing a specific line management culture in operational decision making called – just get in and get the job done.

Operational practices often clearly contradicted publicly professed values and company procedures; further eroding safety culture and causing sarcasm and apathy across the workforce.

In addition, senior company leadership was disappointed that they were not aware of what was really happening at the coal face. As a result of very open and honest discussions at this level, a number of causation factors started to appear, clearly indicating how budget was formed and profit margins were estimated, how operational targets and priorities were set and what emphasis was placed on a failure to deliver it. Under strict expectations and targets, in terms of positive and negative stimuli, human behaviour can be very creative in finding the ways of delivering and achieving targets, even if it means breaking a few rules and creating communicational silos and barriers. Perception of operational leaders at execution levels was such that a failure to deliver production targets was seen as a major failure and career limiting. Safety issues and delays were not treated as valid reasons for not achieving operational goals. Behaviour and operational decisions made by the front line managers set and defined the real culture for the business, regardless of that was considered to be the real culture in the board room. They simply reacted to what they perceived was important to senior decision makers and tolerated risks much larger than what the organisation was prepared to tolerate. To some extent, executive level sensed that something like this was happening but did not act on it in fear of losing productivity and not being able to deliver promised outcomes to the board of directors. In order to improve, the organisation needed to redefine its risk appetite, risk tolerance and communication processes.

I am sure that readers have encountered similar organisations through their own experience. The issues described above are not uncommon in resources industry.

The subject of conversation quickly changed to a cliché – the organisation needed to **go back to basics**. Ideas flowed from senior decision makers. Many things were put on the table, retraining and awareness of workers, more systems, senior leadership field interactions, more behaviourally based programmes restructures, etc. The conversation was heading right back to a ‘person approach’. The key leader in the business interrupted the conversation. His next sentence created a start of the new journey for the organisation. He said: “**Back to basics starts right here in the boardroom**. No one goes home until we work out how to create unified view of the level of risk we are prepared to take as a business, create and communicate clear expectations on priorities in operational decision making”. He turned to me and asked:

“What is the most important step in an organisational approach in managing HSE risks? “

I was glad he asked this. This is a fundamental question many organisations with similar issues need to ask and answer internally. My answer was simple, although there is nothing really simple about it.

It is a creation of safety culture, and needs to start at the board and executive levels. This is an interesting term with a number of different meanings. In terms of safety, this is not what is commonly described as a common set of values, beliefs and behaviours. People at all levels can hold a number of values or beliefs and at the same time act completely contrary to them. When it comes to safety culture, there can be only one meaning. Safety culture is all about **organisational practices**, especially those at operational levels and about operational decision making. Things we actually do as part of operational decision making and which have direct effects on health and safety of people. This culture is started at the top and encouraged, applied, implemented and enforced at all levels of the organisational operational decision making as a matter of routine. It simply means **‘this is the way we do businesses around here**.

Yes, we have all heard that good safety performance and resources invested in protection pay themselves off in the long run, but few organisations systematically practice decision making processes aimed to remain within this doctrine. Even fewer senior decision makers truly believe in safety being translated into sustainability and profit and are often unable able to resist the

temptations of a quick gain, especially if this is what is truly valued as a success in an organisation. For safety to be successful, one thing is absolutely fundamental – the safety culture in terms of expected norms, behaviours and practices where safety is clearly given operational priority in operational decision making and consistency of those practices are rigorously reinforced from the top down. In other words, an operating environment where everyone knows what good performance looks like and success is only recognised and consequently associated with the absence of harm to people and environment. For this to occur, an organisation needs to clearly define its appetite for risk, specifically in terms of what is prepared to tolerate for financial gain. Also it needs to have integrity and be true to its goals. It is really that simple. This should be done for two reasons. One is for an organisation to be able to enforce its direction at all levels and also to ensure there are no mixed messages in the workplace. Operational stakeholders must know where their priorities are, clearly and in no uncertain terms. This requires high maturity from the most senior organisational levels, specifically boards and executive teams.

I suggested the following steps:

- **Define what an overriding organisational priority, and communicate it clearly to leadership functions.** This is a precursor to creating a safety culture and it starts at the board room level. It is all about the real commitment to safety and organisational risk tolerance. The reality is that regardless of the legislative requirements to drive risks to as low and reasonably practicable (ALARP), organisations have variable risk tolerance, based on company operational ideology, legislative scrutiny, operating and financial constraints, costs, and preparedness to accept certain losses for much larger gain in terms of health, safety, environment and sustainability in general. This is really an issue of the overall organisational risk perception. Since top management is made of people, there is always room for more training in risk, regardless how much some people may believe they already know it all.
- **Be serious about it.** There is absolutely no point in defining the above if the senior leadership appetite for enforcing it is not there. This is what the commitment is all about. Nothing will work without it, it will simply fail and create a repeat of the adverse events and losses
- **Communicate your expectations.** This means obtaining the agreement from key operational line managers about the change and breaking down any communication barriers which may hinder progress of this critical message. Make sure your workforce forms the part of this forum and is aware of the company commitment on safety and this is fully demonstrable. People will either come on this journey or not, leave no other choice available.
- **Make safety an operational priority in decision making at all levels. Enforce your expectations.** Reward, acknowledge and mandate exceptional safety performance from your front line leaders. Ensure they promote and enforce critical procedures. Reassure them that taking time to reassess a task and ensure safety and reliability is precisely what the organisation wants. Normalise this behaviour, consistently and at every level and opportunity. Educate line management and show them how safety delivers sustainability and increased effectiveness and organisational performance. Believe to make them believe it. Invest in their training and development as this is the critical layer of management when it comes to safety performance. Develop appropriate, meaningful key performance indicators (KPI's) and implement them in your operations. Maintain balance and do not allow this to become number driven initiative. Be prepared to enforce your expectations even if it means a loss of some experienced front line managers. People will either fit in this

new culture or not. Involve your workforce in operational decision making, they usually know the operational details much better than any manager

- **Allow for safety at the work execution.** Plan and resource for safety, seriously. This means appropriate ratio of supervisors and safety professionals. Resist the urge to listen to various business consultancies and drastically reduce safety staff. This will deliver short term cost savings but your long term safety performance and bottom line may suffer. Supervisors, managers and operational staff are not safety professionals, they need that professional support. If safety was so easy to manage we would not have fatalities in the first place and our tertiary institutions would not bother offering OHS courses of any level. Create your production targets with safety in mind and make those achievable and realistic. True rewards from operating the business safely come through sustainability over longer period of time. Resist the urge for quick wins and short term benefit.

Many organisations publicly declare their commitment to safety; have safety values, safety mission statements and many other ways of trying to demonstrate commitment but their practices show otherwise. Regardless of anything else, actual operational practices and decision making are true culture of any organisation and are at the core of most workplace fatalities, disabling injuries and various other losses. To prevent further fatalities in the industry, organisations need to focus on the above and challenge their status quo at the most senior levels. There is no other way around it. Application of 'person' approaches has not delivered anything useful so far and it is unlikely it will in any foreseeable future. Safety is not a behavioural or technical problem, it is a leadership problem and needs to be addressed from top to bottom, never the other way around.

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