

## The E.Vironment Benchmark

E.Vironment is proud to provide The E.Vironment Benchmark, a periodical focused on leading-edge thinking in the advancement of Environmental, Health and Safety Management practices. This issue has been prepared jointly with our Alliance Partner, King Chapman & Broussard.

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## Safety Culture

### **BUZZWORD OR BUZZKILL?**

Recently, we have heard the term “safety culture” used frequently in the popular press. News reports on the Deepwater Horizon explosion and oil spill often raised the term “safety culture” in trying to assign a reason for the disaster. As we have listened to reporters and people on the street talk about safety culture, we wondered how they were using the term and what it means to them. Is it just another industry buzzword? Or, could a deeper understanding of this phrase make a difference in countless companies’ safety records?

E.Vironment professionals and their associates at King Chapman & Broussard have worked diligently to study and improve safety performance in energy companies and other industrial settings. This includes upstream and downstream oil companies as well as chemical companies where worker safety is a fundamental concern. As a result, we are launching a series of Benchmarks on current topics related to *sustained* safety excellence. In this first Safety Benchmark, we address the importance of a recognized and supported safety culture.

This Benchmark will examine safety culture from a disciplined point of view, to see if there is anything of value that can be learned by those who manage and work in industrial settings where safety is such a powerful focus.

## COMPREHENDING CULTURE

According to The Oxford English Dictionary,<sup>1</sup> the word “culture” in the English language includes the following definitions:

- ▶ Cultivation – a cultivated condition. This includes cultivating and development of the mind and practices....by education and training.
- ▶ Training and development of the mind, tastes, manners.
- ▶ Condition of being trained and refined.

If we apply those definitions literally, the term “culture” means to be cultivated, developed and trained so that it becomes a condition of being for the individual. In this case, we could infer that the goal of a safety culture is to cultivate, develop and train so that each individual increases the capacity to be safe.

The term “culture” also has unique meanings in management literature. In their pioneering work on Corporate Culture, Deal and Kennedy defined organizational culture as “the way things get done around here.”<sup>2</sup> It is the specific collection of values and norms that are shared by people in the organization that control the way they interact with each other and other stakeholders. The sharing of these values and norms occurs through actions/non-actions and conversations/non-conversations.

The concept of a safety culture first gained prominence in the wake of the Chernobyl nuclear power plant disaster in April 1986, which drew attention to the impact of managerial and human factors on the outcome of safety performance. This phrase was introduced as a means of explaining how a lack of knowledge and understanding of risk and safety by the employees and organization contributed to the disaster.

Using the term does not ensure understanding the consequences. In the early 1990s, Bob Chapman, currently Managing Partner for King Chapman & Broussard, Inc., taught a leadership and strategy course in Moscow. Participating in this course were several key officials from the Soviet ministry that built and operated Chernobyl. Chapman had several intriguing conversations with these men about how badly the accident reflected on the quality of their plant design and operations. Ironically, their response was to blame one individual, rather than to identify larger cultural and systemic issues.

A desired safety culture is one that promotes safety, high performance and responsibility for all.

Although the safety culture concept is still largely misunderstood, there are a number of common characteristics. We believe that a safety culture is one in which beliefs, values and attitudes about people’s safety, health and well-being are shared by – and demonstrated by – an entire group. A desired safety culture is one that promotes safety, high performance and responsibility for all.

“Changing a culture begins with leaders clarifying the organization’s values,” maintains Chapman. “This change cannot occur until leaders are acting consistently with those values. Critical to these actions are the conversations in the organization that seem to question or undermine the organization’s commitment to safety.”

<sup>1</sup> Oxford English Dictionary

<sup>2</sup> Deal T.E. and Kennedy A.A (1982) *Corporate Cultures: Rites and Rituals of Corporate Life*, Hammondsworth, Penguin Books



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“Safety culture lives in employee discussions.”

— Paul Pizzi



### SAFETY TALKS

The culture of an organization is passed along through conversations and actions. “In fact, safety culture lives in employee discussions,” explains Paul Pizzi, Managing Partner of E.Vironment. “Establishing a desired safety culture requires changing the conversations around safety.”

While top managers provide a visible leadership role, safety culture change ultimately occurs by modifying the interactions between hourly workers, front-line team leaders and supervisors. Sustainable change in safety culture will not occur until there are dramatic changes in these conversations.

Desired safety conversations should include maintaining proper balance between safety and production. Among workers there is often a belief that “management talks about safety but all they really care about is production.” This conversation needs to be challenged and clarified. In addition, it’s important for line supervisors and managers to engage employees in discussions addressing situations that might involve taking unsafe shortcuts. Employees should also talk over the realities of “real work” versus company policy.

“When we speak about changing conversations, it should be noted that what is NOT said is often more important than what is said,” explains Chapman. “In changing and maintaining a safety culture, it is essential to identify and discourage those conversations that are considered ‘off limits.’ While it may seem ironic to talk about ‘unsafe conversations about safety,’ at the end of the day those are the most important elements to change if we want to enhance the safety culture.”

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## COMMITTING TO SAFETY

A safety culture does not consist of a binder of policies on a bookshelf. Rather, it embodies the organizational values that shape behavior and lead to safe or unsafe acts. As a result, changing a safety culture begins with aligning the values of the organization.

### This alignment might include:

- ▶ Putting safety in each manager's annual objectives and incentives for compensation.
- ▶ Adding "safety communication" to each manager's job description.
- ▶ Making management changes when safety performance is not acceptable.
- ▶ Becoming personally involved when safety incidents occur.
- ▶ Continually raising the expected level of safety performance.

"Alignment begins with top managers articulating their commitment to safety, behaving consistently with that commitment and ultimately taking actions that demonstrate their commitment to safety," explains Pizzi. "In talking about the apparent conflict between increased production and improved safety, it's important to eliminate the perceived 'either/or' between production and safety."

## BUSINESS IMPACT

Safety culture has dramatic impacts on businesses beyond the obvious avoidance of catastrophic failures like the Deepwater Horizon drillship disaster. A business will prosper when its culture promotes employees being alert, accountable and acting in a responsible manner for the safety of their colleagues.

In a company with a positive safety culture, each employee will be engaged in the importance of safety and feel empowered to ask questions that further encourage them to deliver results safely.


CEOs can jump-start the alignment process by talking to employees and contractors personally about their commitment to a safe work environment, ensuring that they both understand that they are key contributors in the safety performance equation.

"For example, a CEO could say 'I want every person working here to go home in as good a condition as they did when they came to work,'" explains Chapman. "Or, they could even personally authorize anyone working on a production unit to shut it down if they perceive an unsafe condition."

These communications are most effective when an executive's compensation is tied not just to the performance of the business unit, but to the safety performance of the entire organization. When management compensation is affected due to unacceptable safety performance, it sends a strong message throughout the organization about the safety culture.

Along with personal communications, executives must also "walk the talk," by translating their words into actions.

"When we interviewed the CEO and senior management team of an integrated oil company last year, every one of the executives in a large business unit spontaneously mentioned the unwavering commitment to safety of the executive vice president in charge of that unit, as evidenced by his actions," remembers Pizzi. "His actions made a powerful impact on everyone around him."

An organizational culture that promotes being safe will also promote being responsible for effectiveness and quality. Improved performance will occur as employees commit to excellence in both safety and production. 

### For more information

For more information on safety excellence and development of a safety culture, please contact Paul Pizzi ([paul@environmentgroup.com](mailto:paul@environmentgroup.com)) or Bob Chapman ([BobC@kcbcg.com](mailto:BobC@kcbcg.com)).

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Bob Chapman is the Managing Partner of King Chapman & Broussard Inc. in Houston, Texas. KCB consultants are thought leaders in corporate transformation, which may include safety strategies, implementing safety leadership and building safety cultures. Executives trust KCB to guide them in implementing solutions to complex

business and organizational challenges. KCB's consulting often links improvements in safety with breakthroughs in business performance and leadership. Bob has consulted to energy and natural resource companies in Asia, Europe, North America, and South America. He is a business writer and speaker. He has published four books including, most recently, *Foundational Leaders: Cornerstones of Strategic Execution* (2009).

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Paul Pizzi is a Managing Partner of E.Vironment and heads the firm's Strategic Management practice, which includes Senior Management Alignment, EHS Function Optimization, Business Risk Management, Process Safety Management, EHS Management Systems and EHS Auditing and Compliance Assurance. He works with senior management and EHS leadership of

leading chemical and energy companies in shaping their short- and long-term EHS direction and strategy and in understanding the business impacts of emerging EHS issues. Paul has advised the management of global leaders such as Dow Chemical, BASF, LyondellBasell, ConocoPhillips, Shell Oil, Anadarko and Marathon.

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