

Achieving Safety Excellence in a Global Organization: New Research about the Role of Organizational Culture

**James B. Spigener
Vice President, BST
Ojai, California**

Introduction

Creating safety excellence poses special challenges to organizations with a global presence. Perhaps the greatest barrier to success is the perception that local culture determines outcomes. Comparing safety results by region adds to the confusion; the quality and reliability of injury data varies widely. Many leaders fall into the trap of assuming that the data is representative of the local culture, or that it predetermines future success (or lack thereof). We commonly hear leaders say, “People there just don’t value safety,” or “Workers in that country aren’t very educated (or smart).” These assumptions not only skew the facts, they create a sense of helplessness that undermines the potential for high performance. Just as with productivity or quality, the activities that determine success in safety are consistent across regions. Emerging evidence from hundreds of organizations is showing that the *what* of safety excellence is consistent everywhere, it is the *how* that changes.

Premises and Trends

Through data collected and analyzed from hundreds of organizations in over 30 countries around the world, the following foundations have emerged:

- Operational culture can be assessed, evaluated, and isolated from local cultural conditions.
- There are nine clear dimensions that are predictive of performance outcomes.
- These cultural dimensions or characteristics do not vary due to national or local cultures.
- The reason for this consistency is that leaders decide, and determine, what happens within their operations.
- Finally, that there are specific strategies and skills leaders can adopt that are effective in ensuring performance outcomes.

In addition to understanding the role of culture, general global trends around workplace safety have also been consistent. These themes include the surprising circumstance that organizations that perform well in safety tend to perform well in production, quality, and profitability... however the reverse is not true. Further trends include culture as an increasing focal point for

safety interventions, the view of safety in a systemic framework rather than a programmatic one (a view that promotes the focus on exposure rather than injuries), and the advancement of senior leaders taking on a safety leadership role.

All of these trends point to the increased understanding both of the consequences of safety performance and of the comprehensive nature workplace exposure to injury.

The Role of Culture

Given this set of foundations, an appropriate question is to ask what is meant by culture. Below are two broad definitions, both of which serve this purpose:

*“A pattern of **shared basic assumptions** that the group learned as it solved its problems of external adaptation and internal integration, that has **worked well enough to be considered valid** and, therefore, to be **taught to new members as the correct way to behave**” – Edgar Schein*

*“...consists in **patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiment in artifacts; the essential core of culture consists of **traditional ideas and their attached values**** ” – Kluckhohn*

Culture, no matter the context, essentially comes down to *the way things are done around here*. This manifests in formal and informal methods of accomplishing work. Further, when strategy and culture are in conflict, culture is generally victorious. As mentioned previously, leadership creates culture but leadership also creates strategy. It should be clear at this point that there exist many opportunities for alignment, and that priorities at cross purposes will typically foster stasis. So, how can culture be measured to allow a global organization to improve safety in an effective way?

Measuring Culture

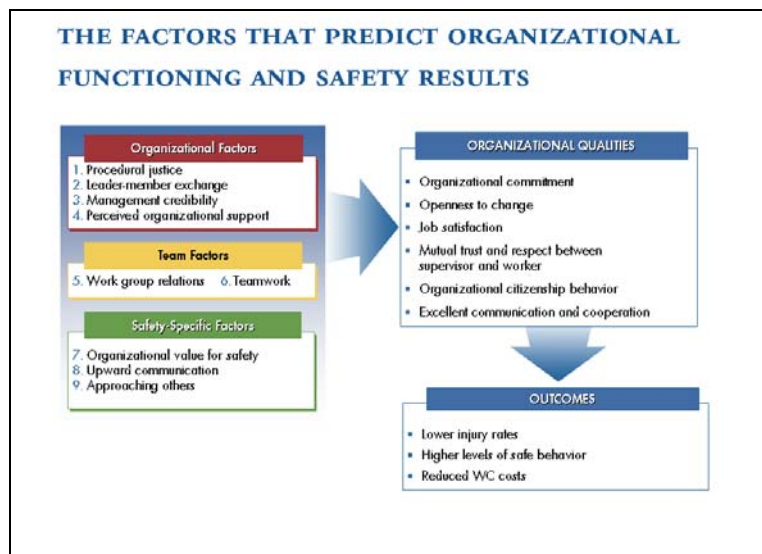


Exhibit One. Reliable factors predict organizational functioning.

A desired set of outcomes, such as lower injury rates and higher levels of safe behavior, have a predictable set of organizational qualities that lead to the daily practices to produce those outcomes. Moving even farther back, a validated, measurable set of factors reliably predict these desired qualities, and these factors prove to be remarkably consistent across languages, countries, and regions:

Organizational Factors

- (PJ) *Procedural Justice*: Fairness and transparency of supervisor's decision-making process.
- (LMX) *Leader-Member Exchange*: Level of mutual trust and respect between employee and supervisor. Employees treated with dignity.
- (MC) *Management Credibility*: Management actions consistent with words.
- (POS) *Perceived Organizational Support*: Employees perceive organization values them.

Team Factors

- (WGR) *Work Group Relations*: Level of mutual trust and respect among co-workers.
- (TW) *Teamwork*: Ability of the workgroup to effectively get things done.

Safety-Specific Factors

- (OVS) *Organizational Value for Safety*: Extent to which employees perceive that the organization is serious about safety performance.
- (UC) *Upward Communication*: Extent to which safety concerns, suggestions, and ideas flow upward through the organization.
- (AO) *Approaching Others*: Extent to which employees are comfortable about speaking to one another about safety.

These factors are typically measured through diagnostic instruments that measure perceptions from the employee population. Results of these instruments are validated and supplemented through focus groups and interviews. To make proper comparisons among sites within the same organization, sites across regions, and sites among industry types, raw scores are compared to percentile scores that are compiled into a norms database. Consider the following comparison of culture and safety outcomes:

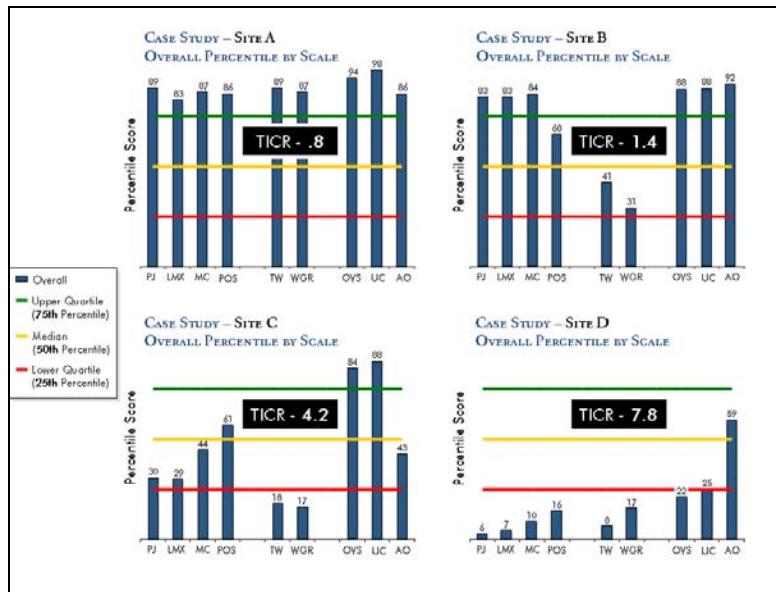


Exhibit Two. TICR (Total Injury Case Rates) from four separate sites within the same organization show a distinctive relationship with each of their organizational culture diagnostic percentile scores.

Consistently across sites and regions the correlation remains the same. This is commensurate with experience: workplaces with positive cultures have stronger safety results.

As mentioned previously, safety is a peculiar outcome in that strong safety performance tends to predict overall organizational performance. Below is a location that measured its organizational culture, then undertook a comprehensive safety improvement initiative, and then measured its culture again:

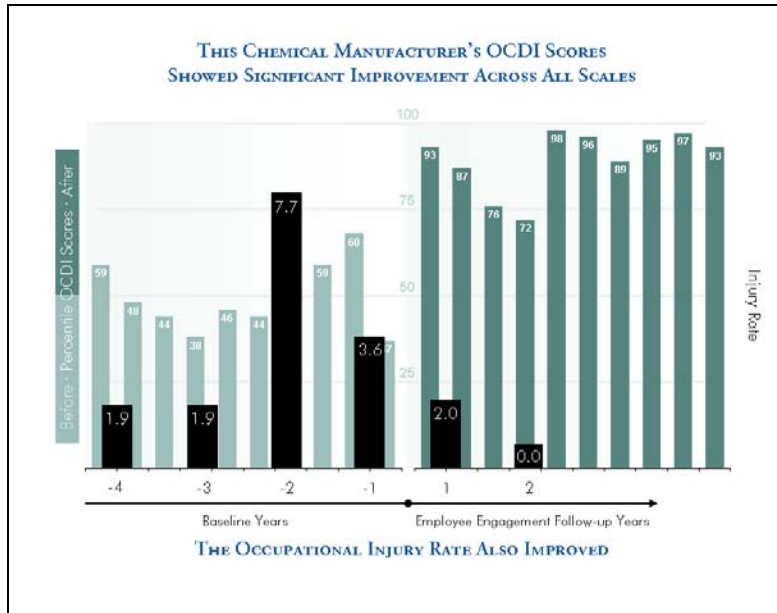


Exhibit Three. This chemical manufacturer measured its culture, then began an employee-engagement initiative to improve safety performance, then measured its culture again. Each scale on the culture diagnostic improved dramatically, without specific non-safety activities to bring these changes to pass.

Safety measurements across regions are not uniform; however, performance improvement from the regional baselines show the same outcome results, both in safety and in culture. Extremes in cultural percentile scores show the same variation, and opportunity, no matter the country:

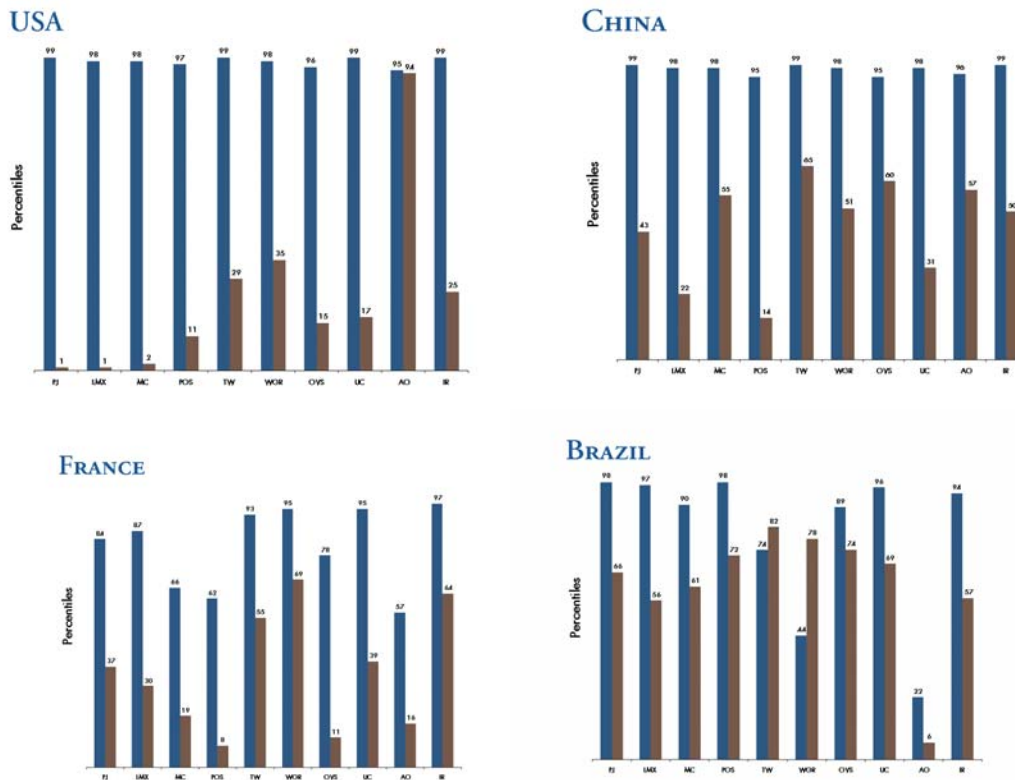


Exhibit Four. Culture diagnostic meta percentile scores show variation, no matter the country.

Even among different countries, there are extremes in culture percentile scores. What may be surprising is that variation in the U.S. is more extreme than in other countries. In all cases, an individual site’s percentile scores would be used to evaluate next steps for safety performance improvement to take place, but data show that there are fewer “cultural issues” to address than previously thought.

Changes of the quality outlined here involve meaningful engagement from the site’s leadership team. Even within the U.S. alone, the average first-year injury rate reduction from employee engagement initiatives is 25%. When leaders are specifically and systemically involved, the average first-year injury rate reduction is 40%. It starts with leadership.

The Role of Leadership

Safety performance (and culture) begins at the leadership level—where directives and objectives are set. Leadership recommends safety management systems and mechanisms, things such as incident investigation, safety committees, safety action item tracking systems, hazard analysis, behavior observation and feedback, and so on. Leadership also determines the priority in which these activities are measured and monitored. Around the world, a set of leadership best practices have emerged that directly influence the cultural factors that predict safety performance.

Best Practices in Safety Leadership

Vision: Safety leadership starts with vision. This means that the senior-most leader at the site needs to be able to “see” what safety performance excellence would look like in that organization. In addition to having a vision for safety excellence, the safety leader needs to convey that vision in a way that is compelling. Being able to get that vision across to other members of the organization is done through word, but more importantly through action.

Credibility: The excellent safety leader is credible to other people in the organization. When the safety leader says something, other people believe him or her and do not question the leader’s motives or understand them to be giving mixed messages. Being credible means being willing to admit one’s mistakes to others, going to bat for direct reports, and representing and supporting the interests of the group with the higher management. It also means giving honest information about safety performance even if it is not well received, asking for ideas on how improve one’s own performance, acting consistently in any setting and applying safety standards uniformly.

Collaboration: The term *collaboration* here means working well with other people, promoting cooperation and collaboration in safety, asking for and encouraging input from people on issues that will affect them, helping others resolve safety-related problems for themselves, and encouraging others to implement their decisions and solutions for improving safety.

Feedback and Recognition: The excellent safety leader is good at providing feedback and recognizing people for their accomplishments. This person publicly recognizes the contributions of others, uses praise more often than criticism, gives positive feedback and recognition for good performance and finds ways to celebrate accomplishments in safety.

Accountability: The excellent safety leader gives people a fair appraisal of the efforts and results in safety, clearly communicates people’s roles in the safety effort, and fosters the sense that people are responsible for the level of safety in their organizational unit.

Communication: The excellent safety leader is a great communicator. He or she encourages people to give honest and complete information about safety even if the information is unfavorable, keeps people informed about the big picture in safety, and communicates frequently and effectively up, down, and across the organization.

Action Orientation: The excellent safety leader is proactive rather than reactive in addressing safety issues. This leader gives timely, considered responses for safety concerns, demonstrates a sense of personal urgency and energy to achieve safety results, and demonstrates a performance-driven focus by delivering results with speed and excellence.

Safety leadership best practices can also be measured through diagnostics, and can be improved through observation and feedback, and through other sustaining mechanisms such as prompting tools.

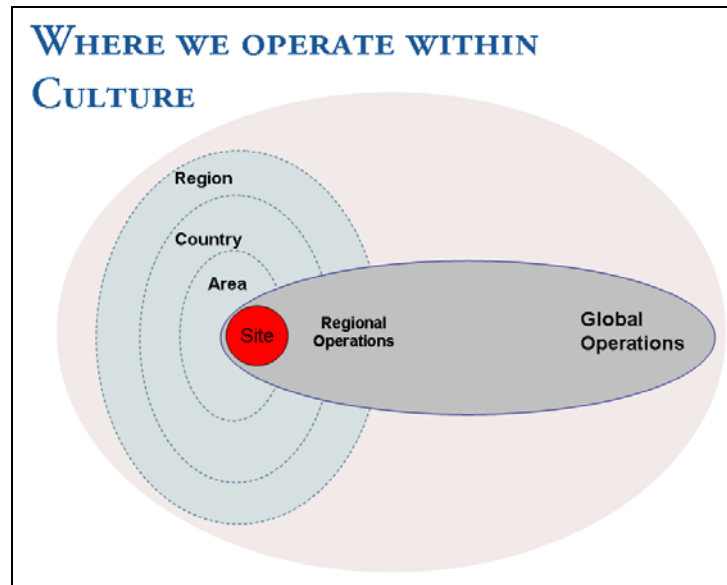


Exhibit Five. The culture of the site is influenced primarily by site leadership and the priorities and practices of the larger organization. Only secondarily is the site driven by country and regional aspects.

Summary: The What and the How

Outstanding safety performance is a goal that is set by the global organization, rather than local culture a site happens to reside in. That goal is driven by corporate and site leadership, and the spirit of that goal transcends regions and languages. That is the *what*. The *how*, to be effective and sustainable, must consider language, custom, and local culture. In summary:

- Local culture is not a determinant of safety performance, it is purely circumstantial.
- Site or operating culture is not a manifestation of local culture; it is a result of the organization, its leadership, and its business practices and processes.
- Good safety performance is based on a systematic, not a programmatic, approach and as such can “protect” itself from external influences.
- Our task is to understand the characteristics of “high performance” and translate that into each and every location/operation.