

7 INSIGHTS INTO SAFETY LEADERSHIP



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CHAPTER 4

CULTURE SUSTAINS PERFORMANCE — FOR BETTER OR FOR WORSE

We've never met a leader that didn't want a better culture for their organization. Statements like, "we need to change the culture," are heard every day in the life of a consultant. What is odd is that the leaders who make these statements usually think they are talking about other people, when in reality they are talking about themselves.

We know that "leadership creates culture;" any leader will tell you that. But oddly enough, "knowing" in this case doesn't reach very far. What is required is finding the connection between what I do as a leader and the kinds of cultural attributes I would like to change. Here is an example from Krause's experience:

I was the CEO of a growing global consulting firm. Doing projects for various types of organizations around the world required a great deal of flexibility. It wasn't enough to know how a project should be done in one location and industry; consultants needed to know how to work effectively in many different environments. They needed flexibility. Yet we were often criticized by clients on this very point. When we didn't win a project we often heard back, "You weren't flexible enough, we needed a partner that was flexible." We also heard that we could be arrogant in the way we talked about our work and the work of others.

Hearing these things was frustrating to me. I was convinced that our methods were technically better than our competitors. We had done the research others hadn't, and we knew

what worked and what didn't. There was no doubt in my mind that we were the best organization in the world at the kind of consulting we did. And I enjoyed saying so. In company meetings large and small, in conversations with colleagues, I loved to talk about how good we were and why.

What I didn't realize is the effect these statements were having on some employees. It tended to make them arrogant and inflexible. I was creating the same cultural attributes I wanted to change.

For leaders who want to change the culture of their organizations, this is the primary challenge: Find the connections between what you say, what you don't say, what decisions you make, what you emphasize, and the effect these things have on the culture of your organization.

Leadership stimulates growth and safety improvement in organizations; culture is the mechanism that sustains it. Culture will either reinforce the changes you've introduced or it will diminish them, depending on the values, beliefs, and behaviors that leaders have engrained in your organization. The fourth insight is that *leadership stimulates safety improvement, but culture sustains performance.*

To say that culture is critically important is not to diminish the role of safety systems. In fact, an organization that doesn't have good safety systems will find it extremely difficult to develop a strong safety culture. This is because leaders who really value safety will learn that safety systems are critically important and they will put them in place.

Organizational leaders who don't have this insight may want a great safety culture, but not realize that you can't fake it. Giving lip service to safety undermines safety culture.

DEFINING CULTURE

To understand this insight, let's first explain what we mean by 'culture.' It is often taken for granted because the concept seems so obvious and so powerful, but few people realize the context in which organizational culture exists. Indeed, it didn't emerge as a subject of inquiry until 1960, and it didn't become prominent until after 1985. Organizational culture as we understand it started with Edgar Schein's observations in the late 1950s.¹

Schein was working for National Training Labs in Boston, doing leaderless training groups, also called "T" groups. Schein and his colleagues were interested in how business leaders acted in groups. Specifically, they wanted to know how authority was related to leadership, how employees decided to follow (or not), and what leaders did to gain informal authority.

Schein would bring a group of executives in for several days of training and he would begin by assembling the group, sitting down with them in a circle, and saying nothing. When people finally asked what was going on, he would answer with a question: What do you want to be going on? And then he would be silent.

What followed was very interesting: People would begin to structure the activities of the group. Leaders would emerge and standards would start to be set. Some individuals were angry, some were having fun, others perplexed. But it didn't take long for the group to begin to develop ways of doing things, and out of this came a sense of group identity, a set of unwritten rules for how things would be done, and an informal designation of leaders. A culture of the organization had been born, often within a few days. Schein named these sets of behaviors "organizational culture" and began to study and write about it. When learning about the organizations he was consulting with, it was of primary importance.

In a formal sense, *culture* is now defined as the shared values, beliefs, and assumptions that govern behavior. Informally, culture is expressed as “the way we do things around here.” Even though most people have heard and understand these definitions, culture can be difficult to pin down because values, beliefs, and assumptions are not directly observable, and “the way we do things” is too vague to be useful. In the book *Leading with Safety*, we present a set of measures, drawn from the research literature, that characterize an organization’s culture and safety climate. These characteristics turn out to be excellent leading indicators of safety as well as organizational performance in general. With them, we can measure specific cultural attributes that predict safe behavior and which correlate statistically with injury frequency.

TWO TYPES OF CULTURE CHARACTERISTICS

These characteristics of culture break down into two broad categories. One category is called ‘*safety climate*’ or sometimes ‘*safety culture*,’ it has to do with how people talk and act with respect to safety. It asks, “In this organization, do we value safety? Do managers, supervisors, and workers all act in ways that demonstrate that worker safety is actually important?”

The other category has to do with *organizational functioning* in general. It describes the kinds of relationships that motivate people to contribute their best efforts. It is supported by a large and robust body of published research that shows that trusting, reciprocal relationships between employees, between employees and their supervisors, and between employees and the organization all contribute to a positive working environment and high levels of organizational functioning. Higher organizational functioning, in turn, leads to better engagement, more teamwork, loyalty, and people investing discretionary time, effort, and enthusiasm in their work.

This idea of social reciprocity is an important one for organizations. An employee who is part of a culture endowed with this characteristic has the sense that, “This organization and the people in it care about me. I feel supported. I am seen as a person who matters. I am recognized.” And the more people feel that, the more they reciprocate by doing really fine work, going the extra mile, being committed, being engaged with the work, and all those other good things.

On the other hand, when organizational functioning is low, trust and communication are compromised. People feel insecure, or even threatened, and they respond by protecting their own interests. If I think, “This is an organization that doesn’t care about me, that doesn’t support me, that isn’t really on my side,” then my next thought is, “Tell me what time I’m supposed to leave and I’m leaving. Tell me the minimum I have to do to get by, and that’s what I’ll be doing.” And why wouldn’t I?



Figure 6

ORGANIZATIONAL FUNCTIONING AND SAFETY CLIMATE COMBINE TO INFLUENCE BEHAVIOR AND PERFORMANCE

Organizational functioning and safety climate interact with each other in ways that affect decisions, safety-related behavior, and performance. As summarized in the figure on the previous page, high organizational functioning stokes the motivation to perform, while a positive safety climate focuses people on what's important. And of course the inverse is also true: Low organizational functioning drains motivation, and a weak safety climate scatters focus. We'll explore the interactions of safety climate and organizational functioning using three case studies.

CASE STUDY 1:

Strong Safety Climate, High Organizational Functioning

The client was the senior leadership team of an oil refinery that was preparing to shut down. The refinery was among the biggest employers in the area, and its employees knew that their jobs would be gone in 24 months. Refinery leaders had the very challenging job of not only retaining employees, but keeping them safe and fully engaged during an extended period of stress.

The senior management team decided to accomplish this by focusing on the safety and well-being of their people. Their vision was to close the refinery, "Proud that we maintained safe, environmentally sound and reliable operations; proud that we treated people fairly; and proud of my personal contribution, growth, and development." In order to create an environment in which every employee knew they were valued and cared for, and where the attention to safe work practices was paramount, this senior-level team committed to practicing and measuring their own critical safety leadership behaviors.

Their unwavering commitment to their vision was evidenced by continuous improvement in their own leadership practices, which steadily increased over the two years. And that commitment paid off: The refinery closed its doors with the safest, most reliable, and most productive record in its history, and every employee who wanted a job had one waiting. This refinery and its leadership team epitomize high organizational functioning coupled with a strong safety climate.

CASE STUDY 2:

Weak Safety Climate, High Organizational Functioning

The picture changes significantly when organizational functioning is high but safety climate is weak. In these organizations, people are committed to their work and put in all kinds of discretionary effort, but they act in highly unpredictable ways when it comes to safety. An employee might feel loyal to their boss and workgroup, and believe that the best way to demonstrate that is to protect their safety numbers and hide the fact that they were injured on the job. Or perhaps a leader might feel loyal to the organization, and believe the best way to demonstrate that is to lose no productivity and keep the machines running at all costs, even if it means failing to address critical safety issues.

This unpredictable approach to safety is essentially what happened at NASA leading up to the Space Shuttle Columbia failure. The Columbia Accident Investigation Board reported that the cause of the failure was as much from a broken safety culture as it was from a technical problem. Individuals within NASA had recognized the risk of losing insulating foam from the external fuel tanks of the space shuttle. They knew that loss of foam could destroy the mission. They knew that a hazard like that meant, “Don’t fly.” Yet NASA flew anyway, because the people who knew about the problem were at the middle of the organization, and the right information didn’t flow to the top.

We were invited to work with the agency-wide senior leadership team helping NASA strengthen their safety climate and culture. NASA needed to understand how and why information did not flow up to the right people. Meetings offered powerful opportunities to witness communication and thereby observe culture in action. So we observed a lot of meetings. NASA *ran* on meetings. NASA seemed to have more meetings than anybody, and the meetings we observed had a distinctive protocol. Attendees met in large rooms with a rectangular table at the center seating about 12 people. Most of those 12 people were people whose names you would recognize. Then there were 50 or so lower-ranking people seated in multiple rows around the periphery. The hierarchy was unambiguous. A meeting like this one would determine whether a shuttle mission would receive the green light or not. The 12 people in the center would make that decision. The atmosphere in the room would be highly charged and very tense.

It was almost combative. When two people disagreed, it was very likely there would be a winner and a loser; it was very unlikely that there would be a difference of opinion between good people and then a dialog. So if you were a 30-year old engineer and you had been studying the properties of insulating foam on external fuel tanks, and you were sitting at the edge of the room, and there was about to be a decision to fly or not fly—you were required to stand up and say, “Doctor Famous, my data show something quite different and I really think you ought to reconsider the decision that you’re about to make.” That’s what it would take. A 30-year old engineer would have to put herself on the line in order to be heard, and do so on issues that she believed were of vital importance to those in the center of the room. NASA is filled with extraordinary people who are deeply committed to the Agency’s work and who would speak out for issues perceived to be mission-critical. But unless the value for safety is just as palpable, unless safety is also seen as mission-critical, unless the 12 people in the center of the room are known to want safety issues raised, it is unlikely a 30-year old engineer would risk her reputation for it.

Turning this around at NASA was surprisingly easy. Leaders needed to recognize how their behaviors impacted the culture, and not just when they were promoting safety, but in their day-to-day interactions. NASA did several things in an effort to build this awareness of behavior and its impact, but there is a simple exercise that anyone can do. Find a colleague you trust—or hire someone. Remove from your email anything that you don't want to share. Then go through your mailbox together, talk about each message, and talk through alternative responses. Imagine how different responses would impact people's beliefs about you, their beliefs about the organization, and their future behavior. How often do you receive a message that makes you angry or frustrated? How often does a message leave you feeling empowered or supported? How you respond in a simple email has cultural effects that radiate throughout the organization, but you'll likely find that responding well is much easier said than done. A commitment to safety excellence demands we are sensitive to the impact day-to-day behaviors have on culture.

CASE STUDY 3:

Strong Safety Climate, Low Organizational Functioning

NASA had strong organizational functioning and a weaker safety climate. What happens when safety climate is strong but organizational functioning is weak? We see this in many large corporations that are deeply committed to safety. Geographic dispersion, complex organizational structures, and bureaucratic systems all strain organizational functioning, which is why large corporations often struggle with it. When these same corporations value safety, they devote immense resources to safety training, tracking safety metrics, and developing procedures. In these organizations, we see senior managers working extremely hard to get their safety messages out there.

This all sounds great for safety, but the weakness in organizational functioning creates all kinds of hurdles for leaders who

are trying to do the right thing. These organizations suffer from a lack of trust between levels and across organizational boundaries. There are big silos. In one organization we worked with, an outdated forced-rank performance management system kept people so busy protecting their own interests that there was little trust between co-workers. Communications were politicized. When something went wrong, people would blame others to protect themselves. People invested hours every day creating paper trails and defensive documentation.

This weak organizational functioning creates drag on safety (and everything else). We once attended a three-day off-site safety conference for employees who had served on a safety committee for one division of a large oil and gas company. Employees from all over the world had been flown in. The conference started off with speeches from two corporate executives, the division president, and the division safety manager. As we observed the scene, we couldn't believe the time, attention, and resources being devoted to safety. But as we looked more closely, we saw people rolling their eyes as the executives spoke. These were safety volunteers rolling their eyes at executives talking about *safety*!

Later, we asked what that was all about, and we were told that employees were cynical. They were hearing political speeches, not safety messages. The messages sounded mechanical to them. This organization did have extraordinary safety performance, but they seemed to be accomplishing it at an astronomical cost. Given the degree of distrust that we observed, we were not surprised to learn that the company was not performing well in other areas: Weak organizational functioning was taking its toll.

Turning around low organizational functioning is particularly challenging when that functioning is impeded by bureaucracy. It requires that leaders find ways to encourage critical thinking, reward good judgment, make people feel seen and heard, and recognize them as individuals whose ideas matter. If existing systems prevent

this from happening, those systems have to be modified—sometimes torn down and rebuilt—in order for real change to occur.

SUMMARY

Culture sustains performance. And like Edgar Schein who pioneered the study of organizational culture, we assert that leaders should not focus on culture alone: Culture is improved by focusing on real business issues, and there is no better place to start than safety.

When organizational functioning is high and the safety climate is strong, people step up and contribute to safety in really effective ways. Team leads don't just grab a generic pre-job safety briefing off the internet five minutes before they need it and read it to their team in a monotone voice; no, they invest the time and creativity to prepare an informative briefing on a relevant topic and practice until they can communicate it effectively. This same commitment to excellence is seen in other areas that are clearly valued by the organization. The high levels of trust make change implementations more efficient, and the strong communication and teamwork yield higher levels of organizational effectiveness.

The next chapter provides the foundation for strengthening the safety climate and organizational culture through safe decision-making. It offers an understanding of core safety concepts that will not only help leaders create the right climate around safety, but also point to effective prevention strategies.

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- i Schein, E. H., & Bennis, W. G. (1965). *Personal and organizational change through group methods: The laboratory approach*. New York: Wiley.