

Culture, Teams and Safety Management: Preparing for the New Management Model

By Thomas A. Smith

"I came to see during my time at IBM that culture wasn't just one aspect of the game, it is the game. In the end an organization is nothing more than the collective capacity of people to create value." From the book cover "Who Says Elephants Can't Dance? Inside IBM's Historic Turnaround" by Louis V. Gerstner, Jr., former chairman, IBM

"The board should establish a budget for changing the culture over a period of five or ten years so that top management can devote its efforts to building KAIZEN along with its normal duty of realizing a profit." Masaaki Imai - from his book "Kaizen, The Key to Japan's Competitive Success"

Introduction

The quotes above show just how differently culture can affect a company. The former addresses the difficulty of transforming a culture entrenched in maintaining the status quo and how it fiercely resists any attempt to change it. The later recognizing how important culture is to a company that wants to embrace change on a continual basis.

The culture of an organization is its lifeblood. It determines how successful it will be both short and long term. It can even determine the outcome of a merger or acquisition. Cisco Systems includes a review of culture in its merger integration process to ensure the people stay on board, feel comfortable and productive once the merger is completed. At one point Cisco had successfully acquired 57 companies without any heartburn while some of its competitors weren't able to do a single one. Cisco has been known to walk away from a deal if there is not a cultural fit with the company they are buying.¹

Southwest Airlines, consistently the most profitable airline in the industry actually has a Culture Committee to ensure it keeps its people connected to the cultural foundations of the company.² Jeffery Liker's book, "Toyota Culture" is a treatise on the culture of Toyota which he explains is what the Toyota Production System is all about. Acquiring and maintaining the correct culture is obviously very important for the success of a business.

Culture and safety

But why be concerned about culture when it comes to safety? The answer: corporate culture influences all the important things that go on in a company. It determines how employees, suppliers, and customers are treated and work together; how well production or services are performed; how distribution is handled and how employee safety is addressed. The Accident Investigation Board of the Colombia stated: "NASA's organizational culture had as much to do with the accident as the External Tank Foam."³ Even OSHA recognizes the importance of culture stating "*developing strong safety cultures have the single greatest impact on accident reduction of any process.*"⁴

When delivering a safety presentation I often ask the audience; what causes employee accidents? The most frequent answer is "carelessness of the workers." This is not surprising since H.W. Heinrich, considered the father of industrial safety, stated in the 1950's "*The unsafe acts of persons are responsible for the majority of accidents.*"⁵ Heinrich's axiom has been a guiding principle of safety management ever since. Even today knowing the important role culture plays on reducing accidents most managers still firmly believe "unsafe actions" or "at risk behaviors" are responsible for most employee accidents. The idea seems to be embedded in their DNA. In other words it is part of their culture.

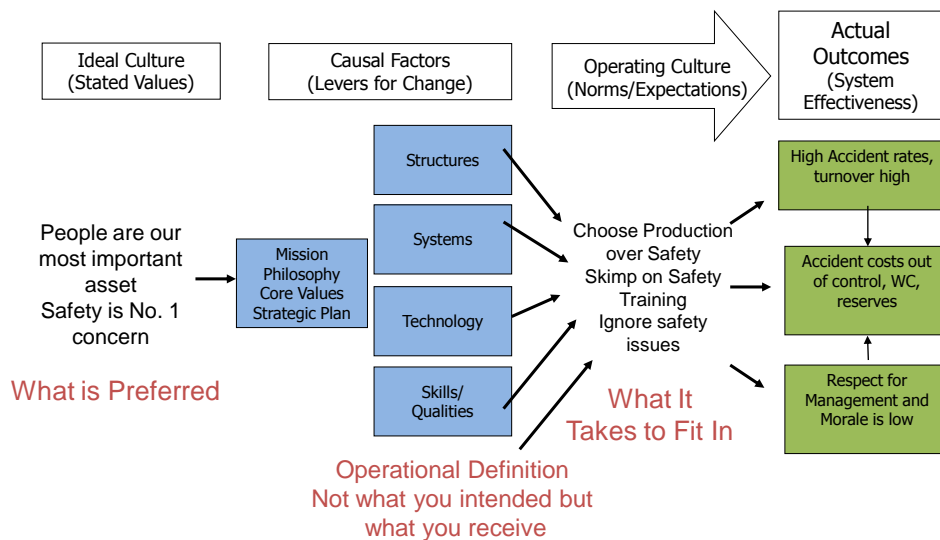
The same kind of thinking was prevalent in the 1970's and 1980's regarding quality and defects. Back then managers placed most of the responsibility for the poor quality of American products directly on the shoulders of the workers. It took quality gurus such as Deming and Juran to expose the fallacy of this reasoning and reveal the fact that defects were ultimately a result of the system not the behavior of workers. They argued workers had little or nothing to do with how the system was designed and managed and over 90% of all defects came from the system itself not mistakes the workers made.⁶ They showed us that individual efforts are handicapped by the system and culture determines how the system is managed.

This same logic applies to safety. Employees don't come to work with the intention of making scrap or to get injured. They don't design and determine how work systems are set up and run. They can't improve things like the quality of safety training. They can't stop the pressure of production on middle management that leads to error inducing systems. They have no authority to change the safety management system. These responsibilities belong to management. Instead of Heinrich's theory in which he mistakes symptoms (unsafe actions) for causes it is more accurate to state that 90% or more of employee accidents are built into and caused by the system. We should not hold workers responsible for accidents that are a result of common causes in the system over which they have little or no control. Having recognized this the obvious question is, since culture and the system are the key to reducing accidents when it comes to safety management why do we focus most of our time, energy and money on either compliance issues and/or the fixing the worker's behaviors?

Is there a "safety culture?"

Safety professionals are now talking and writing a lot about "safety culture." The more we look at it there doesn't seem to be a separate culture for each element of management, i.e. one culture for production another for safety. How the various elements that make up work systems are managed depends on the overarching culture of a company. A company's culture comprises of the thinking, values, beliefs, attitudes and behaviors that determine how things are done in a company. There are subcultures in each division of the company but those are strongly connected and influenced by the overarching culture. This is the culture that people learn and use to survive in the organization. It is what is referred to as the "operational definition" of culture. What you actually have, not what you intended. The diagram below depicts the way culture actually evolves and works.

How Culture Works



The Challenger and Columbia accidents were outcomes of the culture (not just the "safety" culture) at NASA. Enron and World Com are also examples of how culture impacts an organization. These two companies didn't have just a "financial culture" that brought them down but a way of thinking and values that impacted how managers acted and made decisions. The point is, culture has a large role in determining how managers think about and manage individual component parts of the organization that determine whether the outcomes will be good or bad. Therefore when culture affects a particular part of the organization we link the two, hence the term "safety culture."

Culture has a direct effect on how managers interact and treat employees relative to work performance, training, ethical behavior, individual job skills and safety. Culture plays a major role in determining what a manager will do when he is forced to make a choice between production vs. safety. Culture guides a manager's thinking about safety when stress or a crisis is introduced to the system.

Culture ultimately determines if management walks the talk when it comes to living the safety values of the company. Many managers believe safety is a shared responsibility. But if responsibility for safety is shared or divided then no one is responsible for the result. Safety is a joint effort where each party involved has specific obligations they must abide by so a goal can be reached. In a joint safety effort management works on the system and employees work in it. Management improves the system with the help of the employees. The two must cooperate to achieve safety goals.

Safety should not be a zero sum game where one side wins and the other loses. Management and hourly works are jointly responsible for the results. When you have good safety outcomes everyone wins. Over the years I've learned some things organizations must abide by to make certain safety is prioritized properly for everyone in its operations every day. They are cultural in nature:

- Top management must be committed and have constancy of purpose to ensure all managers and employees truly believe safety must be taken into consideration in every operation every day.
- Top management, middle management and hourly workers each have a role to play and must collaborate as a team to make all operations safe. Leadership is required at all levels.
- When it comes to safety, management's obligation is to remove any barriers that prevent middle management and hourly workers from being able to perform their jobs safely every time, every day.
- All management and hourly workers must learn the value of "operational definitions" to get the Voice of the Safety Customer into the Voice of the Process. "Safe" must have the same meaning to everyone in the organization.

"It is obvious that teams outperform individuals...it is not obvious how top management can best exploit that advantage." Jon R. Katzenbach and Douglas K. Smith From, "The Wisdom of Teams"

The right culture and effective teams = good safety management

The culture of an organization influences how well its structures and people work together. One of the biggest challenge companies now face is how to manage an operation without command and control and hierarchy. That means companies will need people who can lead and manage teams so they can run daily work operations effectively and safely. Not because we want to make things fair for everyone. It's simply a fact teams often outperform individuals when it comes to running systems and solving divergent problems. They are a better option than command and control. And that is what the new management model is all about. Compliance with safety regulations will not be an adequate management response to safety challenges companies are facing. Safety management is filled with divergent problems in the system better solved by teams trained to meet this challenge.

Most companies have used teams in some form or another to improve a task here or there, or make some recommendations about a quality issue. (Kaizen blitz's come to mind.) But rarely will you find a company that uses teams to actually solve the daily problems of production, quality and safety with minimal or no oversight by management. ⁷ This approach to management is vital in the new economy.

Management theory is in the middle of a paradigm shift. The command and control methods of the 1900's will not suffice in the 21st century. When it comes to manufacturing the move has been away from managing for quantity to managing for quality and removing waste. We have learned we can do more with less. But we are just beginning to comprehend that work systems, even the simple ones, are just too complex for one person to understand and manage. ⁸ That ability to manage and improve work systems, especially safety in work systems, requires qualified and effective teams.

The mental labor of every person in the organization is necessary for running efficient work processes. But having a lot of smart individuals won't be enough. People will have to learn how to work together on a team and produce *synergistic*

results. In the new economy teams will drive management not the other way around. As people improve their interpersonal and rational team skills there will be less need for oversight by managers. Eventually teams will be the boss when it comes to managing and improving daily work processes.

The new management model is in its early development. No one can say exactly what it will look like but you can bet your last dollar that teams and teamwork will be essential parts of it.

From our early attempts at quality management in the 80's and 90's we learned that just because you put people together in a room and have a meeting doesn't mean they can work as a team. Changing the management structure isn't enough to help them succeed either. Teams cannot be totally effective if the culture of an organization is wrong. Unless the culture is right teams will not reach their full potential.

There are four essential elements for effective team management:⁹

1. The culture of the organization must lead, support and protect teams.
2. People, managers and workers, must have or acquire the interpersonal and rational skills required to work effectively on a team.
3. People must be given the opportunity to practice team skills before working on an actual team managed project and continually thereafter. It will take time and patience to develop and hone these skills.
4. As teams progress they must be given the appropriate level of authority to implement ideas and recommendations without management oversight. Teamwork has to become the intricate part of management structure and culture.

The two important questions for the future of your company are:

1. Is your culture the right one for the new challenges of management?
2. Is your company ready for teams to manage quality, productivity and safety in your operations?

To learn more about how you can measure and manage your corporate culture contact *Thomas A. Smith* at Mocal, Inc. Mr. Smith works with management and hourly employees to help them learn about new theory of management to obtain team skills and work on culture change. His book; *System Accidents: Why Americans Are Injured At Work And What Can Be Done About It* has received high praise and can be obtained at Amazon.com. He can be reached at tsmith@mocalinc.com or his company website at www.mocalinc.com or (248) 391-1818.

¹ Julie Creswell, "When Bad Mergers Happen To Good Firms," *Fortune* May 1, 2004, p. 46.

² Freiberg, Jackie and Kevin, *Nuts! Southwest Airline's Crazy Recipe Business and Personal Success*, Bard Press, Austin, TX p. 165

³ Report of Columbia Accident Investigation Board, August 2003 Chapter 7, p. 177

⁴ OSHA web page www.osha.gov, Fact Sheet: Creating a Safety Culture

⁵ Heinrich, H.W., (1950) *Industrial Accident Prevention A Scientific Approach*, McGraw Hill, N.Y. p. 10

⁶ Dobyns, Lloyd & Crawford-Mason, Clare, (1994). *Thinking About Quality, Progress, Wisdom and the Deming Philosophy*, New York: Times Books. Pp 16-17

⁷ Katzenbach, Jon R. and Smith, Douglas K., (1994) *The Wisdom of Teams*, Harper Business, New York, N.Y. p. 20

⁸ Davis, Stanley M., (1995), *Future Perfect*, Addison- Wesley, Reading, MA., p. 6

⁹ Senge, Peter M. (1990), *The Fifth Discipline*, Doubleday, New York, N.Y., p. 233-269