Leadership & Culture

Introduction

Both IOGP and the Energy Institute have long studied leadership and culture, and have made available on our websites several tools and recommended practices on these topics. In this Info Sheet, we join forces to point to several good practices and share tips on how to implement culture improvement tools.

It all starts with you as a Leader. Improving the effectiveness and profitability of your organization through safety has been done by many others. Organizations with good safety performance, or High Performing Organizations (HPOs), strive for a strong safety culture and leaders need to engage the workforce to make this happen.

It all starts at the top

Inspiring leaders, who walk the talk, are needed to make everyone in the organization to strive for incident free operations. So, start now, make this a personal commitment, and pull a team together, with people from inside and outside your organization.

Think about:

- What leaders have inspired you?
- How do you involve everybody in the organization?
- How do you team up with your contractor partners and ensure they are engaged?

Considering these questions will help you start to make your organization more effective.

CHARACTERISTICS OF HPOs

- Low profile, always to be relied on
- Low accident rate
- Active involvement and accountability for all
- Workforce initiative in safety and operations
- Short and effective feedback line
- Procedures under constant scrutiny
- Training, cross-training , and more training
- Benchmarking against others, inside out
- Strong focus on planning – many scenarios will create resilience to deal with them
- Willing to try new ideas, but accept the risk of failure
- 'Chronic Unease'

Resources on organizational culture:

- IOGP Reports 435, 452 & 453
- https://heartsandminds.energyinst.org

Creating a workplace culture that values safety

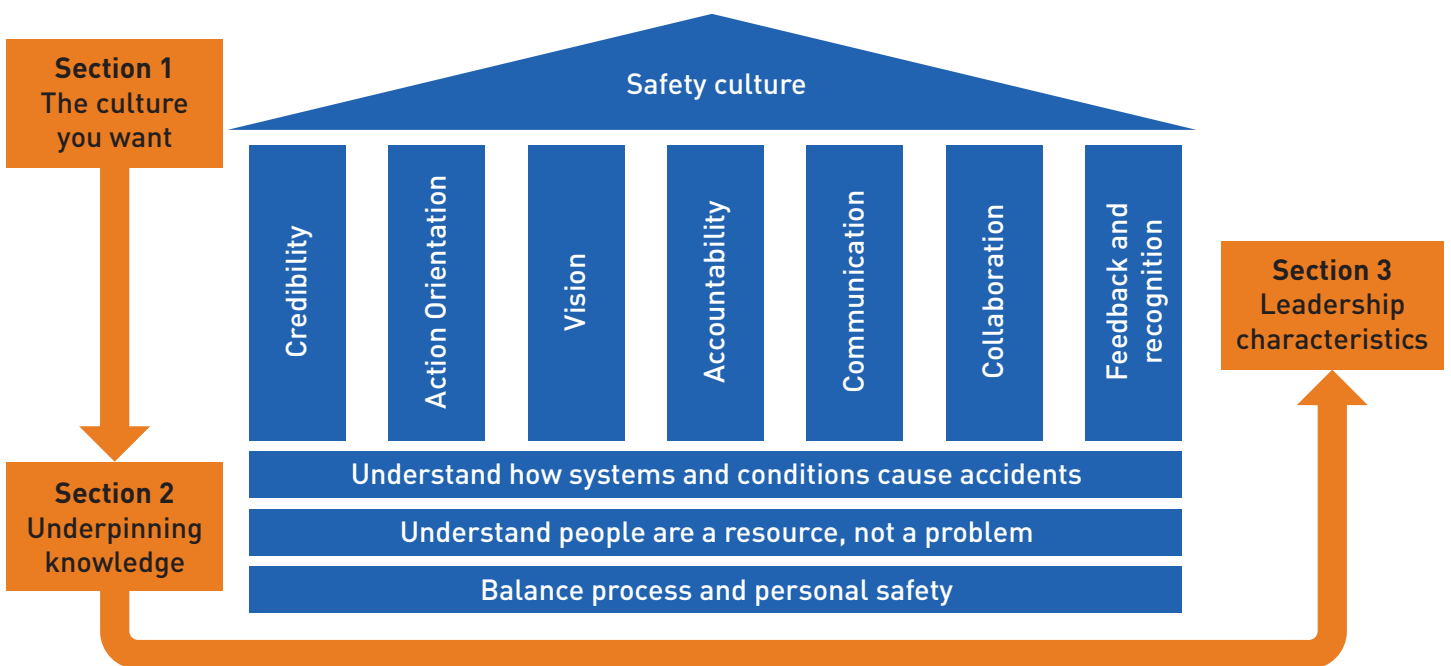IOGP Report 452 - *Shaping safety culture through Safety Leadership* aims to raise awareness among leaders in the energy sector of the way leadership shapes safety culture. It explains what safety culture and safety leadership mean, and specifically describes the leadership characteristics that can influence safety culture.

Keep it simple when talking about Safety Leadership

1) **Translate jargon** – use simple and direct language, don't hide behind jargon, and don't use abbreviations

2) **Use practical examples** – case studies and examples can quickly demonstrate what is being discussed in a more relatable way

3) **Focus on key points** – decide in advance key points you want to communicate

4) **Listen and learn** – and build your knowledge and understanding of what is happening on the shop floor

IOGP Report 453 - *Safety Leadership in Practice: A Guide for Managers* builds on IOGP Report 452, aiming to support senior and/or middle management and supervisors in applying the safety leadership characteristics described in Report 452 and creating a workplace culture that values safety.

Section 1 The culture you want

Section 2 Underpinning knowledge

Section 3 Leadership characteristics

Safety culture

Credibility

Action Orientation

Vision

Accountability

Communication

Collaboration

Feedback and recognition

Understand how systems and conditions cause accidents

Understand people are a resource, not a problem

Balance process and personal safety

Assuring Competencies

Contractor engagement and management are critical to achieving high technical, commercial, and safety performance for both companies and contractors. Contractors make up most of the workforce in many companies. Some contractors are long-term, working alongside permanent staff. Others are short-term, brought in for a specific project for a few weeks or months. The various challenges of integrating two organizations with different workplace cultures include work planning and methodology, including Safety Management Systems (SMS), differences in culture and language, and defining and managing competency. In the Energy Institute publication "Approaches to managing and assuring contractor competence", several approaches are provided that could be used when managing contractor competence.

Approaches to managing and assuring contractor competence

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TIP: Understand the Corporate Capability Maturity model and use of checklists
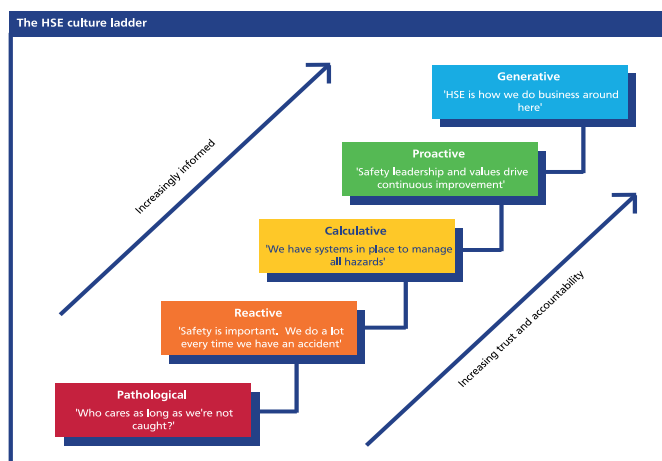
Contractors are employed because they provide resources and competencies that the client needs. However, the client will have competencies - such as knowledge of the plant history and the major accident hazards of the site – that it would be unrealistic to expect a contractor to have. The corporate capability maturity model is a five point scale to understanding how mature the core safety capabilities within both organizations, including knowledge of major hazards, supervision, procedures, and work controls. The goal is to understand where the gaps are and how those gaps can be filled by working together.

Understanding Your Culture (Hearts and Minds)

Understanding your HSE culture is a widely used tool for measuring HSE culture against the Hudson and Parker safety culture ladder. A company should ask itself, "What does our culture look like now, and what does 'better' look like?" Understanding HSE culture helps organizations by providing descriptions of how companies behave at the five different levels of cultural maturity.

In a workshop setting, people in the organization are asked to select those descriptions that most closely reflect how they believe the organization behaves. This allows the organization to compare themselves against each cultural level, and to identify areas of strength and weakness.

The findings of the workshop should help you understand your cultural level, and plan your culture change programme, including which issues to focus on and which tools to use.

Hearts & Minds

Understanding your HSE culture

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The HSE culture ladder

Generative
'HSE is how we do business around here'

Proactive
'Safety leadership and values drive continuous improvement'

Calculative
'We have systems in place to manage all hazards'

Reactive
'Safety is important. We do a lot every time we have an accident'

Pathological
'Who cares as long as we're not caught?'

Increasingly informed

Increasing trust and accountability

TIP: Conduct a culture exercise

Start with senior leaders and engage staff in the process

1) Decide where you would like to be in two years' time

2) Determine where you are now

3) What could you do to close the gaps?

4) Define and agree Critical Process Improvement Indicators (to monitor progress)

TIP: Hold combined client/contractor sessions

Because of potential differences in cultures, combined integrated sessions are advised. People will get to know each other better and learn how to work as a team.

- Start with a joint Contract Management Team session and take the Top 3 focus areas to the supervisor and workforce
- Create a safe work environment where people feel free to speak up
- Welcome and share feedback (and feedforward) between all levels of the organisation

Leaders can use the information when visiting a site to listen and learn.

TIP: Use the Energy Institute Toolbox to develop a strong safety culture

Toolbox hosts free-to-use incident lessons and safety information shared by global companies for you to use at work every day, helping you and your team to get home safe (https://toolbox.energyinst.org/home).

Use Toolbox on your smart phone, tablet, or laptop. You can browse content by work activities or high-risk situations. Show Safety Leadership in the field and walk the talk!

Recommended videos:

- Human Performance – what does it mean (introductory video) and Being human (a more detailed video)
- Safety leadership in the field (about field visits)
- Walk through a task to prevent incidents (about work as done vs work as imagined)

TIP: Select the right tool

On the Energy Institute website http://heartsandminds.energyinst.org/toolkit, several Tools can be found to work on improving safety culture.

Tools like "Learning from incidents", "Reflective LFI engagements", "Making Change Last", "Risk Assessment Matrix", "Achieving Situation Awareness", "Managing Rule Breaking", "Improving Supervision", "Working Safely" and "Driving for Excellence" can be selected based on gaps identified to improve.

Which tool to select depends on your organization's culture. None of the tools are 'one size fits all', so assessing and categorizing your organization's culture per the Safety Culture ladder is a useful first exercise in determining which tools are likely to be most effective for your organization.
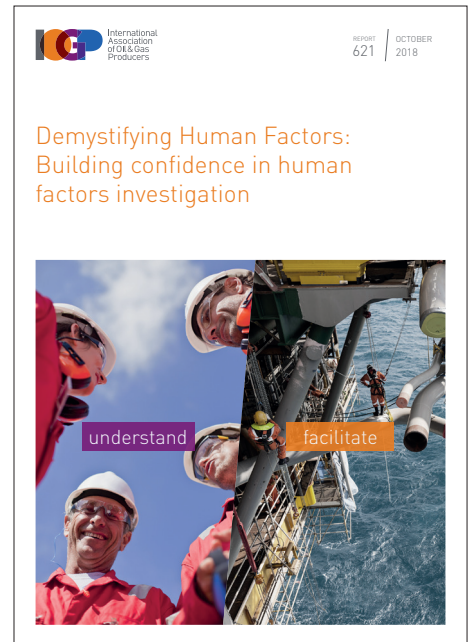
IOGP Report 435 - *A guide to selecting appropriate tools to improve HSE culture* includes several considerations and examples. It identifies circumstances where certain tools are unlikely to be effective and may even be counterproductive within a given HSE culture.

IOGP Report 621 - Demystifying Human Factors: Building confidence in human factors investigation

The oil, gas, and energy industries are committed to learning from operating experiences and incidents and using that information to prevent harm to people and the environment. An important part of learning from incidents is to understand the role that people play. Investigation presents a unique opportunity to understand the systems and conditions that lead ordinary people into complex situations or provoke simple errors.

The field of Human Factors (HF) can seem mysterious and complicated. Even those with training and tools to address human factors can be reluctant to put them to use in investigations, believing that it is something that only experts can do. IOGP Report 621 aims to 'demystify' human factors and help those involved in the investigation process gain confidence by successfully incorporating human factors into investigations.

The Energy Institute guide "Learning from incidents, accidents and events" also provides good practice guidance covering the full learning from incidents lifecycle – including before and after the investigation.

REPORT 621 / OCTOBER 2018

Demystifying Human Factors: Building confidence in human factors investigation

understand   facilitate

TIP: Get more practical information on the Human Performance Oil & Gas (HPOG) forum

Human Performance Oil & Gas is a membership-funded, global resource of guidance, best practices, and accessible worksite tools to further implement Human Performance efforts across the oil and gas industry. The basic remit is to consider all avenues available for improving human performance, distil and identify key learnings and deliver these backs into the industry in the form of awareness, best practice, recommendations, lessons, case studies, tools, and techniques. Specific working groups within HPOG develop products on key issues in an open and collaborative environment. Visit https://www.hpog.org/ for the many tools and practical tips already published.

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