The Influence of
ORGANIZATIONAL CULTURE ON OSH
By Peter T. Susca

Culture is the trump card for all organizational systems, processes and decision-making. Merriam-Webster defines culture *as the set of shared attitudes, values, goals and practices that characterizes an institution or organization.*

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Organizational culture has a tremendous influence on all elements of an organization, especially decision-making.

When cultural deficiencies exist, they foster decisions that can blow gaping holes through the best organizational systems and processes. These holes often create excessive risk, poorly balanced decisions and, ultimately, unwanted outcomes in all areas of the business.

This article reviews and discusses the impacts of culture on OSH and how the OSH professional can better understand, operate within and influence organizational culture.

Real-World Elements of Culture

While writing this article, I received a call from a friend and OSH professional who told me that his company just had a multiple fatality event. He was, of course, very upset. When I asked what happened, he said, "It's our culture to push people for production; these two guys were trying to get the process up and running when they were killed. Both of these workers were touted as organizational heroes all the way up to their deaths. Now, I guarantee, management's going to blame them for not following the safety procedure."

Initiating a discussion about culture in many organizations is a challenge. Many leaders view it as a nebulous and soft concept. Culture is commonly thought of as being difficult to measure and closely personal to a leader's sense of duty. Accordingly, it is natural for a leader to feel responsible for the culture of the team. Talking about culture can often elicit uncomfortable reactions from leaders.

Instead of using the word *culture* directly, we ask management teams, "What prevents you or the company from being successful?" Many responses to this question (and their reasons) fall into the category of organizational culture. To facilitate the conversation, we typically divide culture into two main categories of measurable attributes: organizational factors and operational factors (see "Organizational and Operational Factors" sidebar).

Organizational factors are generally associated with the overall or corporate culture of the organization. They are high-level attributes that can be found, to some degree, everywhere the company operates. For example, they can be seen in a command-and-control leadership approach or vertical (functional silo) marching orders and objectives.

Operational factors are the cultural attributes where a product is made or a service is provided (e.g., business unit, factory, office, field operation).

They include the history and demographics of the operation, the age of the facility and equipment, process planning, the value of direct versus indirect time, quality of leadership, and the level of efficiency and worker engagement.

We have found that these factors and the decisions associated with them are often the root of excessive risk in organizations.

In addition to these factors, culture can also be categorized into the following business layers:

1) Corporate: the aspects of organizational culture that will be consistently evident in every operation independent of the business unit, product or service, location, or leader.

2) Business unit or region: the organizational culture influenced by a particular business unit culture, country or regional culture, type of business or acquisition history.

3) Operation: the organizational culture influenced by the local leader, demographics of the area, history of the plant or tenure of the workforce.

All of these factors and their attributes are closely related and are supportive of the greater purpose of the organization and its leaders. A distinction between the levels of these factors/attributes is important to ensure that transformation steps and measures are applied at the level of origin rather than the symptom. Due to these factors and influences, culture within an organization will always include a certain amount of inherent variation (e.g., by location, leader). To ensure that a company using values as a compass is appropriately managing risk, it must keep a close rein on its cultural deviation.

The Value Tug-of-War

Some organizations do not behave in sync with the values that they advocate. I worked for a company that was well known as a safety leader in its market. This company provided repair and renovation services for the transportation industry. The company purchased maintenance contracts and made most of its profit selling major renovations to the unit owners under contract. I was the safety director for this organization reporting directly to the president of the business. The business development director, who also reported to the president, sat two offices down the hall. We were both tasked with improving the business; his marching orders were to gain more market share in the renovation sector and mine was to keep employees from getting hurt or killed when conducting these renovations.

The problem was that the units he wanted the most (because they had the most renovation rev-

ORGANIZATIONAL & OPERATIONAL FACTORS

Examples of organizational factors include:
- company vision/values;
- ownership (e.g., private or public company);
- organizational history (e.g., acquisitions, legal actions);
- organizational structure/geography;
- board of directors, make-up and influence;
- business value proposition/strategy;
- power/influence (i.e., which functions/leaders have the most influence);
- management style and decision-making;
- management capacity;
- present health of the organization (e.g., financial stability, bad publicity;
- external factors (e.g., stockholder, customer, regulatory agency, public expectations).

Examples of operational factors include:
- site/operational history;
- leadership approach;
- predictive versus reactive dynamic;
- demographics/regional culture;
- facility planning and layout;
- logistical challenges;
- budget constraints;
- facility and equipment age/condition;
- process efficiency;
- level of standards;
- worker engagement;
- functional support;
- supervisor capacity.

enue potential) were in poor condition and full of fatality and serious injury hazards for workers. Because we did not own the units, we could not change the hazards or implement high-order controls without the customer agreeing to foot the bill. Unfortunately, most of our customers were not interested in paying for our safety. The business development director was a really nice guy just trying to do his job, but we were on opposite sides of the rope in a value tug-of-war. Accordingly, every time he caught the fish of a lifetime, I was telling him and my boss to throw it back. This company had a business strategy that was diametrically opposed to its values: in this case, safety.

Another example comes from a client that provides airport support services. The organization was concerned with its high injury rate. When we interviewed the business leader at the start of the assessment, I asked about the company's business value proposition (i.e., Why should an airline use this company?). The leader replied, "Fast and cheap." The answer was more about the company's business model than its value proposition, but I got the message loud and clear. After the interview, I told my colleague that fast and cheap is the root of this company's safety dilemma.

It is difficult to create and sustain a solid safety approach with constant worker turnover and

pressure to work quickly. When we toured the company's operations and observed work practices, the safety implications of its business model were readily apparent. Getting the aircraft in and out on time with no negative impact to the plane took priority over the safety and health of workers. The organization communicated a safety value and had ample safety programs, procedures, rules, training and equipment in place, but none of that could withstand the opposing force of the culture.

These are two examples of the dynamic that occurs when an organization is talking out of both sides of its mouth, when its culture is not supportive of its values. Many disastrous events in organizations, such as the *Deepwater Horizon* catastrophe, can be attributed to unhealthy cultures. Following is an excerpt from the *Deepwater Horizon* presidential commission's report:

> There are recurring themes of missed warning signals, failure to share information and a general lack of appreciation for the risks involved. In the view of the Commission, these findings highlight the importance of organizational culture and a consistent commitment to safety by industry, from the highest management levels on down. (National Commission on the BP *Deepwater Horizon* Spill and Offshore Drilling, 2011)

Culture & Leaders

In many companies, culture is historical. The culture within a company is highly dependent on its senior leader. Leaders often raise or lower the cultural bar based on their values and leadership approach. I have often heard safety and business leaders talk about operations within their company that are lagging or problematic in their safety results. The question that I ask is, "How effective is the leader of that site at meeting the other business imperatives?" The answers can vary from "not very good" to "great." Many times leaders who struggle with safety also struggle with other business success factors. Sometimes, because business success measures are results oriented, the leaders who achieve their financial objectives do so with great risk (e.g., unbalanced and unethical). Often, this risk is not apparent in the standard data that senior management uses to evaluate performance. Safety (the acceptable level of occupational risk) is a tremendous leading indicator of decision-making health and can be used to identify this hidden risk (Susca, 2018).

Culture vs. Climate

If culture is like an air conditioning system, then climate is the temperature and humidity. The individual who is in primary control of the work area thermostat (the climate) is the first-line supervisor. While all organizations maintain a culture, climate is what people experience in their work group. The climate created by the first-line supervisor offers workers an opportunity for a poor experience in a healthy culture or a positive experience in an un-

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healthy culture. A positive climate is typically linked to the engagement of workers. Gallup has found that supervisors have a major impact on employee engagement. The top 25% (best-managed teams) have 50% fewer incidents, 41% fewer defects and incur far lower healthcare costs (Gallup, 2013).

Why Is Culture Not Identified as a Cause?

Over the past 25 years, I have reviewed thousands of incident investigations and causal analysis processes. I rarely find the attributes of culture or climate identified as causes. I offer the following opinions on why that is the case:

•Culture is a soft finding and difficult to measure.
•Culture and climate are personal to leaders and those conducting the investigation do not want to upset the management with problems appearing to emanate from leaders' behaviors.
•Culture is a high-order reason for a seemingly discrete problem. People like problems that they feel are fixable and actionable.
•It takes too much time and effort to connect the dots between outcomes and culture.
•It may be difficult (they may lack the skill set) to directly link cultural factors to a discrete outcome.
•Most of the causal analysis processes do not direct findings to this level.
•Most functional groups (e.g., quality, safety, maintenance) do not use the same causal analysis processes and compare common causes.

Since many organizations learn from failure, their approach to learning from failure must connect these outcomes to the organizational reasons for risk creation. Failure causes must include process, program and management system as well as cultural (organizational and operational factor) shortcomings. OSH professionals should partner with peers in other functions to drive common causal factors that scale up to cultural factors. This will create data (that can be presented to senior management) on common cultural shortcomings supported by a diverse set of unwanted business outcomes.

Safety Climate Change

We often hear about the need to have a safety culture, safety value, safety first priority and many other expectations of leadership and the organization as a whole. The reality is that a safety culture is a subset of organizational culture. It therefore cannot sustain itself independently from an unhealthy culture.

Culture is best transformed when led by senior management. Although it may appear difficult for OSH professionals to change the organizational culture (based on their position, status or influence in the organization), following are several ways to move the needle:

•Build a climate in which safety makes good operational sense. There is no stronger nucleus of trust and engagement than safety. Teach and coach first-line supervisors to create a climate in which safe equals productive. The goal is to have the safety solution enhance productivity.

•Build local ownership. When workers are allowed to take ownership for their processes and results, they will build a work climate that is productive, safe and enjoyable.
•Team with functional peers to create common causes that link to operational and organizational factors. Make a united business case for the impact cost (profit loss) that these factors have on the business.
•Do not use the word if it upsets people. You can talk about culture without using the word and creating pushback. Speak to the operational factors and identify business health using your safety data (e.g., inspections, conversations, audits, surveys). Also, you can ask anyone, "What prevents you or the company from being successful?"
•Fly air cover for your staff. If you are in a corporate OSH role that oversees operational OSH staff, do not let your good OSH practitioners go down the drain with dirty cultural bathwater. Poor leaders will often blame OSH staff for the operation's poor safety performance when the leader or the culture is to blame. Poor leaders and cultures are never just poor at safety; build a case to support your staff and the safety value.

Conclusion

Culture has the capacity to drive organizations to success or failure. The decisions fostered by an unhealthy culture can disable the defenses of the best safety management systems and programs. The best paint (an effective safety approach) on a rusty surface (unhealthy culture) ultimately results in a poor outcome.

It is imperative that senior leadership understand the health and impact of the organization's culture and lead culture transformation. Their success is dependent on the management team's capacity to carry the value and approach to the first-line supervisors and workers.

OSH professionals at all levels have the capacity to facilitate climate and culture change by setting a leadership example. Value-balanced decision-making that drives good for business safety solutions, fostering engaged and empowered workers, coaching supervisors, building trust and working across functional boundaries, are all critical to the facilitation of a healthy safety and organizational culture. OSH practitioners that have succeeded in the development of an effective safety dynamic must coach peers toward a similar transformation of organizational culture. **PSJ**

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