



THE UNIVERSITY
OF QUEENSLAND
AUSTRALIA

CREATE CHANGE

Leading a Highly Reliable Organisation

Learning Outcomes for Today

By the end of this session you should:

- Have a clear understanding of the key characteristics of a Highly Reliable Organisation.
- Be aware of the steps leaders can take to foster higher organisational reliability.
- Be able to identify ways to apply HRO thinking to your organisation.

About your presenter:

Susan Johnston is the head of the Governance and Leadership Program at the Sustainable Minerals Institute (SMI) at the University of Queensland.

Susan publishes on High Reliability Organisational thinking and leadership.

She has formerly held Exco level positions in the mining, health, and construction industries.

Susan has a Juris Doctorate, as well as degrees in journalism, government and history. She has been admitted as a barrister of the Supreme Court of Queensland.

Organisational Issues and Disasters



What is a Highly Reliable Organisation?

On one level... this isn't complicated.

- **A HRO is an organisation that routinely does what it says it will do, even in very high risk environments. These organisations are safer, attractive places to work, and produce better outcomes overall.**
- In a HRO, the connection between goals and outcomes is consistent and clear.
- HROs are thin on the ground....and under it...but some organisations are on a path to getting there.
- It's sometimes useful to think of the opposite of a HRO – a 'Highly Unreliable Organisation'...



A HRO has.....

Collective Mind – A Shared Sense of Purpose

Sensitivity to
Operations

Preoccupation
with Failure

Commitment
to Resilience

Deference to
Expertise

Reluctance to
Simplify

Collective Mindset and Shared Sense of Purpose

The studies tell us that:

- Organisations that reliably do what they say they will do have a 'collective mindset'.
- There is a shared sense of purpose – individuals understand how their role contributes to a broader outcome, and are committed to playing their part.
- There is organisational clarity about the things that matter, and those that don't.
- A collective mindset and shared sense of purpose is essential for high organisational reliability.



Sensitivity to Operations

An organisation that is sensitive to operations understands that how an entity works in practice, can be very different to how it looks on paper.

These organisations:

- Identify interdependencies,
- Remove silos
- Concentrate on ensuring that communication within and across teams is effective
- Allow space for issues of concern to be raised.



Preoccupation with Failure

Organisations who are preoccupied with failure are continually mindful of the mistakes they do not want to make – and plan accordingly.

These organisations:

- Have prevention of failure – in all its guises – as an organisational goal
- Track small failures and learn from them.

Note: for some this principle is all about reporting incidents.... But this principle is actually about prevention more generally.



Commitment to Resilience

Organisations that are committed to resilience ensure they have the human, material, and financial, **resources** they need to:

- Prevent incidents from occurring
- Respond to incidents when they do take place
- Learn from incidents and errors.



Deference to Expertise

- In HROs, those who have the most knowledge and expertise are listened to; regardless of their place in the organisational hierarchy. Their views are valued and can have impact.
- Organisations showing deference to expertise will put in place mechanisms allowing individual 'experts' to be heard.



Reluctance to Simplify

- In HROs there is awareness that complexity cannot always be simplified.
- There is also acknowledgement that if simplification takes place, it must be done very deliberately, with potential negative consequences identified in advance.
- Simplification is *never* an end in itself.



So that's the theory....



What Can Leaders Do?

There are several steps leaders can take to increase the likelihood that their organisation will be a highly reliable one:

1. Identify your current baseline
2. Develop and practice 'identity leadership'
3. Develop a 'journey map' that is tailored to your circumstances
4. Use site specific HRO 'leading indicators'.

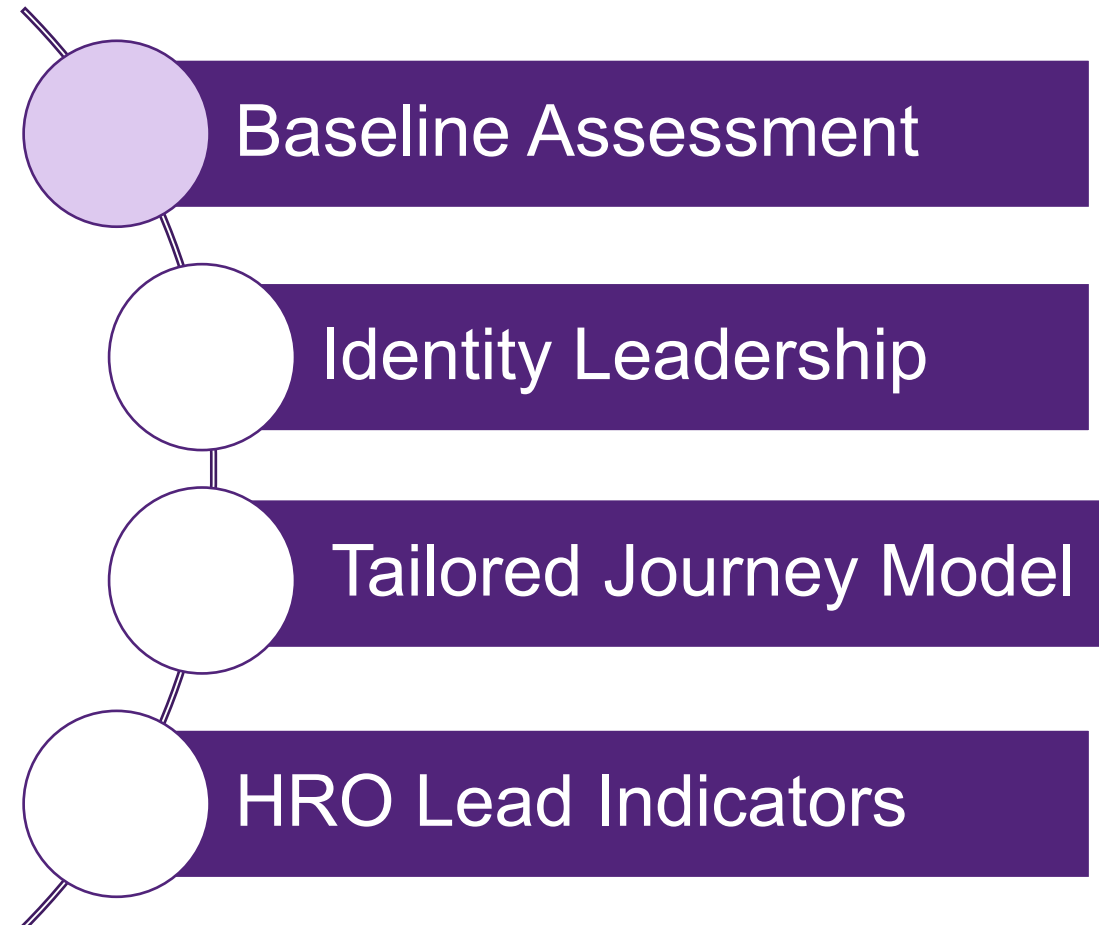


The Baseline Assessment

Before you can move to make your organisation more reliable you need to know **exactly where you currently stand** – against all of the key HRO elements.

An organisational baseline assessment:

- Should cover the whole of the site/functional area/ work unit – one area will be impacted by others.
- May draw from existing and new data sources.
- Should involve a comparison of goals against outcomes – and questioning of divergences.
- Should allow personnel – at all levels – an opportunity to provide their views.



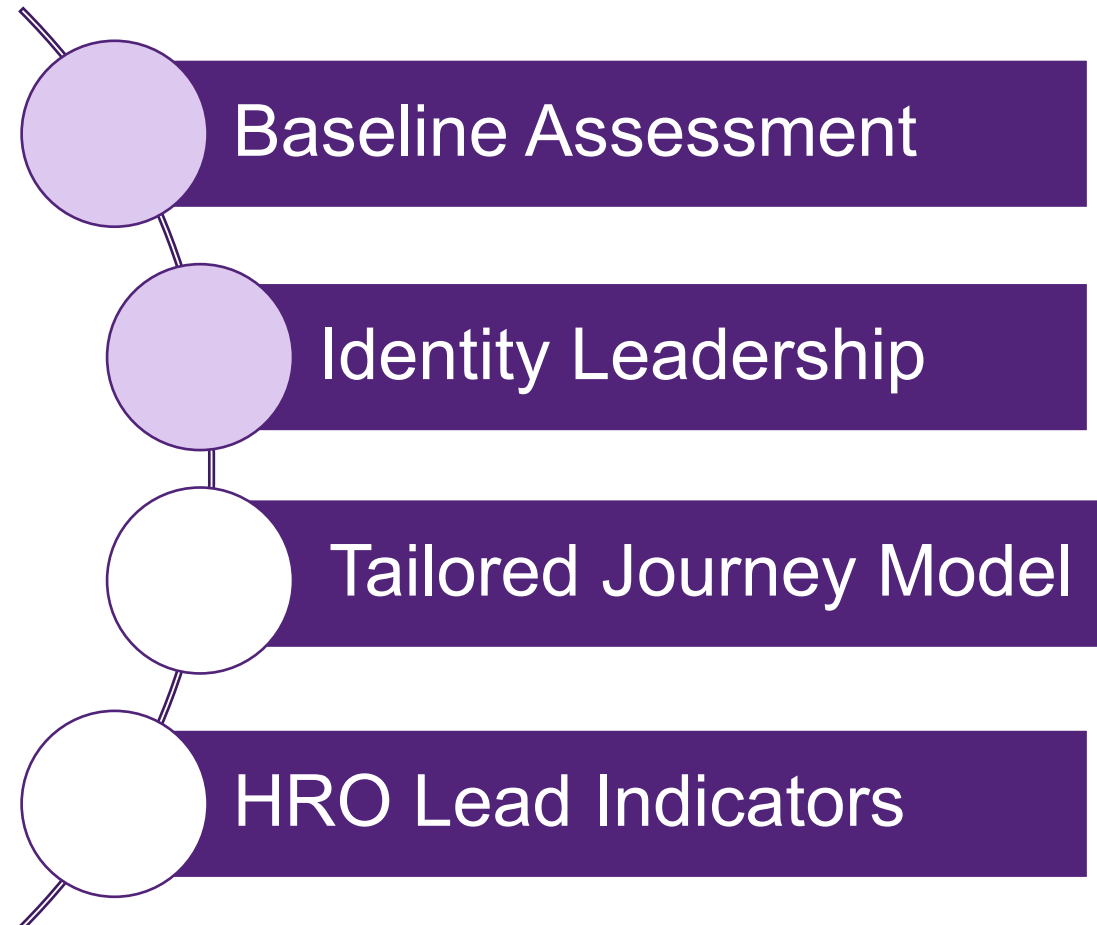
Identity Leadership

The most effective leaders are those who can engage groups of willing followers to create a shared sense of purpose. Note the word ‘groups’.

This involves:

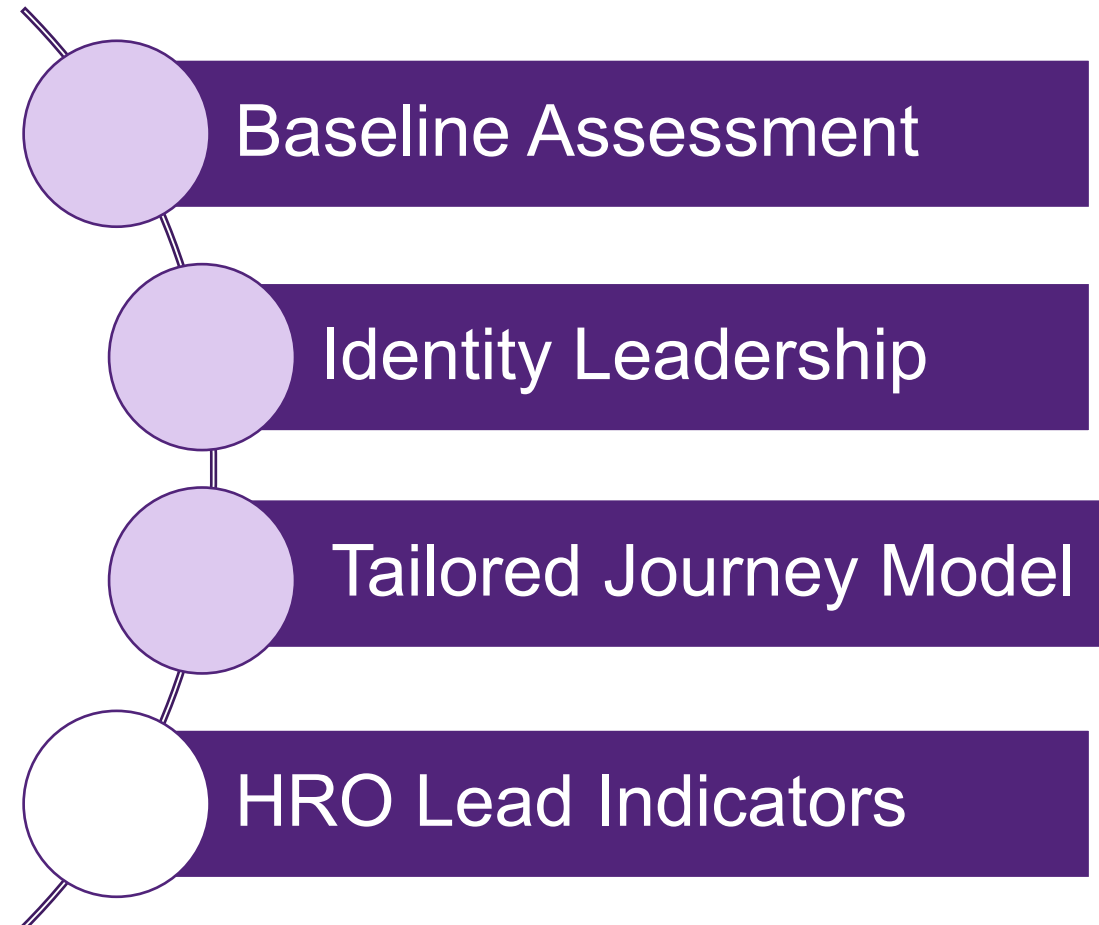
- Gaining an understanding of the existing social identities in your workplace – there may be more than one.
- Working with your teams to create a shared sense of social identity – there are processes that can help here.
- Embedding ‘high reliability’ as part of that shared sense of social identity.

You don’t have to be a particular personality type to practise ‘identity leadership’ – it’s the approach that matters, not the individual’s characteristics.



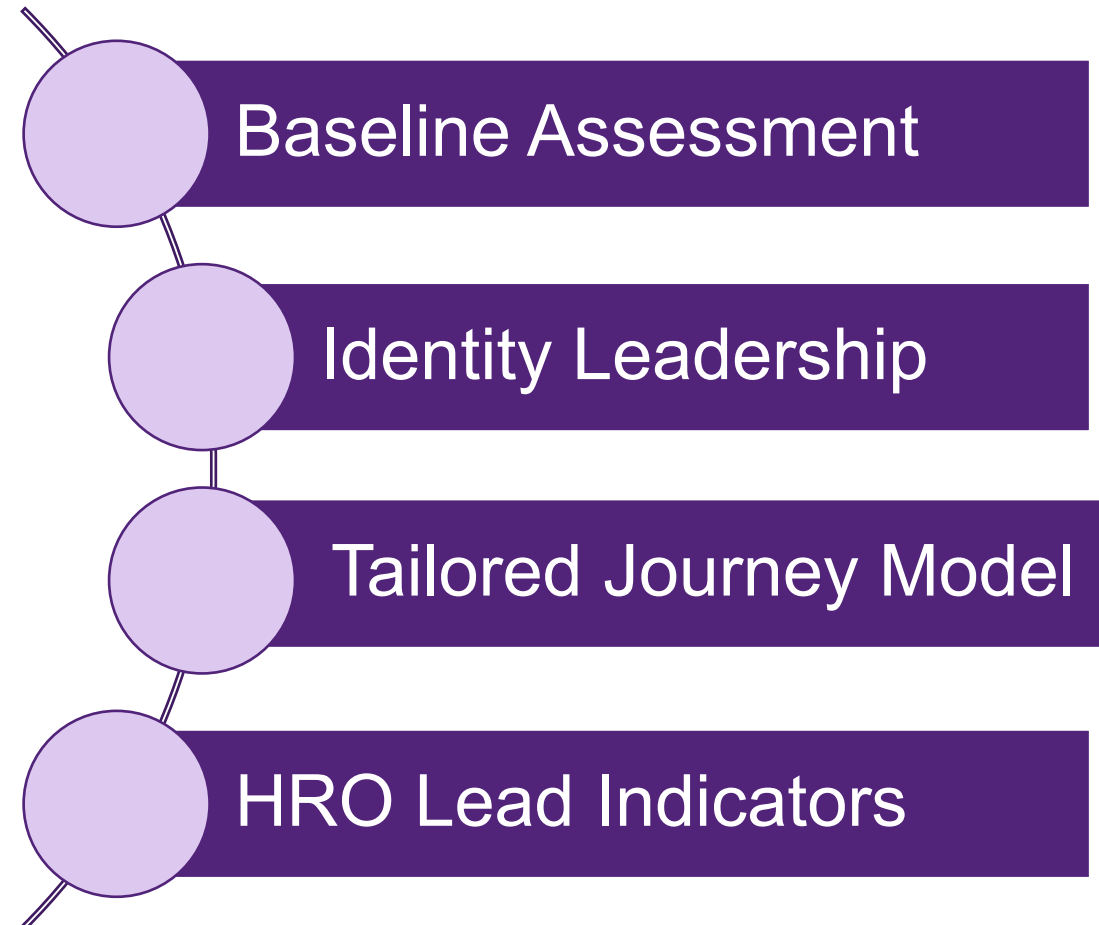
Tailored Journey Model

- Journey models are a standard feature of many approaches to improvement.
- We suggest that the overall concept is also useful in an HRO context – but the journey model needs to be tailored to your HRO related baseline.
- An organisation with significant weaknesses in one area e.g. preoccupation with failure; might need a very different journey model to one in which a lack of collaboration, and siloed communication, is the primary concern.
- The enemy of genuine improvement is the off the shelf, one size fits all, model.



HRO Lead Indicators

- Having identified your current state, and your plan for improvement, you need to identify indicators of success.
- This is more simple than some would have you believe....
- Begin by identifying the outcome you would ultimately like to see in place.
- Then describe what progressive change toward that outcome might look like – potential indicators will fall out of this process.
- Discuss your potential indicators with your teams – and listen to their views before finalising the aspects to ‘measure’.
- Don’t fall into the trap of having too many indicators.
- Don’t forget to review the appropriateness of your indicators regularly.



Questions??....