Loss Control Strategies That Work

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Where it Began for Me

This is not a new topic for me.
Objectives

Terminal Learning Objective: Participants from this workshop will learn nontraditional approaches to reducing the frequency and costs associated with human error incidents and accidents.

Enabling Learning Objectives. Participants will

• Comprehend the limits of traditional human factors approaches
• Be introduced to the concepts of “Empowered Accountability”
• Understand the critical importance of an integrated programmatic approach to error control that includes the individual, the small team, and organizational elements

Assessment: A question and answer period following the workshop will provide answers to specific situations and questions from the audience

“Loss controls that work?”

I’ve heard that before. Let’s see some data.

Real World Examples

• Major airline was losing an aircraft due to human error every 19 months for over 15 year period
  — Post-GWOE initiation; zero losses in the last 5 ½ years
• OEM Service Centers had nearly $40 million in claims over past 8 years due to “technician induced damage”
  — 20 months in to our “Never Events” program, zero claims for the first time in a decade
  — Quality escapes down by >15%
• Arkansas Children’s Hospital reduced medication errors by 95% post training (only to regress towards the mean)
• USMC aviation reduced class A mishap rate by 60% post training (regressing towards the mean since cancelling program in 2008)
A Recent Conversation
No one thinks they are going to have an accident. We need to change the conversation away from safety and onto something else.

Tactical vs Strategic Concerns
While the tactical cost of an accident or incident can be significant, the real cost of an embarrassing event is loss of brand reputation, a strategic loss which can cost millions.

OEM Service Center Case Study
- Identified problem and made recommendation
- Provided analysis, integrated plan and solution
- Facilitated use of bursary, structured agreement with provider
- Facilitated access, schedule, and integration

Represents nearly $5 million in claims reduction over average year for a mere $150K investment.
Nontraditional Approach

- No debating the data
- Change the discussion
- Inspiration is as important as information
- Systems approaches doomed to fail without engagement of the workforce
- “Empowered Accountability” approach is a bottom up method that builds trust, accountability, and drives all metrics (safety, security, engagement, customer service, and brand reputation)

“Safety as a Byproduct” Approach

Emphasize high performance instead of safety
- Profit: Start with money and keep it central
- Pride: Don’t get left behind your competitors
- People: Find and keep the best
- Promotion: Personal advancement
- Professionalism: The “master control amp”
We Need More Than SMS

- Don’t get me wrong here
- SMS is a partial solution, at best
- At worst, it creates an illusion of safety that is not present in day to day operations

The Problem With Most Safety Management Systems

Regulator
Qualification Standards
Regulations

Organization
Culture
SOPs and Policy
Safety Management System

Crew
Operational Risk Assessment
Threat and Error Management
CRM

Individual
Self-Awareness
Continuous Improvement
Personal Error Control
Professionalism

If I knew better, I would do better.
Achieving a “Spectrum Shift” in Performance

Level of Engagement, Compliance, and Commitment
This model applies to organizations as well as individuals.

Individual Engagement
The First Step of Achieving a “Spectrum Shift”

Why “Good Enough” Really Isn’t

“Mediocrity knows nothing higher than itself.”
- Sherlock Holmes, The Valley of Fear

“Good Enough”
Stuck in the crushing grip of mediocrity and lost potential.
“The best of the worst and the worst of the best.”

Industry Standards

Efficiency

Effectiveness

Safety

Malicious

Incident

Fealty

“Processing...”
Attempting to give a damn...

Cancel

Performance Evolution Ladder – Copyright 1998 T. Kern
Mediocrity
Set the bar low enough and everyone is exceptional.

The “Potential” Problem

Performance Management

Blue Threat
Deliberate Practice
Your True Best

Stop the bleeding from self-inflicted avoidable errors
Activate latent potentials to “grow where you are”
Optimum performance and continuous improvement
Error Control Doctrine in 3D

• Attention to Detail – Every step done right to the best of your ability (this will change over time)
• Diligence – Every time, all the time
• Discipline – to successfully see and resist temptations to deviate in real time

“My true best effort, every time, in full compliance.”

Why Isn’t This Enough?

“My true best effort, every time, in full compliance.”

Violation producing conditions

- Distractions
- Cultural norms
- Misperceptions
- Emotions
- Time pressures
- Poor habits

For simplified doctrine to be empowered, these factors must be taken into account, and this is where the heavy lifting starts for true high achievers.
“Tony, why do smart, well trained professionals with spotless flying records, make dumb mistakes and kill themselves?”
“Dog” Davis, Lieutenant General, USMC

Why do smart people make dumb mistakes?
Not from a lack of skill or competence.

Three primary failure modes
1. They don’t have the self-awareness to see the threat they pose to themselves (blue threat)
2. They don’t see threats soon enough or have strategies in place to counter them
3. They become complacent and lose ownership of their professionalism and decision space

What is the Blue Threat?
External threats to the plan are typically referred to as the Red Threat.
Internal obstacles include such things as human error, poor communication, inadequate planning or readiness are collectively referred to as the Blue Threat.
Typically, the Blue Threat is responsible for far more (4X) failed outcomes than external factors.
**Fatal Flaw in Our Thinking**

It has long been assumed that when you train someone to do something right you are simultaneously training them not to do it wrong. This simple premise is grossly in error and is responsible for thousands of lost lives and billions in lost revenue every year in high risk industries.
In 2005, the USAF Chief of Safety stated he doubted the Air Force flight mishap rate can be significantly reduced because there aren't widespread common problems. “It seems the cause is just human error.”

- USAF Chief of Safety, 2005

Source: Air Force Times, Oct 17, 2005, "Aircraft mishaps increase in 2005" p. 16

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**Conventional Wisdom on Human Error**

“People will always make mistakes, that’s a given.”

“It’s easier to change situations than people.”

“To err is human . . . it is easier to manage error than to prevent it.”

“Trying to stop human error is a blame and shame game.”

“Errors happen without advanced warning, there is no ‘aura’ beforehand.”

“Human error mishaps are just the cost of doing business.”

“We are forced to work with the crooked timber of human fallibility.”

“Serious human factors experts moved beyond the individual error approach 20 years ago.”

“The weakest link in the cockpit is wearing a headset.”

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**Current Approach to Human Error is Primitive**

EEK! HUMAN ERROR! WE NEED ANOTHER THREE LETTER PROGRAM TO SHOW WE CARE!

EEK! A VOLCANO! THROW IN A VIRUS!
Blue Threat Proverb #29
“Only human” is the ultimate oxymoron.

So What?
We disagree with the conventional wisdom on error. We believe that human error is not inevitable nor "part of being human" any more than cancer is.

Errors do happen, but most can be controlled with little more than enhanced knowledge and serious personal intent.

Cancer Death Rates* by Sex, US, 1975-2005

We learned what was causing it and did a few things differently.

How did we reverse this trend with an ageing population?
Errors Without Consequence?

• No such thing as an “inconsequential error”
• There are thousands of errors with no short term consequences, but over the long haul, left unchecked, they erode our skills and vigilance, one day extracting revenge
• Honest external criticism is so hard to get in today’s world, we must learn the skills of thorough and objective self critique to avoid this fate

How to Begin? 2+2

• Check for competence
• Train for excellence
• Practice precision
• Picture perfection

Empowered Accountability is a shared responsibility approach to sustainable organizational excellence.
Dude, what does that even mean?

Going Pro:
The Deliberate Practice of Professionalism

PROFESSIONALISM

that’s not my job.

Some leader’s approach to tough professionalism challenges.

I AM NOT BLIND 😎
I’ve just chosen not to see.
Leaders should not expect or demand professionalism if they themselves cannot define it or train it.

A Very Brief History of Professionalism

Let’s start 585 years ago …
Rise and fall of the Trade Guilds

Minimum standards for worker safety and consumer protection

Novice
Apprentice

The Rise of the Regulator

Level I Professionalism: Membership

“I’m a pro because I earn a paycheck in this industry.”

Professionalism. Noun.
A professional is a member of a vocation founded upon specialized educational training.
Level II Professionalism: Compliance to Standards

“I’m a pro because I comply with all the standards.”

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Level III Professionalism: Full Engagement

“...I'm a pro because I am doing all I can to be the best I can and further the objectives of my organization and the industry.”

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The “Professionalist”

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Six Areas To Master

1. Professional Ethics (25%)
2. Vocational Excellence (25%)
3. Continuous Improvement (20%)
4. Professional Engagement (10%)
5. Professional Image (10%)
6. Selflessness (10%)

24 sub domains and 243 specific behaviors – all trainable, observable, and measurable

Three Levels of Professionalism

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<th>Professional Competencies</th>
<th>Professional Levels</th>
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Professionalism

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<td>Safety</td>
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<td>Engagement</td>
<td>Reputation</td>
<td>Profit</td>
<td>Loss</td>
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The ONE question to keep asking

“What are we becoming?”

Best Effort? What’s in it for me?

- Accurate and powerful intuition
- Habitual and effortless excellence
- Authentic self esteem
- Respect – self and peer
- Increased margins of safety
- Direct and remote influence
- Legacy and no regrets

WHY MOST OF US NEVER ACHIEVE OUR “TRUE BEST”

- No one has ever seriously asked us to
- No one really expects it
- It sounds really hard
- We don’t know how to set standards “above the bar”
- Average performance seems good enough to get by with
- We compare ourselves to others and decide we are OK
- Peer pressure and cultural influences shape our expectations and efforts
- We don’t see what’s in it for us
In high risk industries, the only true path to optimized performance is the personal determination to obliterate the minimum standards set by others on the way to achieving your full potential as a public servant. This requires rejection of cultural norms of averageness, and the willpower to practice higher levels of precision every day on every task. Be your own hero.