Short Line Safety Institute

enhancing safety culture and safety performance of short line and regional railroads

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9/2/2017

The Importance of Safety Culture in Risk Management

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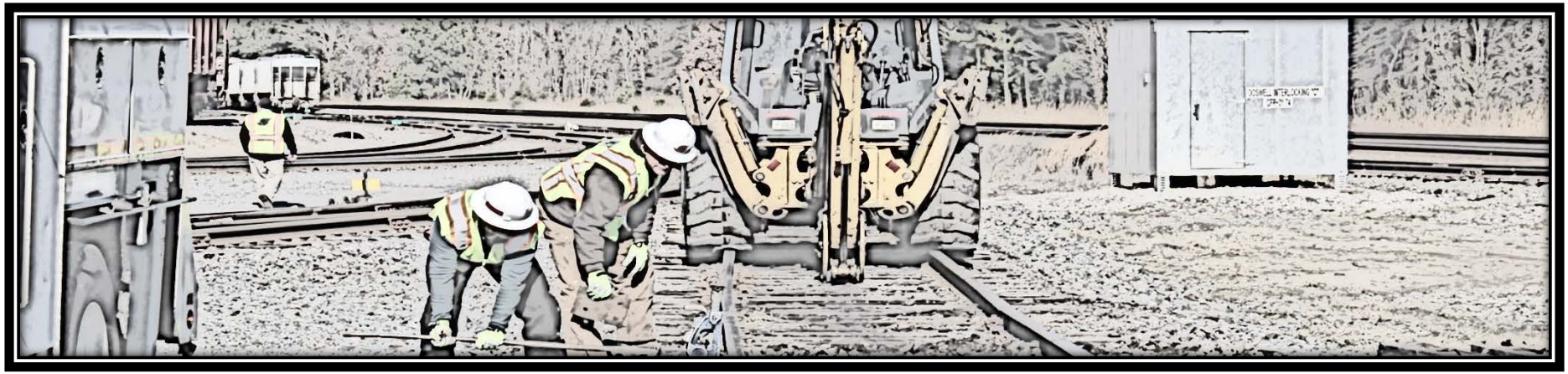


Review of Short Line Safety Institute

Short Line Safety Institute

Our Vision:

The short line and regional railroad industry performs at an increasingly high level of safety

Our Mission:

To enhance the safety culture and safety performance of short line and regional railroads through meaningful and productive partnerships

Safety Culture

Grade Crossing Technology

Engineering Technologies

TRUST CULTURE

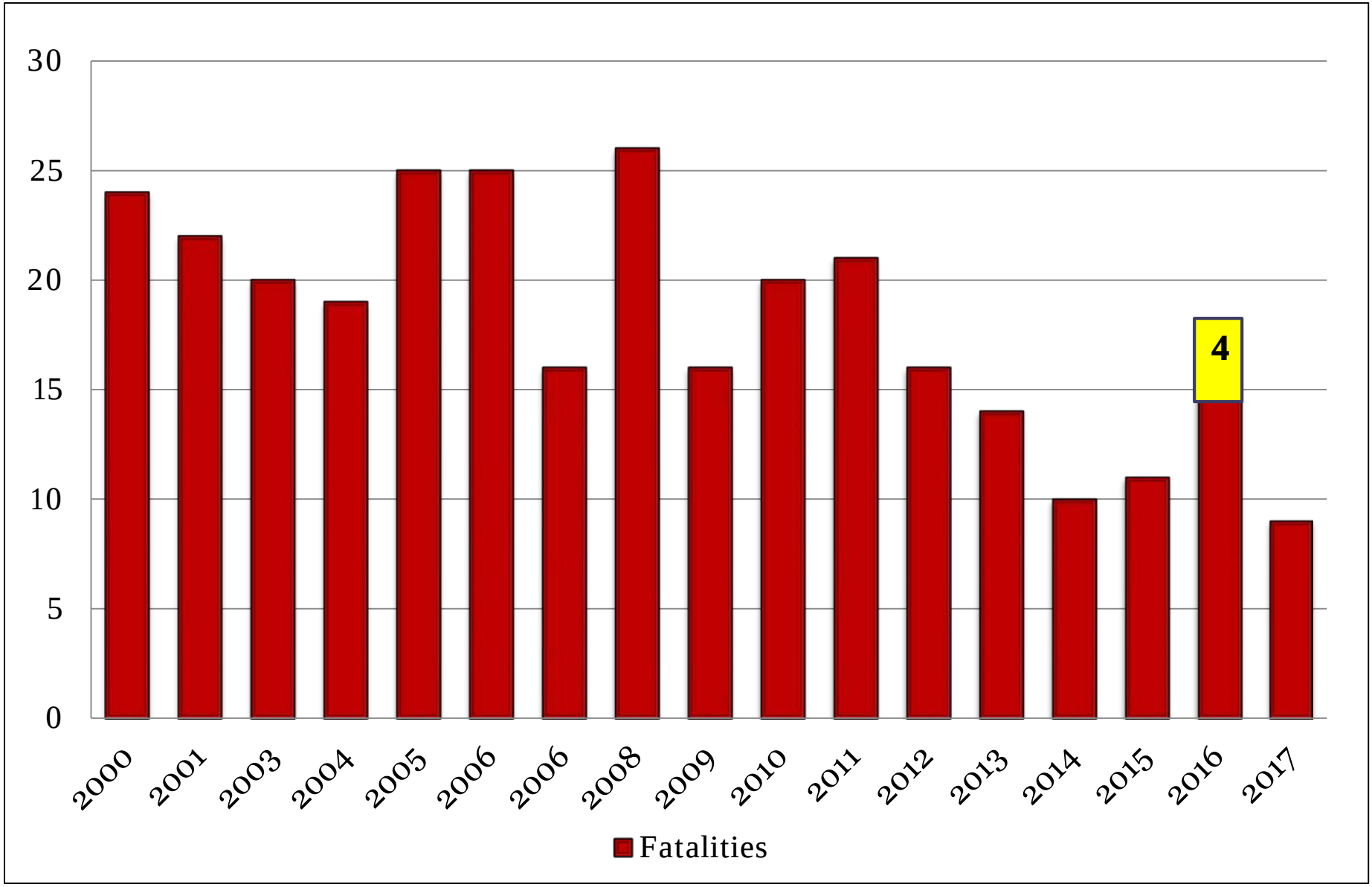
EMPOWERMENT

COMMUNICATION

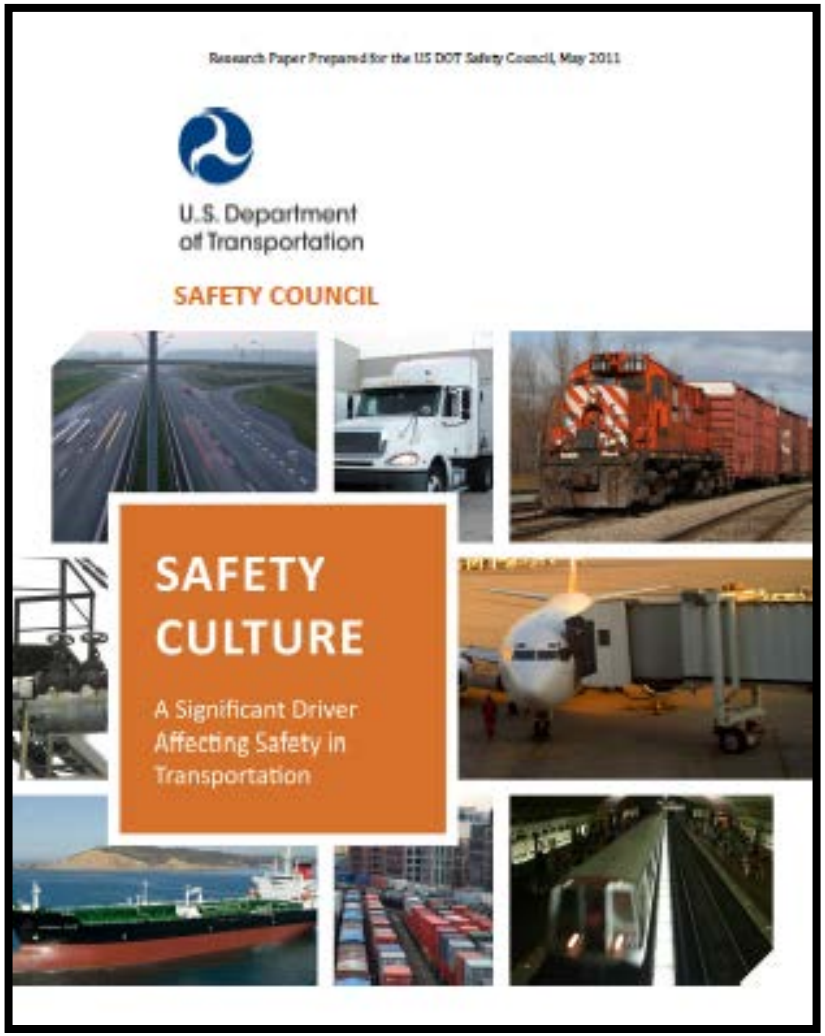
Enforcement & Community Outreach

Human Factors

Railroad Worker On Duty Fatalities



Safety Culture Definition



The Short Line Safety Institute has adopted the U.S. Department of Transportation Safety Council's definition of Safety Culture.

Safety Culture

The shared values, actions, and behaviors that demonstrate a commitment to safety over competing goals and demands

Empowerment

Is ensuring that employees have skills, knowledge, resources and authority to make safe choices within an acceptable range of options.

Ten core elements of a strong safety culture:

(Please reference the handouts provided)

1. Leadership Is Clearly Committed to Safety
2. The Railroad Practices Continuous Learning
3. Decisions Demonstrate that Safety Is Prioritized Over Competing Demands
4. Reporting Systems and Accountability Are Clearly Defined
5. There Is a Safety Conscious Work Environment
6. Employees Feel Personally Responsible for Safety
7. There Is Open and Effective Communication Across the Railroad
8. Mutual Trust Is Fostered between Employees and the Railroad
9. The Railroad Is Fair and Consistent in Responding to Safety Concerns
10. Training and Resources Are Available to Support Safety

Safety = Culture + Compliance

Compliance

Doing The Thing Right

(5 % of the time)

and

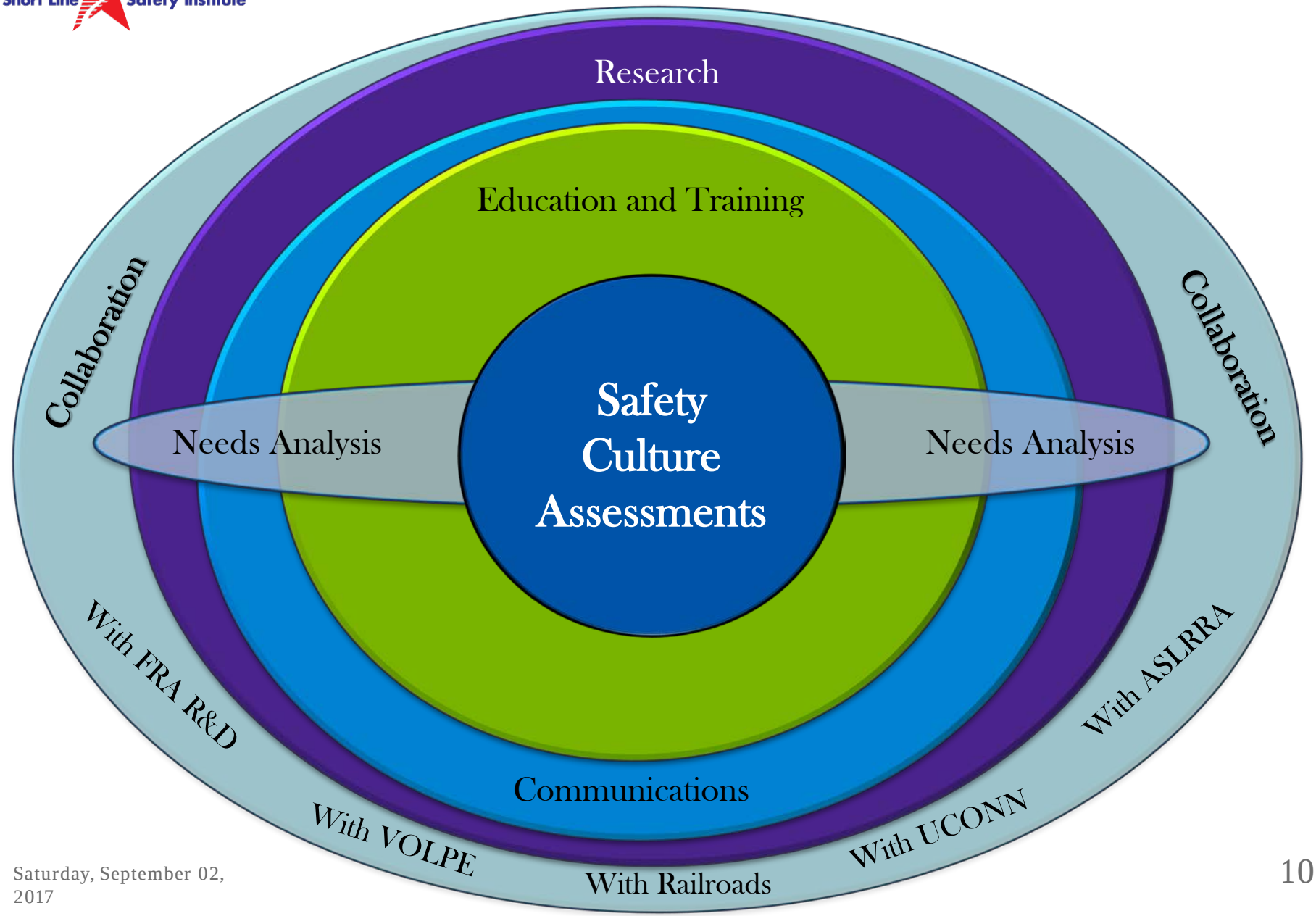
Culture

Doing The Right Thing

(95% of the time)

What are your employees doing right now when you are not on property ?

Process to Assess Safety Culture

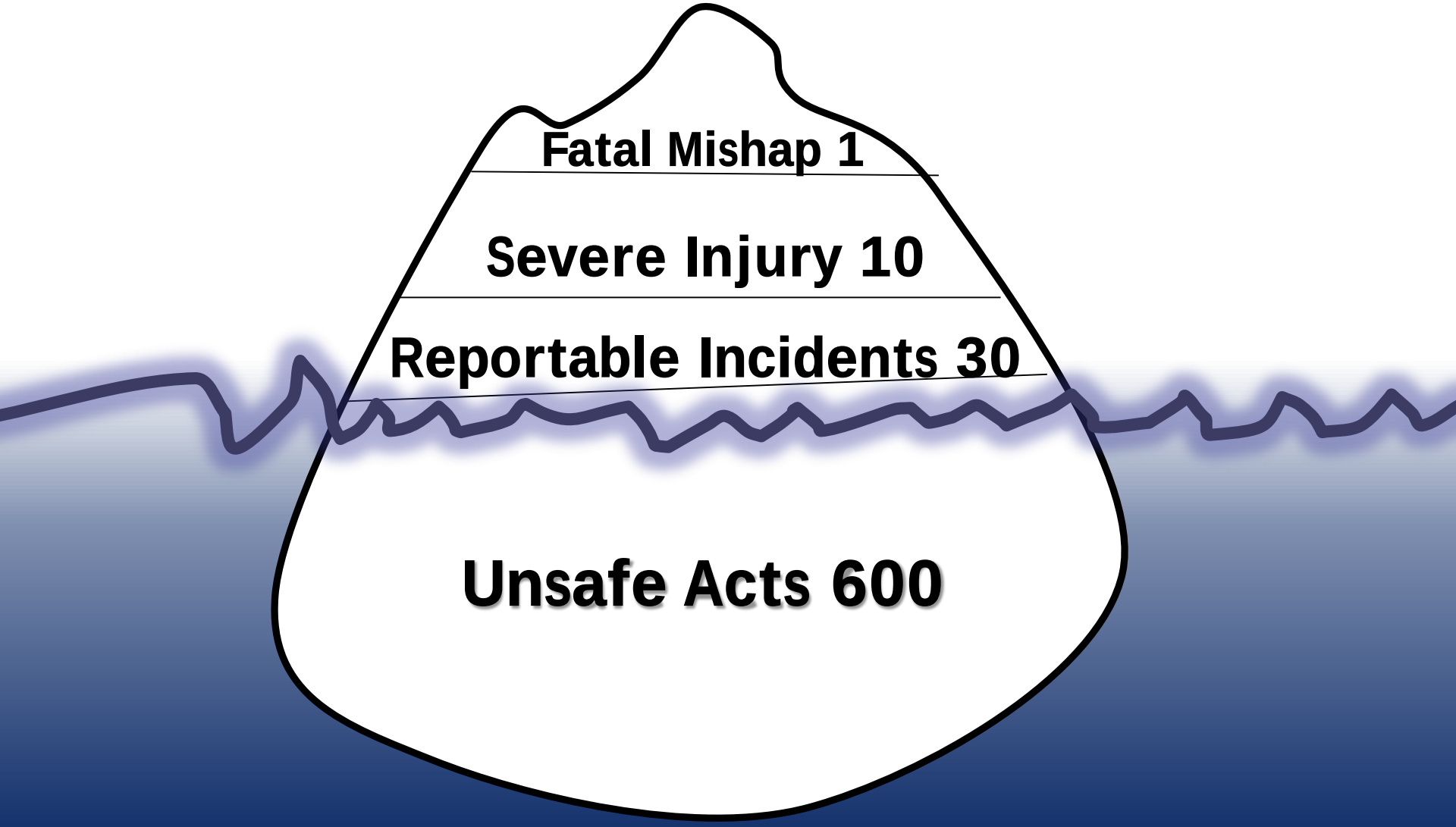


Understanding the need for a strong safety culture

OVERCONFIDENCE

Before You Attempt to Beat the Odds,
Be Sure You Could Survive the Odds Beating You.

The Heinrich Ratio



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Before you attempt to beat the odds, be sure you can survive the odds beating you.

How Much Does a Fatality Cost?

- OSHA estimated a value of $ 9.2 million for each life lost in the workplace. Multiplying this value by the 4,836 workplace deaths reported by the Bureau of Labor Statistics for 2015, OSHA estimates the annual cost of known workplace fatalities to be over $44 billion.

- This estimated does not include the cost of non-fatal injuries, or of occupational illnesses like cancer and lung disease. These illnesses generally occur many years or even decades after workers are exposed and are therefore seldom recorded in government statistics or employer surveillance activities.

- https://www.osha.gov/oshstats/index.html

The Cost Of Poor Culture

- Two recent accidents in the railroad industry have changed the regulatory environment and added billions of dollars of to the cost of regulatory requirements and Federal oversight.

- Who would have thought two railroad employees, thousands of miles apart and in different countries, could fundamentally change the regulatory and liability atmosphere in this country.

Why were they not following the rules?
Were the right rules / procedures in place ?

Safety Culture Influence on Metrolink at Chatsworth, 2008

- Employee not following safety rule (personal electronic device)
- 25 Fatalities
- 2014 Metrolink Statement on Safety Culture
- There is a new culture of safety at the company

- "…It's been something that's been incorporated into every aspect of our operations," he said. "It should have been in place before the collision, we should have been more cognizant."

Safety Culture Influence on MMA at Lac-Magentic, 2013

- Employee not following Air Brake Train Handling rule, securing train with insufficient handbrakes on a steep grade
- 47 Fatalities
- Transportation Safety Board of Canada Investigation

- *"…MMA's operations were indicative of a weak safety culture—one that contributed to the continuation of unsafe conditions and unsafe practices, and significantly compromised the company's ability to manage risk."*

Safety Culture Influence on Metro-North 2013

- FRA identified three overarching safety concerns that affect all facets of Metro-North:
- An overemphasis of on-time performance;
- An ineffective Safety Department and poor safety culture; and
- An ineffective training program

- **Federal Railroad Administration, Report to Congress: March 2014**

How Much Do Regulations Cost?

$$ 2.0 - $$ 2.1 * trillion annually

-Economic: $1,448 b

-Environmental: $330 b

-Occ. Safety/Heath & Homeland Security: $92 b

-Tax Compliance: $159 b

-***Estimated <u>Administrative</u> Cost to RRs = $ 1.5 b / year.***

Between 3,500 – 4,000 Final Rules / Year

-2013 – 3,659 Rules, over 80,000 pages

-2014 – 3,541 Rules, over 78,000 pages

-2015 - 3,378 Rules, over 81,000 pages

-2016 – 3,852 Rules, over 97,000 pages

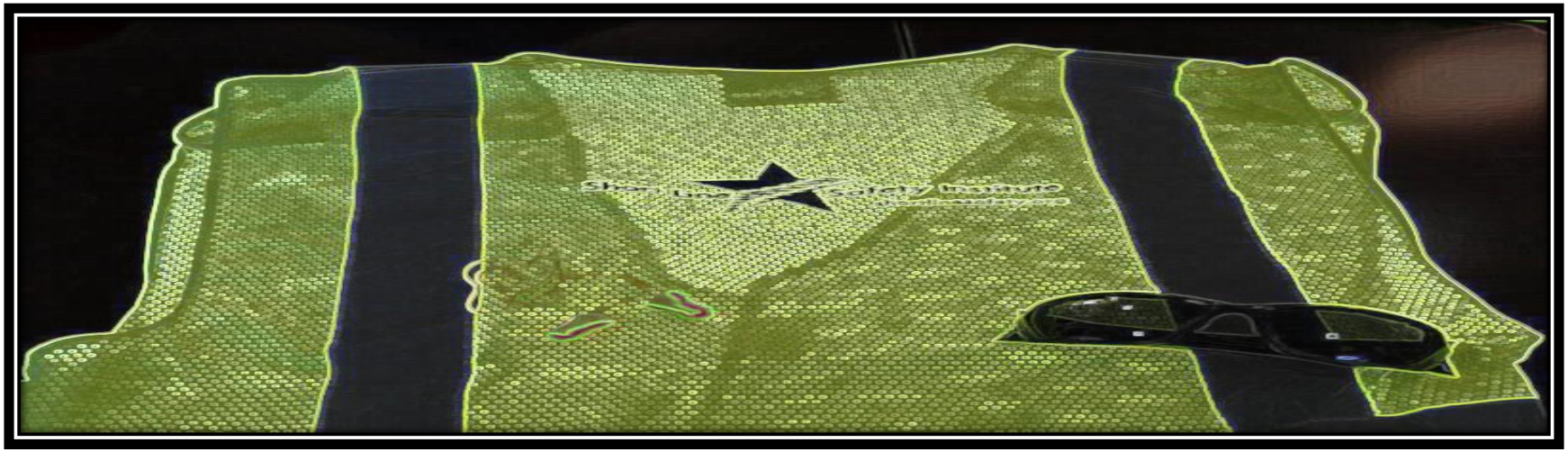
-**Total - 14,430 Rules, over 336,000 pages**

In perspective, the 2016 Federal Budget is about 4.1 trillion dollars.

*** Crains Business, National Association of Manufactures, and Forbes**

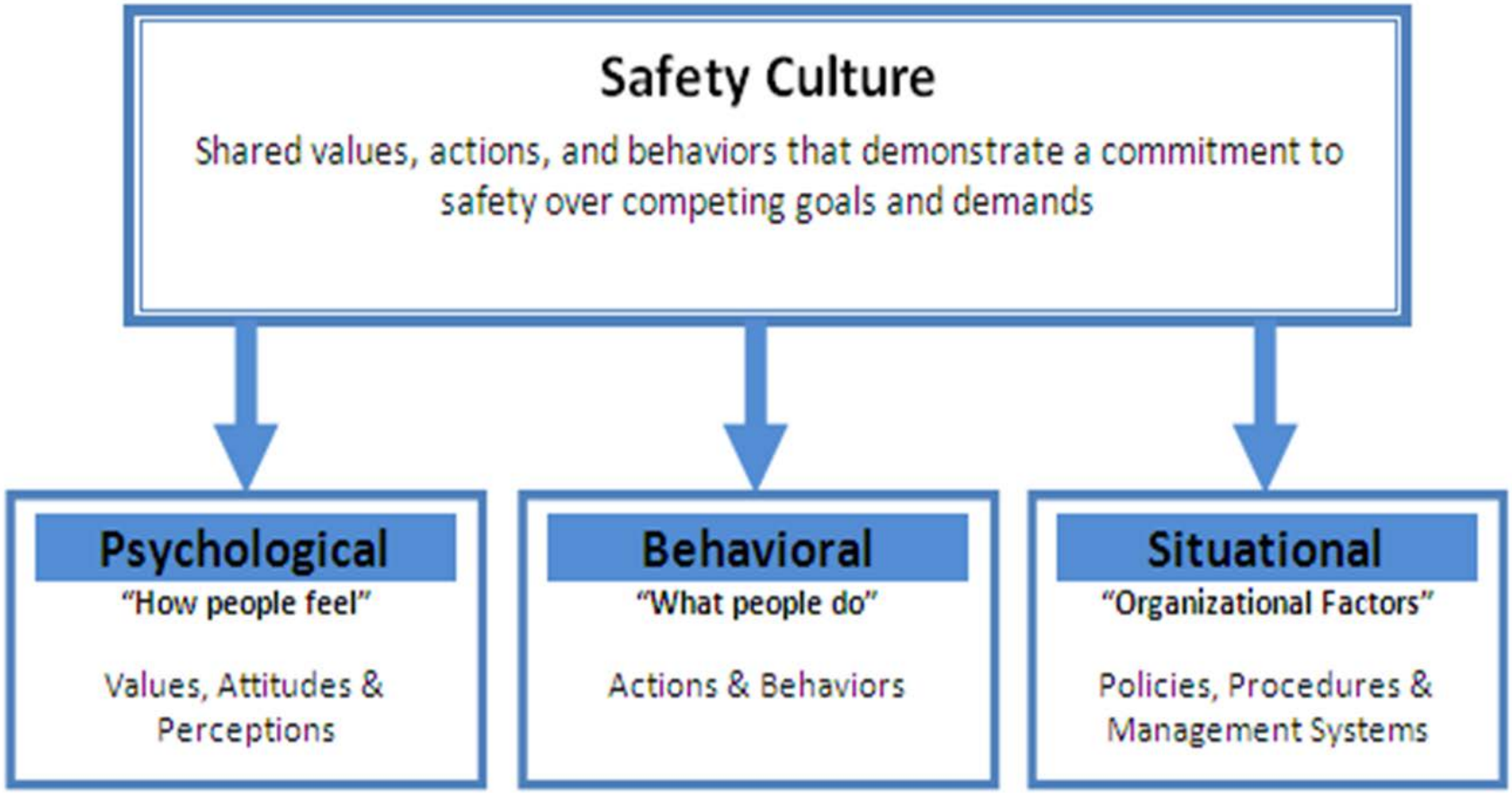
659 expected to have impact on small businesses

Does not count individual State Regulations



Review of Safety Culture Assessment Process

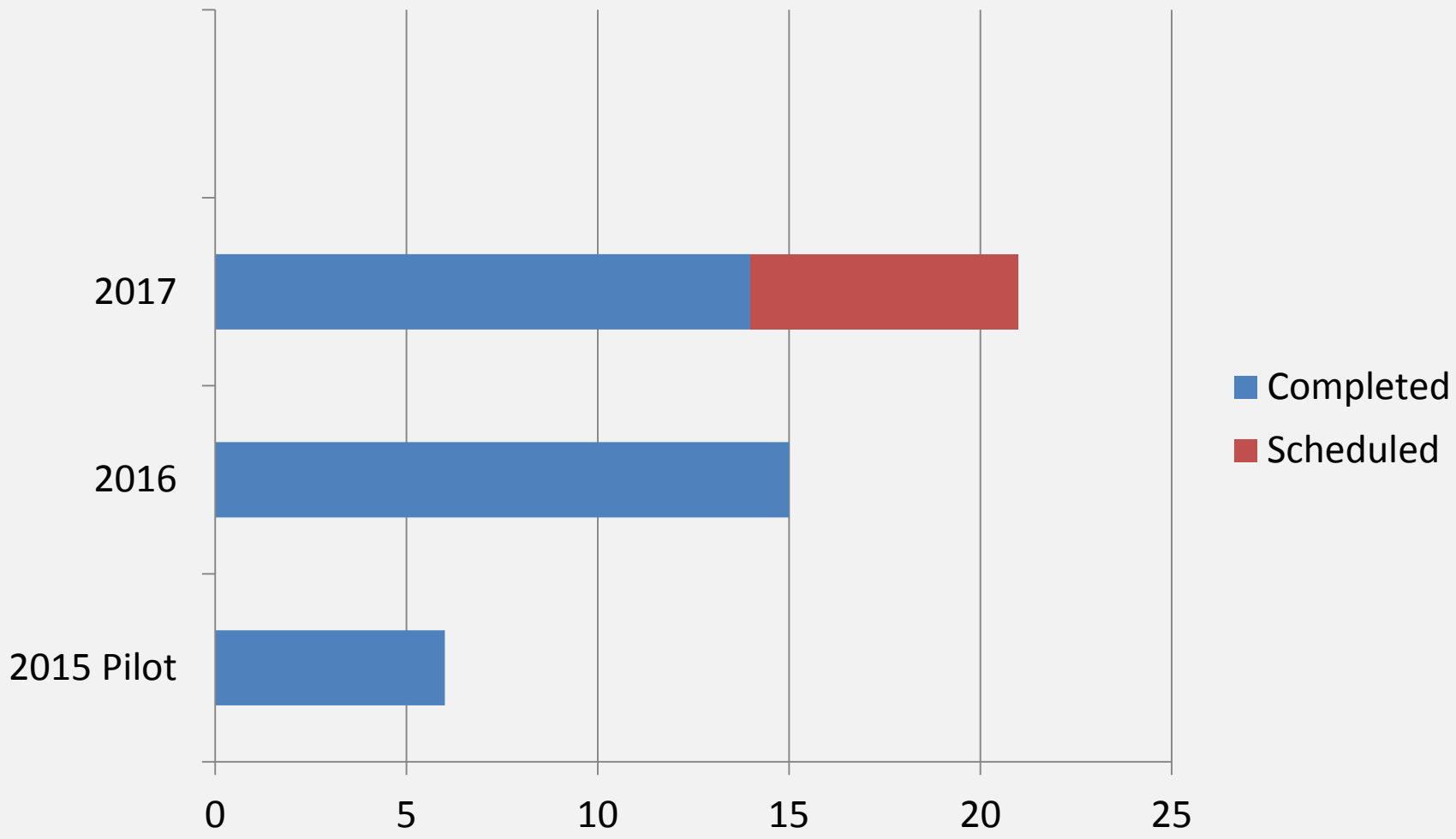
What Institute Assessors are Trained to Observe:



Steps in a Safety Culture Assessment

- Readiness Screening
- Pre-visit engagement
- Safety Culture Assessment
- Post-visit engagement & continuous resources
- Anonymous and confidential process throughout each stage*
  - Only aggregate and non-identifiable information for survey and report
  - Notes of interviews and observations and any drafts are eradicated appropriately

Safety Culture Assessments



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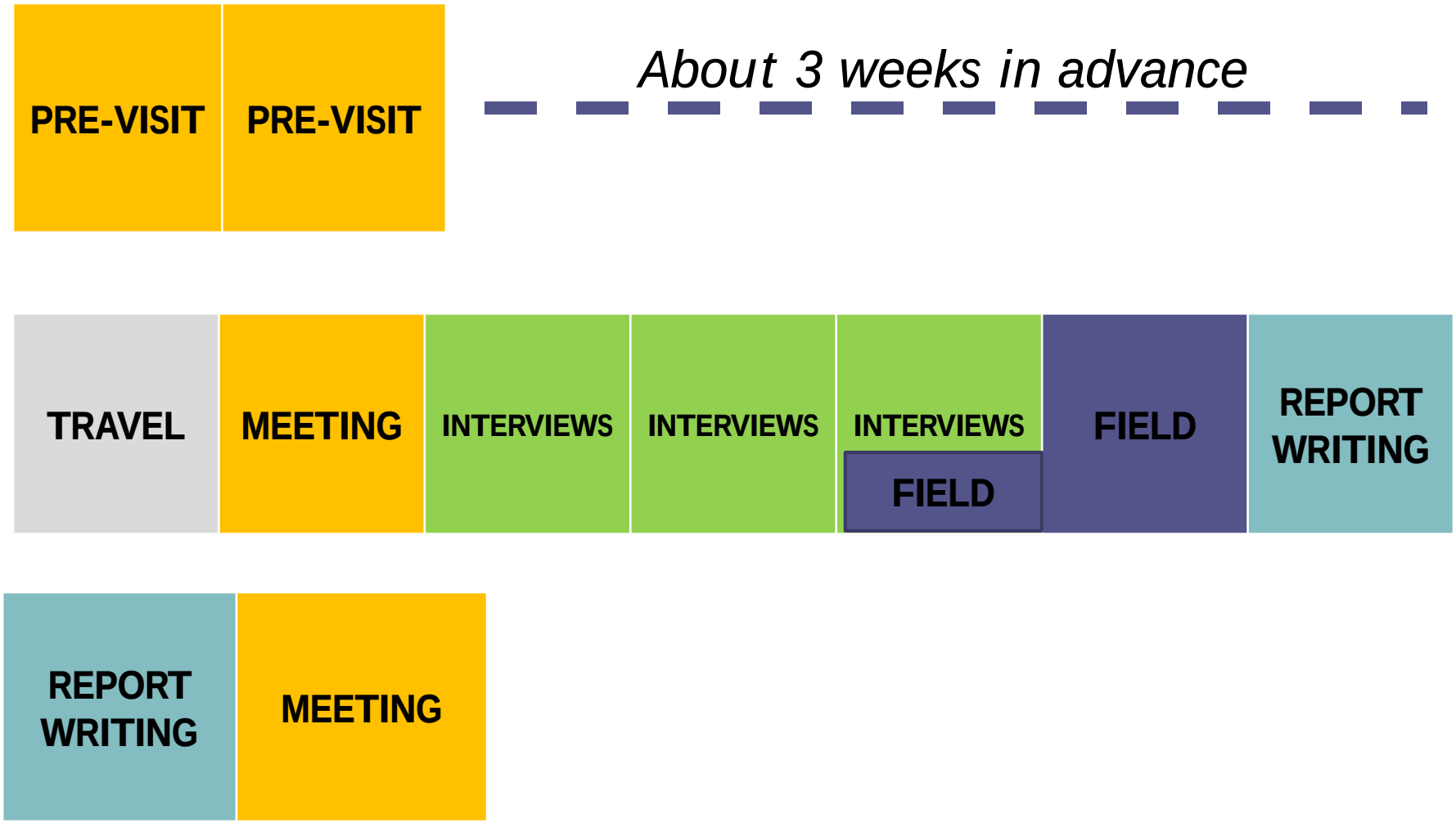
Safety Culture Assessment Timeline



How Much Does it Cost?

Time and resource commitment from the railroad for:

- Meetings, survey participation, interviews with the senior leaders, mangers, and employees, field observations and other reviews
  - Prefer one or two employees (non-managerial) to accompany SLSI personnel
- Willingness to initiate and sustain changes necessary to improve safety culture
- We are dedicating our resources to your success, we require you do the same for the best assessment results! Teamwork with us is essential

Concept of "Normalized Deviance"

Definition:

"The gradual process through which unacceptable practice or standards become acceptable. As the deviant behavior is repeated without catastrophic results, it becomes the social norm for the organization."

Simply put;

"A railroad will live up to or down to the level of expectation that is set."

Industry Response

- **What do you think was most valuable in this report?**
  - *Knowing where we have gaps. A fresh set of eyes can see things we have become immune to seeing. Also, the close out meeting was very beneficial and helped define the gaps more clearly.*

Industry Response

- **From what you understand, do you think the assessment will be or is worthwhile, thus far?**
  - *Absolutely, I was skeptical at first, but the report and findings were very clear and accurate.*
  - *This is very well worth our time and will pay off from the suggestions and issues that were brought up during this process*
  - *It is absolutely worthwhile and I would recommend it for all Shortline Railroads.*

Industry Responses (con.)

- **Would you recommend this process to other railroads?**
  - *Yes, there are several Short-Line Railroads that we will be making contact to and recommending this service. Very beneficial for our industry.*
  - *I would encourage all Short-Line Railroads to use this process in assessing their Safety Culture.*
  - *I would like to thank the entire team for their thoroughness and their professionalism. Like most we are apprehensive when inviting someone in to possibly air out our possible dirty laundry the assessment was not conducted in that manner. What needs to be addressed is done in a most positive manner. All employees as well spoke very highly of the team.*

"We must, indeed, all hang together, or most assuredly we shall all hang separately."-In the Continental Congress just before signing the Declaration of Independence, 1776.

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Questions?

Is this a job briefing at your railroad?

Thank You for Participating in Today's Short Line Safety Institute training!

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www.shortlinesafety.org

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