Culture Trumps Strategy, So Why Not Make Culture Your Strategy?

NERC Human Performance Conference

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Includes Just Culture Principles pioneered by Outcome Engenuity
BGE by the numbers

- Oldest utility in the United States
- Non-union
- Merged with Exelon 2012
- Approximately 3,300 employees (~ 1,100 field workers)

<table>
<thead>
<tr>
<th></th>
<th>Electric</th>
<th>Gas</th>
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<tbody>
<tr>
<td>Service Territory</td>
<td>2,300 sq miles</td>
<td>3,057 sq miles</td>
</tr>
<tr>
<td>Customers</td>
<td>1,241,126</td>
<td>655,055</td>
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<tr>
<td>Transmission (500, 230, 115 kV)</td>
<td>1,292 miles</td>
<td>164 miles</td>
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<tr>
<td>Distribution Miles (4, 13, 34 kV)</td>
<td>25,159 miles</td>
<td>7,054 miles</td>
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<tr>
<td>Stations</td>
<td>244 substations</td>
<td>12 gate / 651 regulator</td>
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What we were facing in 2011

“Despite our extensive safety focus we continue to have incidents potentially resulting in serious injuries and fatalities.

Since our traditional approach has not worked, we must find a new approach for cultivating the organizational, cultural and behavioral changes necessary to address the gaps that continue to plague our safety performance.”
We knew this had to be different

Energize a grass roots movement

Focus on the human component

Go beyond the utilities

Think OOB

Build it in, not bolt it on

Make it personal

Make it “sticky”
What we learned about our culture

Frans de Waal, Ph.D.
Professor of Psychology
Emory University
What we concluded

We must address our culture, if we are to achieve a breakthrough in safety and operational performance.
What we learned from other high risk industries

Just Culture
The greatest threat to safety and operational performance

Human error

At-risk behavior
Behaviors that introduce risk

- Human error
- At-risk behavior
- Reckless behavior
Ensuring justice and accountability

Safety and operational performance

Blame-free culture  
Punitive culture
Justice and accountability is the GLUE

- Justice and accountability
- Values and expectations
- System design
- Behavioral choices
- Learning systems
The benefits we can achieve

- Better outcomes
- Improved performance across all operating goals
- Reduction of at-risk behaviors and errors
- Increased reporting, transparency and shared learning
- Increased effectiveness of incident investigations
- Increased trust, engagement, and teamwork
- Enhanced leader development
Workshop topics

- The Just Culture model of risk management
  - Values and Expectations
  - System Design
  - Behavioral Choices
  - Learning Systems
  - Justice and Accountability

- How we are doing it
It’s a journey worth taking