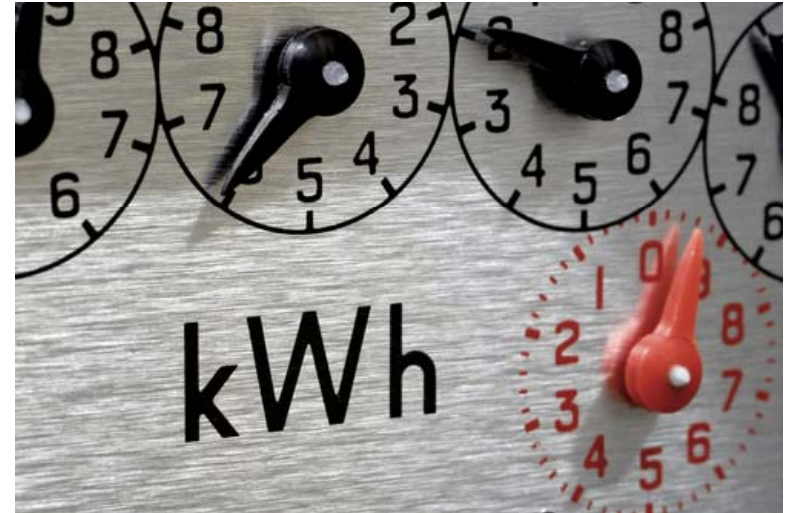


# **Analytics for Reliability Enhancement**



## **Human & Organizational Perspectives on Organizational Assessment**

**NERC  
March 26, 2013**



# Utility Analytics

business transformation, data analysis, outage management and call center operations, predictive maintenance, credit & collections, demand forecasting, customer engagement, grid optimization

## What's missing?



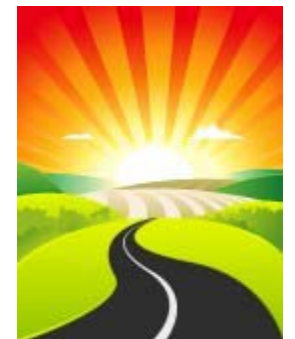


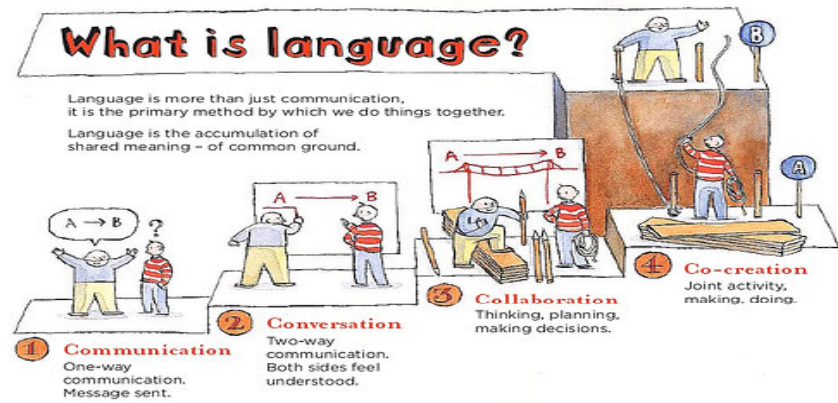
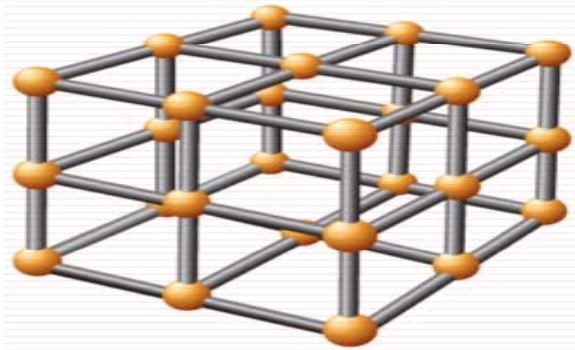
- Organizations as complex socio-technical systems
  - Assessment of both technical & social components
- Putting it all together to identify evidence based improvements

# Sustaining Reliability:

## A short course for long journey

- What is the purpose of organizational assessment?
- How do you make sense of the assessments you conduct?
- Is there a theoretical basis for assessments that aligns with your purpose?
- What methods do you use to assess?
- Are the methods aligned with your purpose?
- If you plot the conclusions and recommendations from all assessments are they aligned with the purpose?
- Can you see a trajectory of change in conclusions/recommendations overtime?
- Are your assessments making an impact?  
How do you know?

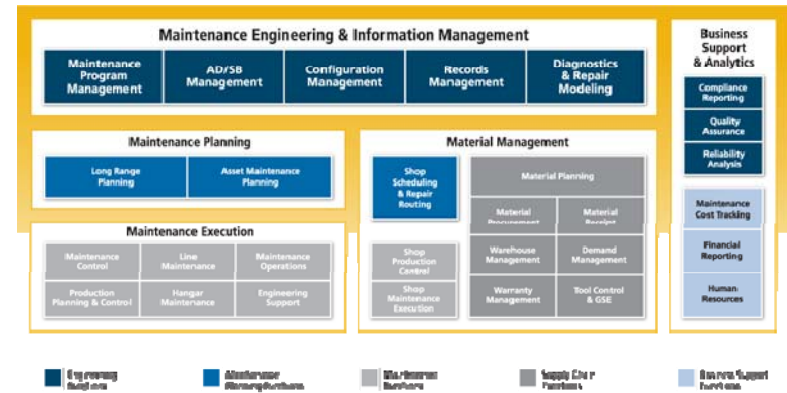
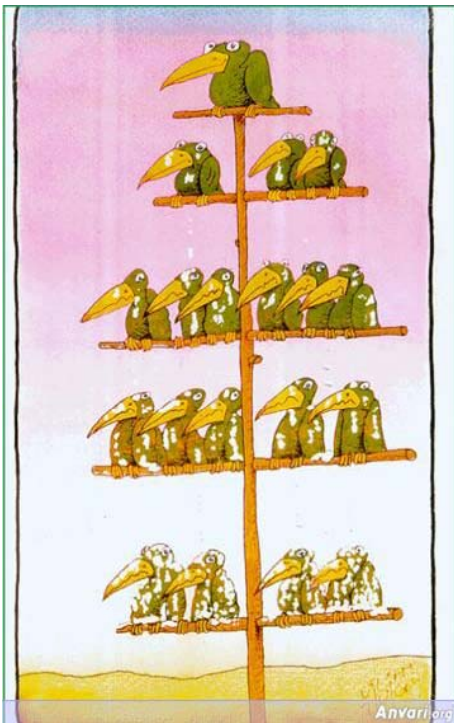




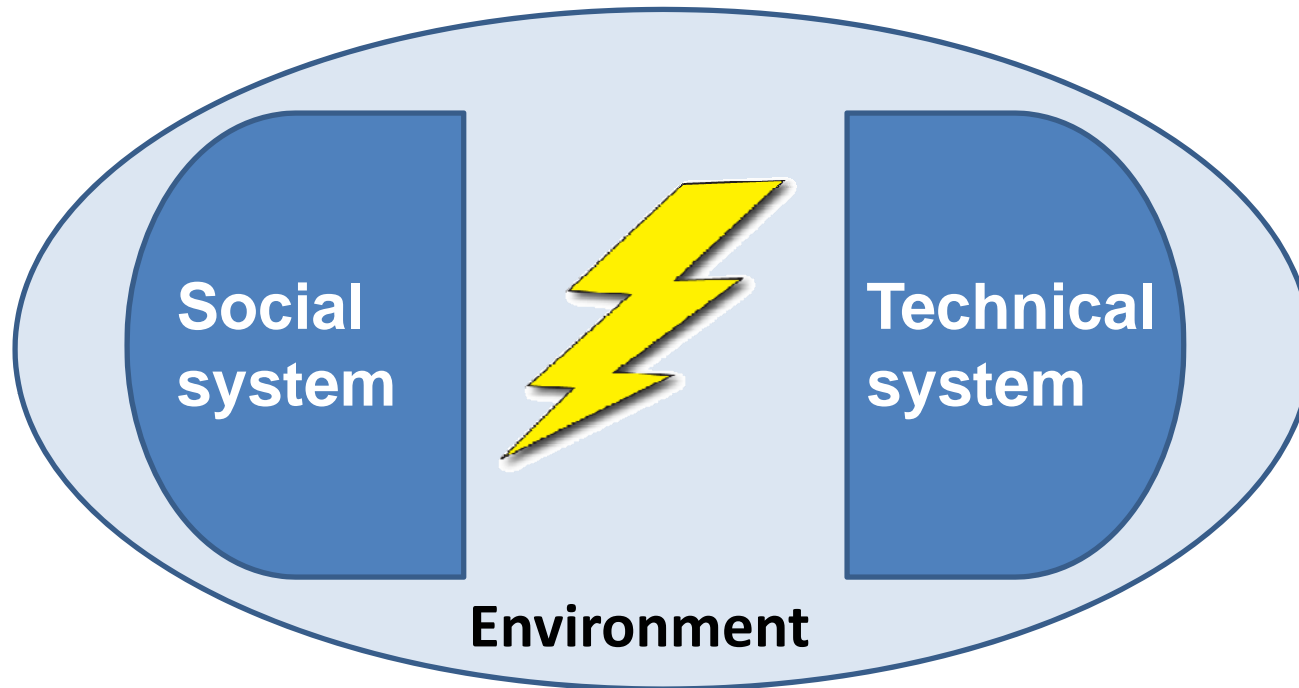
...a



# Organizations: many perspectives -



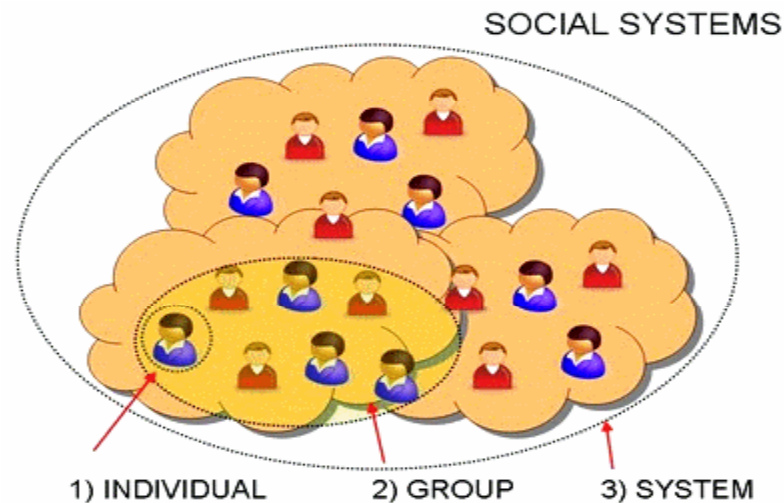
# What is a socio-technical system?



- Jointly designed & optimized
- Human focused approach

# What is a System?

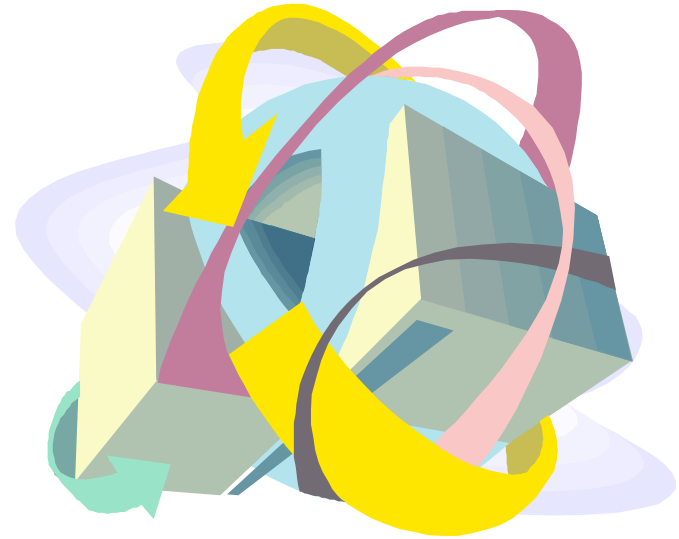
- A perceived whole whose elements 'hang together' because they continually affect each other over time and operate toward a common purpose
  - Senge et. al.





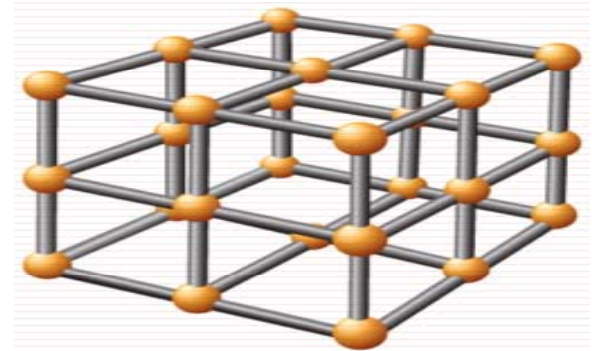
# Systems Theory

- Synergy
- Interdependence
- Interconnections
  - within the organization
  - between the organization and the environment
- Organization as CAS ecology



# Systems Framework

- NOT a theory of management - new way of conceptualizing and studying organizations
- Four Strengths
  - Designed to deal with complexity
  - Attempts to do so with precision
  - Takes a holistic view
  - It is a theory of emergence -



# Characteristics - Organizations as Systems

## ➤ Role of Communication

- Communication mechanisms to **exchange relevant information with environment**
- **Flow of information** among the subsystems
- **Energy that sustains social systems**

## ➤ Systems, Subsystems, and Supersystems

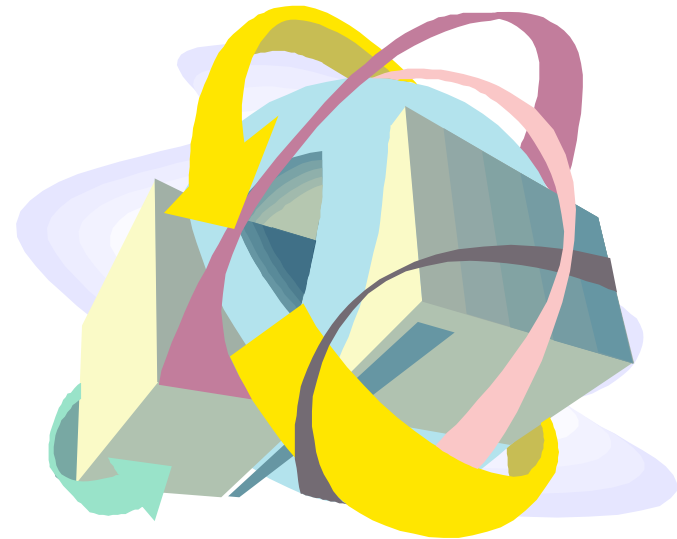
- Interrelated parts process inputs into outputs
- Subsystems do the processing
- Supersystems - other systems in environment on which the survival of the focal system is dependent

## ➤ Five Main Types of Subsystems

- **Production (technical)** - concerned with throughputs
- **Supportive** - ensure production inputs are available
- **Maintenance** - social relations in the system-HR, training
- **Adaptive** - monitor the environment & generate responses
- **Managerial** - coordinate, adjust, control, & direct subsystems

# Bottom Line

The same misunderstandings & problems that continue to occur will eventually cause fatal damage to the system.



[Systems discussion adapted from Dr. Derek R. Lane](http://www.uky.edu/~drlane/orgcomm/)

<http://www.uky.edu/~drlane/orgcomm/>



# Practical Application of Systems Theory

## The Learning Organization

- Continually expanding capacity to *create its future*
- Occurs under two conditions
  - 1) Design of organizational action aligns with the intended purpose
  - 2) Mismatches between intentions & results corrected with no unintended adverse outcomes
- *Increased adaptability*
- Evolves to generative learning

Peter Senge's *The Fifth Discipline: The Art and Practice of the Learning Organization* (1990)

# The Learning Organization

- Through communication, teams are able to learn more than individuals operating alone.
- Leadership is key element in creating & sustaining a learning organization.
- Leaders responsible for promoting atmosphere conducive to learning
- CREATIVE TENSION
  - Difference between the “vision” of where the organization could be & reality of current organizational situation.

**Our reach should exceed our grasp**



# Impediments to Learning Organization

- **Complexity of the Environment**
    - Difficult to determine cause & effect
    - Multiple contributing elements in complex environments
  - **Internal Conflicts**
    - Individuals, teams, departments, & subcultures often at odds
    - Energy is drained by conflict
- Organization members must be trained in communication & conflict-negotiation skills



# Systems Approach Summarized

- Systems Theory is NOT a prescriptive management theory
- Attempts to widen lens through which we examine and understand organizational behavior
- The Learning Organization
  - Synergy
  - Whole greater than sum of parts
  - Interdependence
  - No single solution, new problems and solutions emerge
  - Requisite Variety
  - Emphasizes COMMUNICATION in the Learning Process
- Organizations cannot separate from their environment
- Organizational teams or subsystems cannot operate in isolation





“...the system by which companies are directed & controlled”

...the framework by which various stakeholder interests are balanced; or,

... "the relationships among the management, Board of Directors, controlling shareholders, minority shareholders & other stakeholders".

# What does good governance look like?

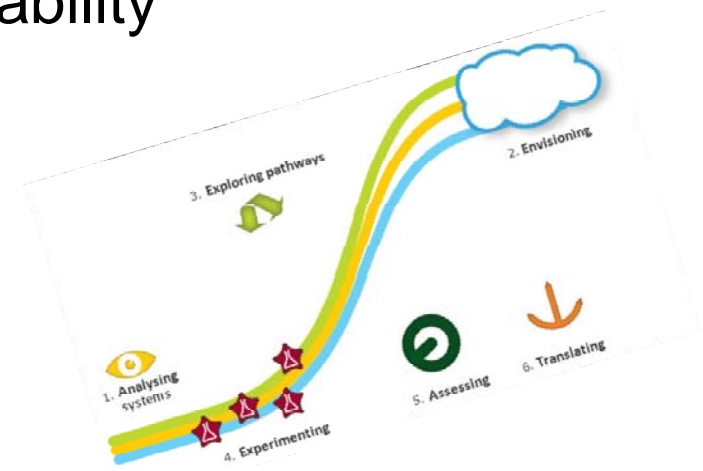


# Functions of Governance

- **Governance creates & aligns**
  - organizational structures & policies,
  - roles, responsibilities, & accountability
  - processes,
  - programs,
  - procedures,
  - standards

→ **to guide** operation, maintenance, & support of technical operations.

- Corporate governance considers relationships among stakeholders & organization's goals.



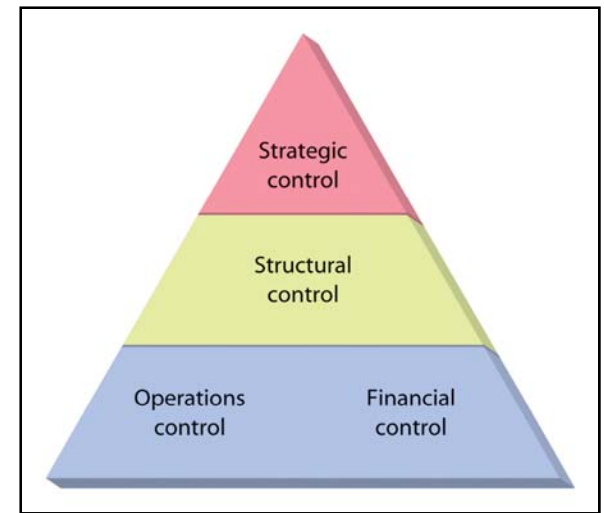


# Management Control Systems

- ....tools for steering an organization toward goals & strategic objectives
- gather & use information to evaluate performance of different organizational resources (human, physical, financial) & and organization as a whole

# Levels of Control

➡ **Four [4] levels of control include:**



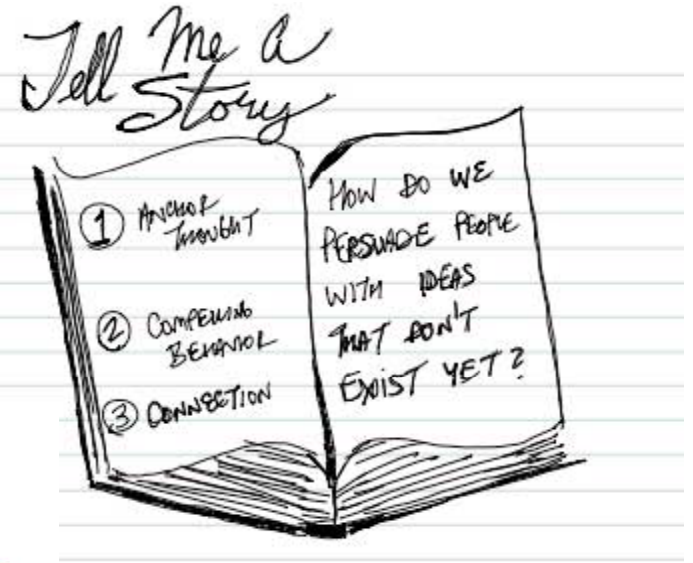
- ➡ **Operations Control** – focuses on the processes the organization uses to transform resources into products or services.
- ➡ **Financial Control** – concerned with the organization's financial resources.
- ➡ **Structural Control** – concerned with how the elements of the organization's structure are serving their intended purpose.
- ➡ **Strategic Control** – focuses on how effectively the organization's strategies are succeeding in helping the organization meet its goals.



## **OVERSIGHT**

...**verification that the standards, expectations, and goals** established through governance of the organization **are met**.

# What is the Purpose of Assessment & Analysis?





The real voyage of discovery consists  
not in seeking new landscapes, but in  
having new eyes.

Marcel Proust



# What's the story?

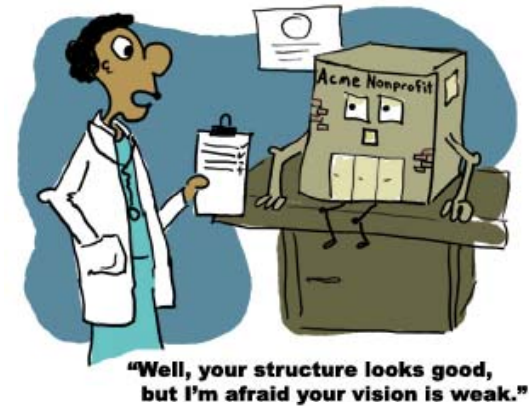
Children running  
from explosion  
in Baghdad Iraq

Students from  
Sandy Hook  
Elementary School  
after their  
Superbowl  
performance

Children playing  
at school in  
Atlanta

**Data alone has no meaning; it  
takes **context** to make sense**





[www.FieldstoneAlliance.org](http://www.FieldstoneAlliance.org)

“The purpose of an organizational evaluation is not usually to explain what has happened but to judge whether an organization is capable of managing risks and creating sufficient safety in its activities.

***The focus of an organizational safety evaluation is on the future*** – to assess the organization’s potential for safe performance.”

“A Guidebook for Evaluating Organizations in the Nuclear Industry – an example of safety culture evaluation” VTT 2011

# Our Knowledge is Imprecise; Tools Help

“One aim of the physical sciences has been to give an exact picture of the material world. One achievement of physics in the twentieth century has been to prove that that aim is unattainable.

“There is no absolute knowledge... All information is imperfect. We have to treat it with humility.”

[Bronowski, 1973]



From earliest times, humans had tools like hammers that extended our physical self. Today’s technology extends our mental self. It’s changing the way we experience the world.

—Amber Case, Cyborg Anthropologist



# Evidence based – collecting data



- Self-assessments
- Post-job reviews
- Problem reporting
- Observations
- Performance indicators & trending
- Operating experience
- Benchmarking
- Management oversight & involvement
- Causal analysis
- Interviews
- Focus groups

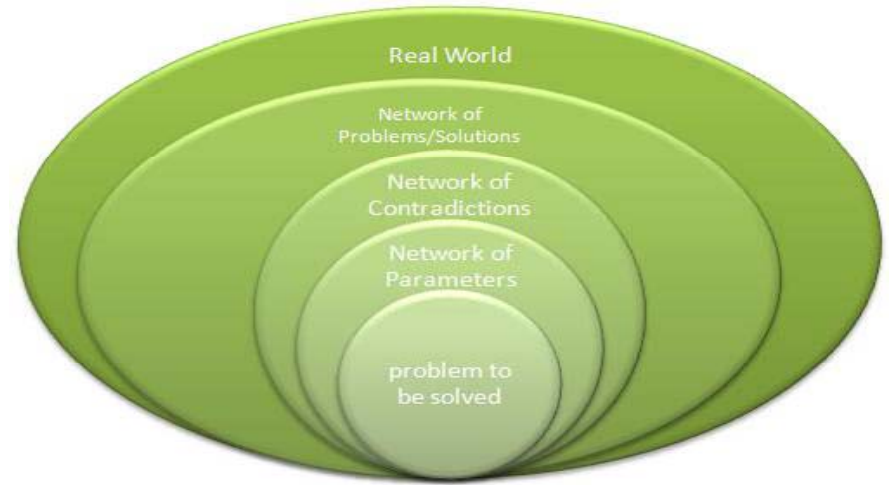
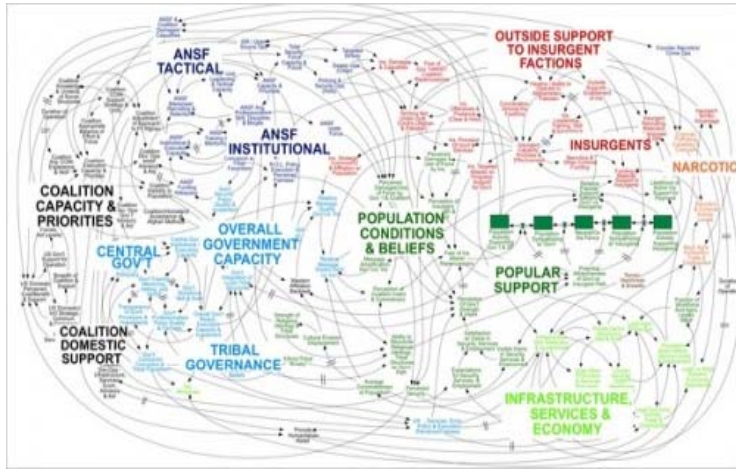
# Causal Analysis

- Usually assumes linear causation

Why?  
Why?  
Why?  
Why?

- Systems thinking assumes interconnectedness and loops – every influence is both cause & effect





In complex systems analysis *reduces* complexity to a certain extent, so the components are *more* amenable to scientific and causal theorizing than the whole...

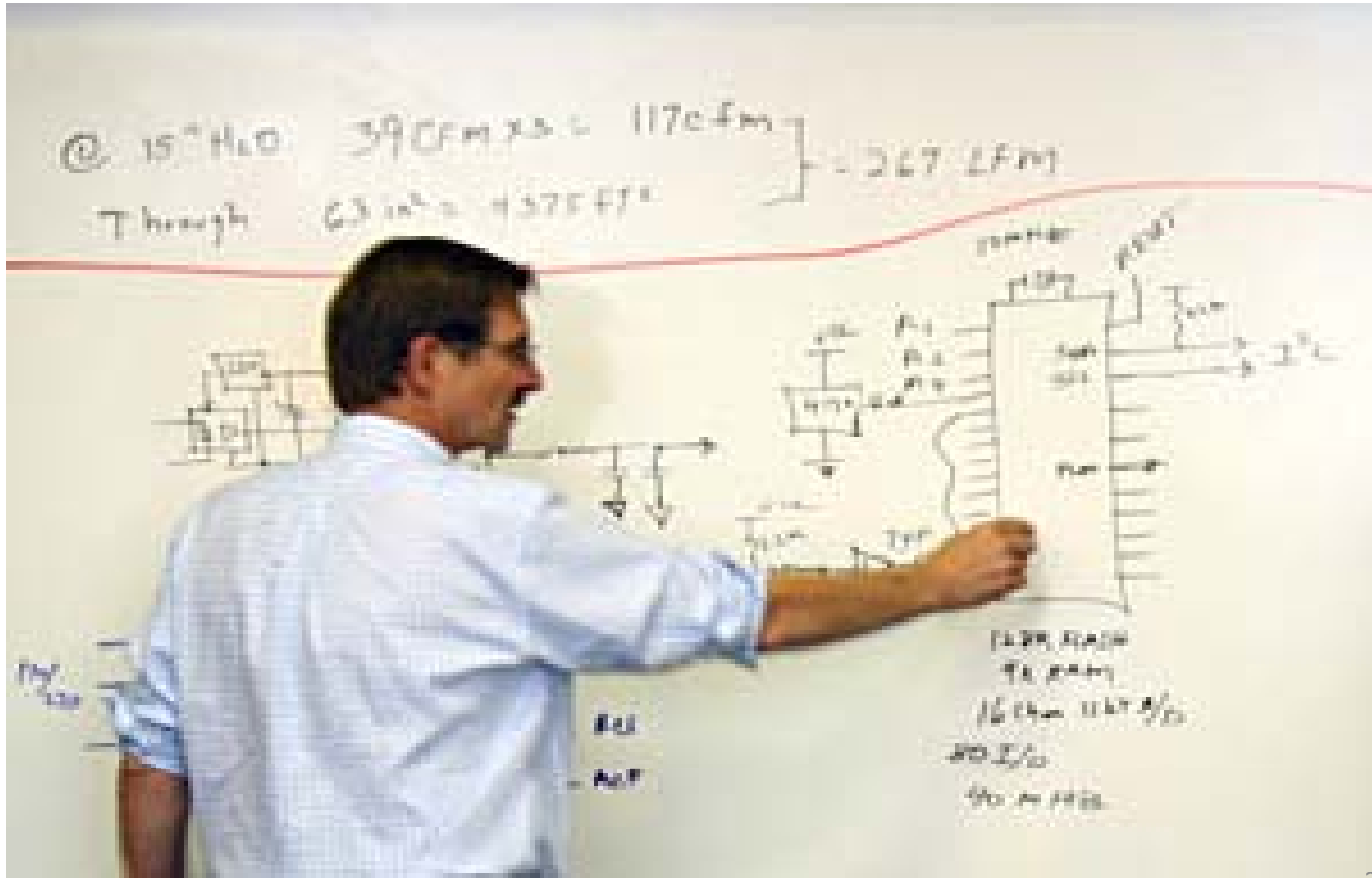


Analysis is modeling the problem -  
Analysis patterns are as important as  
design patterns.

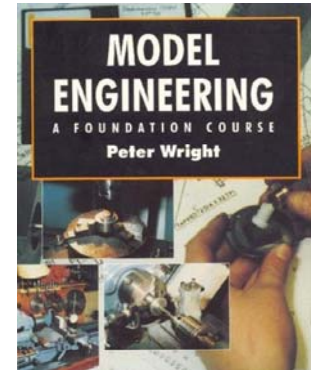
# “The soul...never thinks without a picture.”

## Tips/Suggestions

Aristotle



# Models



- **Why teach models?**

- If you want to teach people a new way of thinking, don't bother trying to teach them. Instead, give them a tool, the use of which will lead to new ways of thinking.

- (Buckminster Fuller)

- **What are they?**

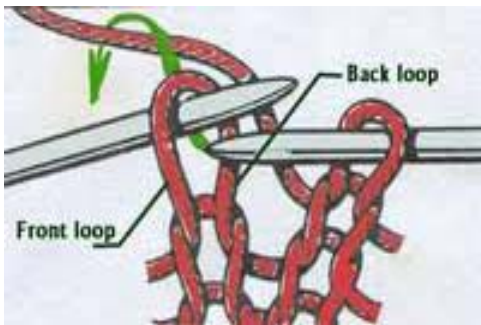
- A representation of how something works – the important variables and how they relate to each other
- A list of important considerations



# Models



- Models provide multiples “lenses”
- They are frameworks, not ‘how to’ books
  - Show where to look, give ‘threads to pull’
  - But not the ‘right’ answer



- Tools & their use evolve & improve with experience





**Data first, diagnose  
second, then act**

Models help you make sense of data –

What?

So what?

What now?

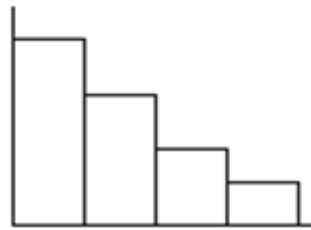
# Why Use a Particular Method?

- Because none of us can think of all the questions relevant to complex systems on our own
- Because we each bring our own personal and professional knowledge and biases to the table
- Why reinvent the wheel every time?

# Modeling Tools for Assessment & Analysis



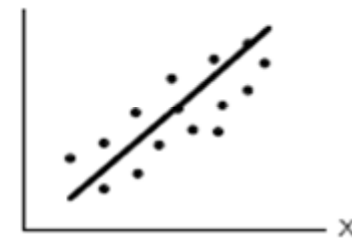
Brainstorming



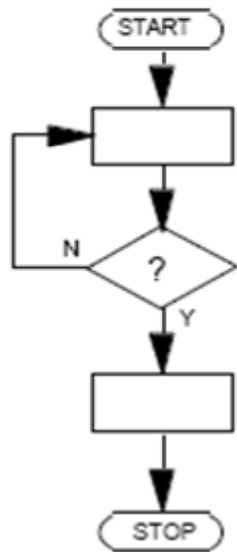
Pareto Chart



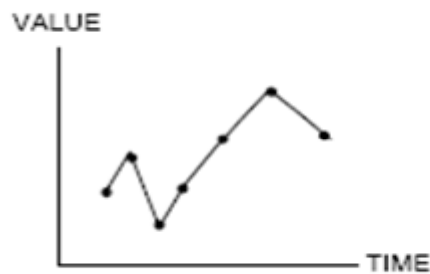
Fishbone Diagram



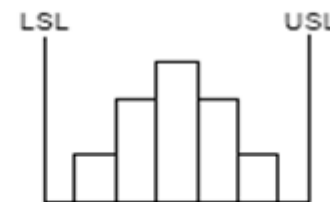
Scatter Diagram



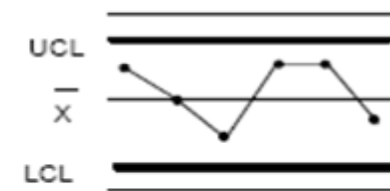
Flowchart



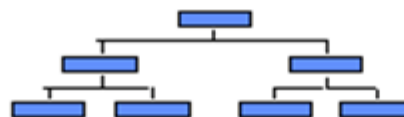
Run Chart



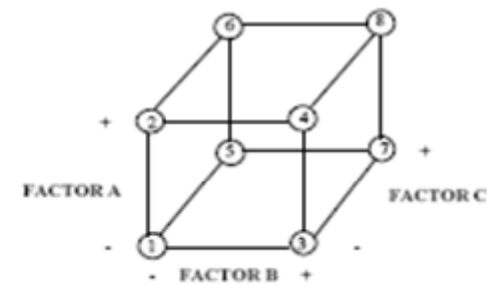
Histogram



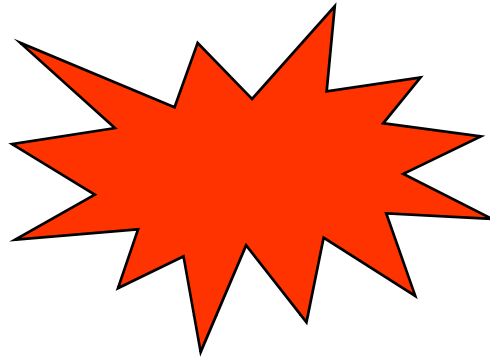
Control Charts



Tree Diagram

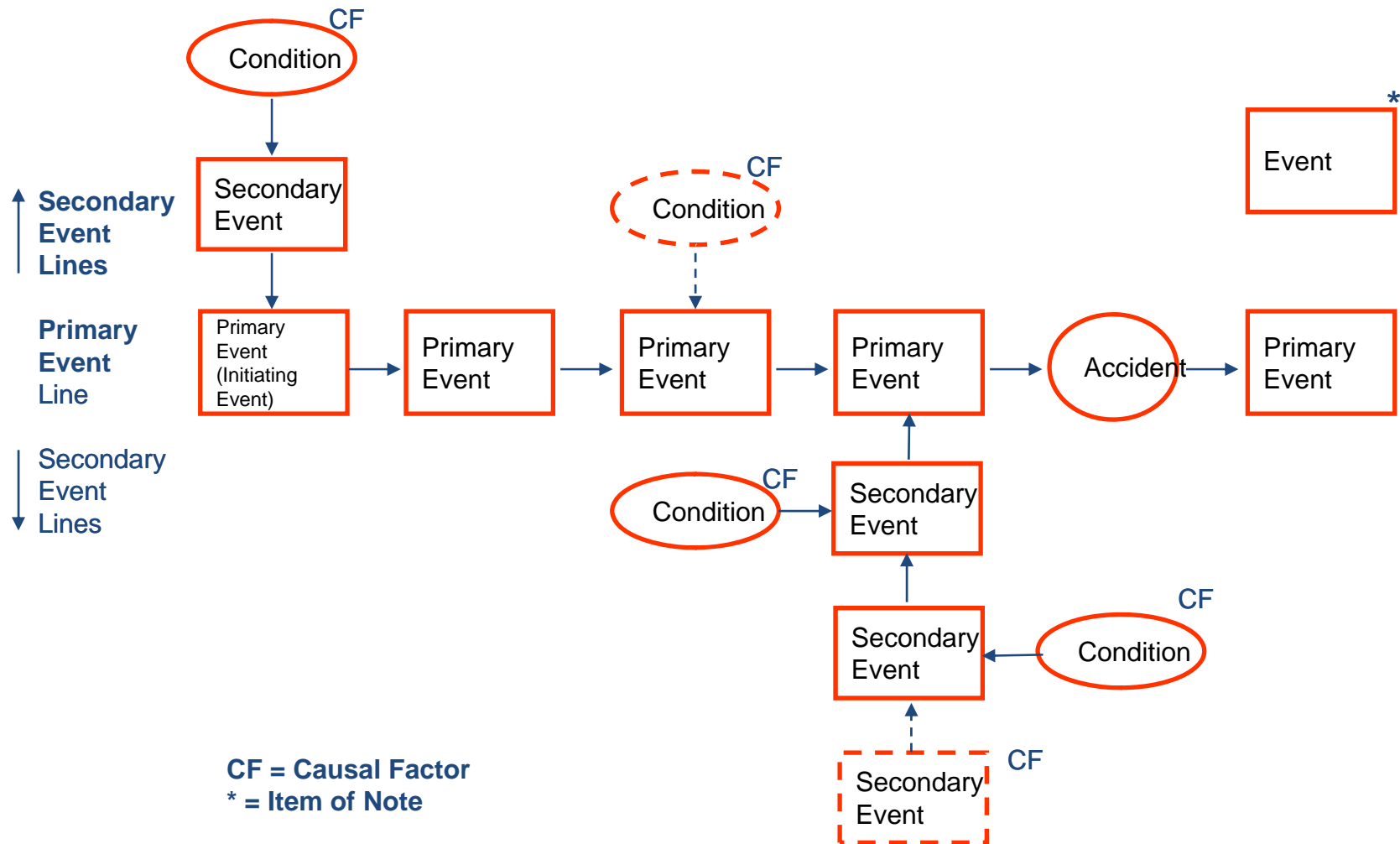


Design of Experiments



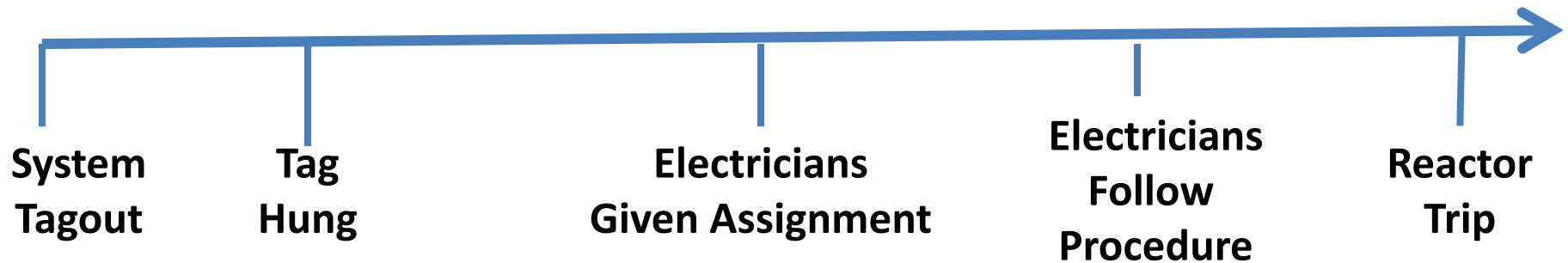
# **Technical subsystem tools**

# Event and Causal Factor Charting

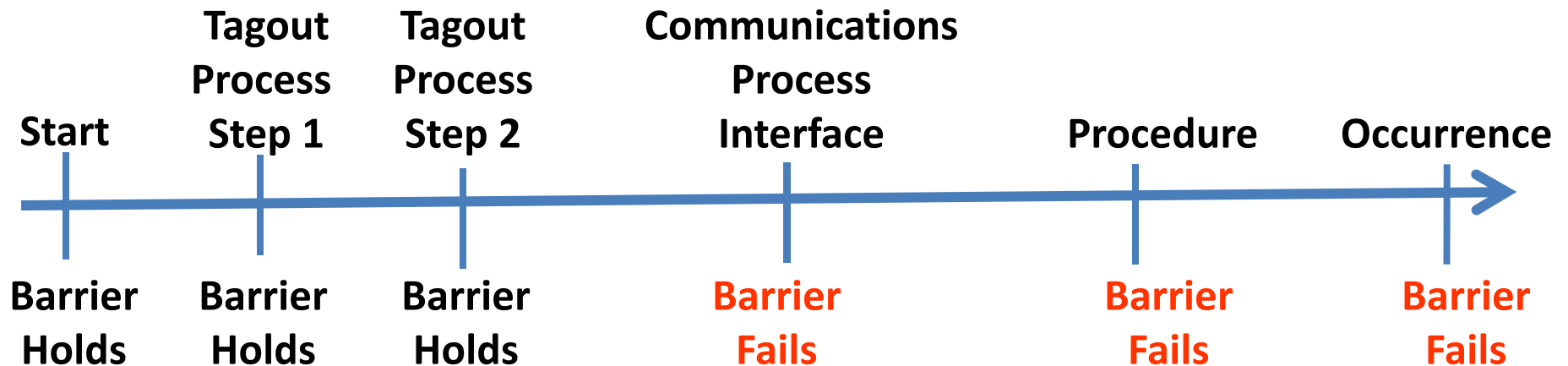


# Barrier Analysis

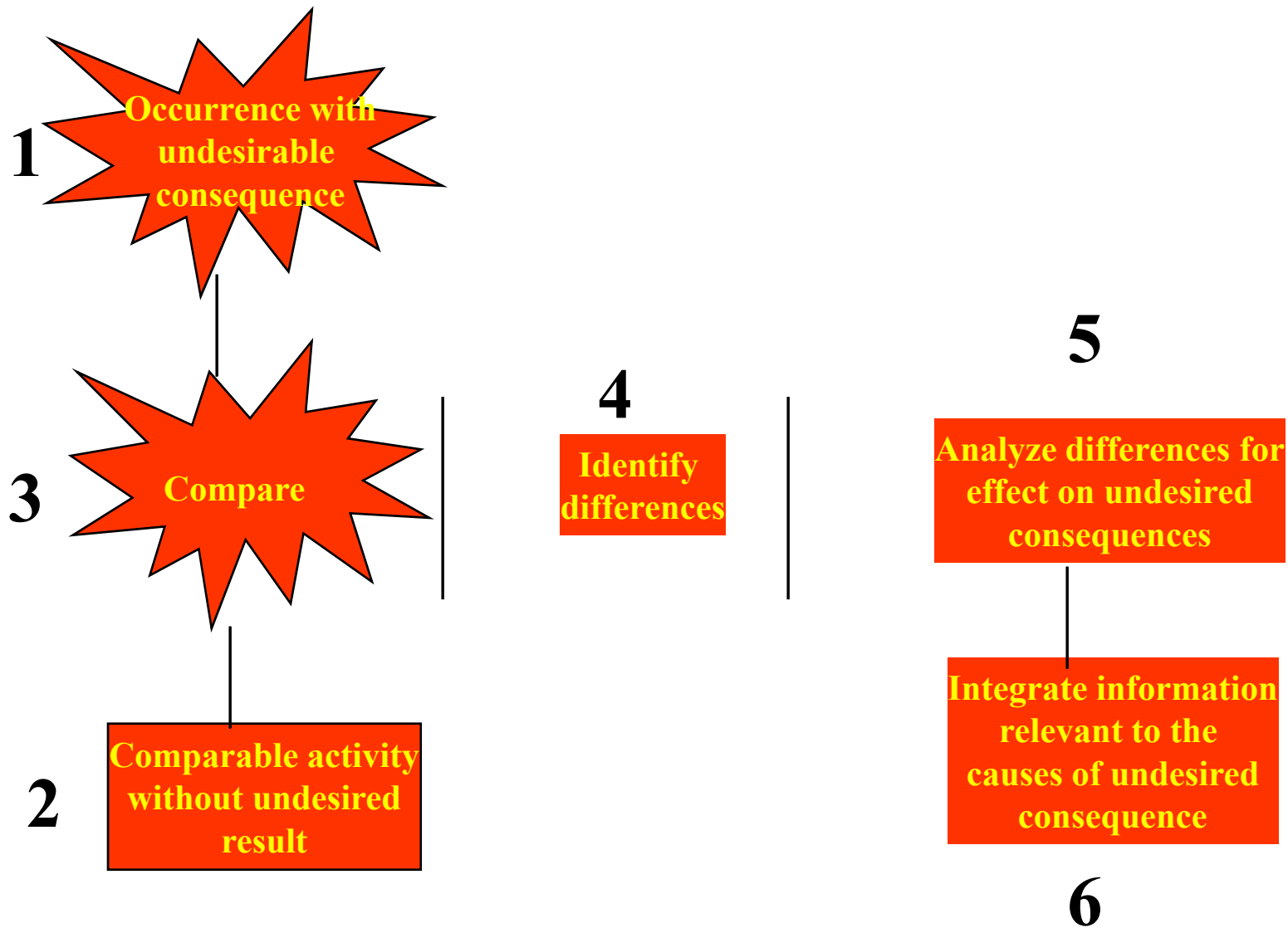
Sequence of events:



Barriers Analysis

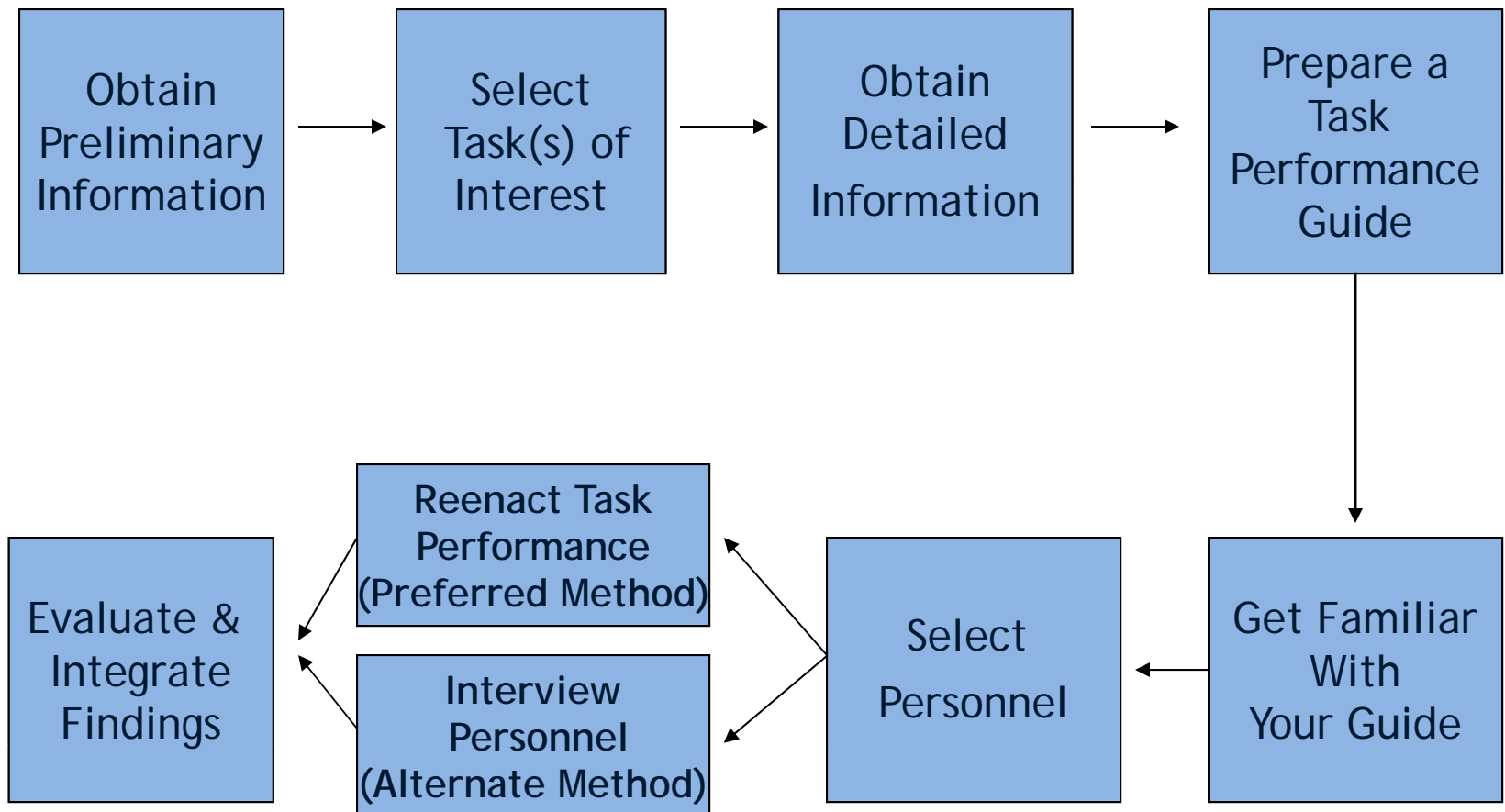


# Change Analysis

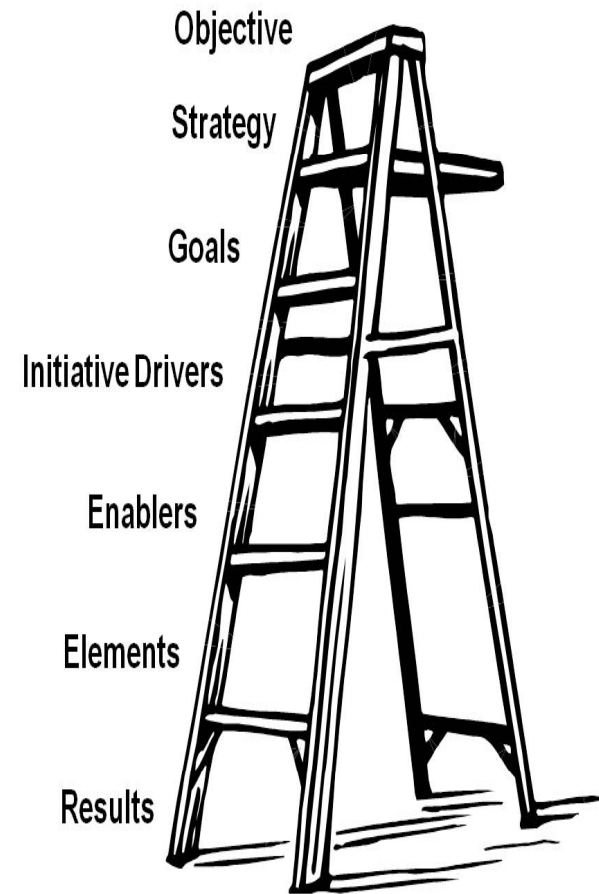




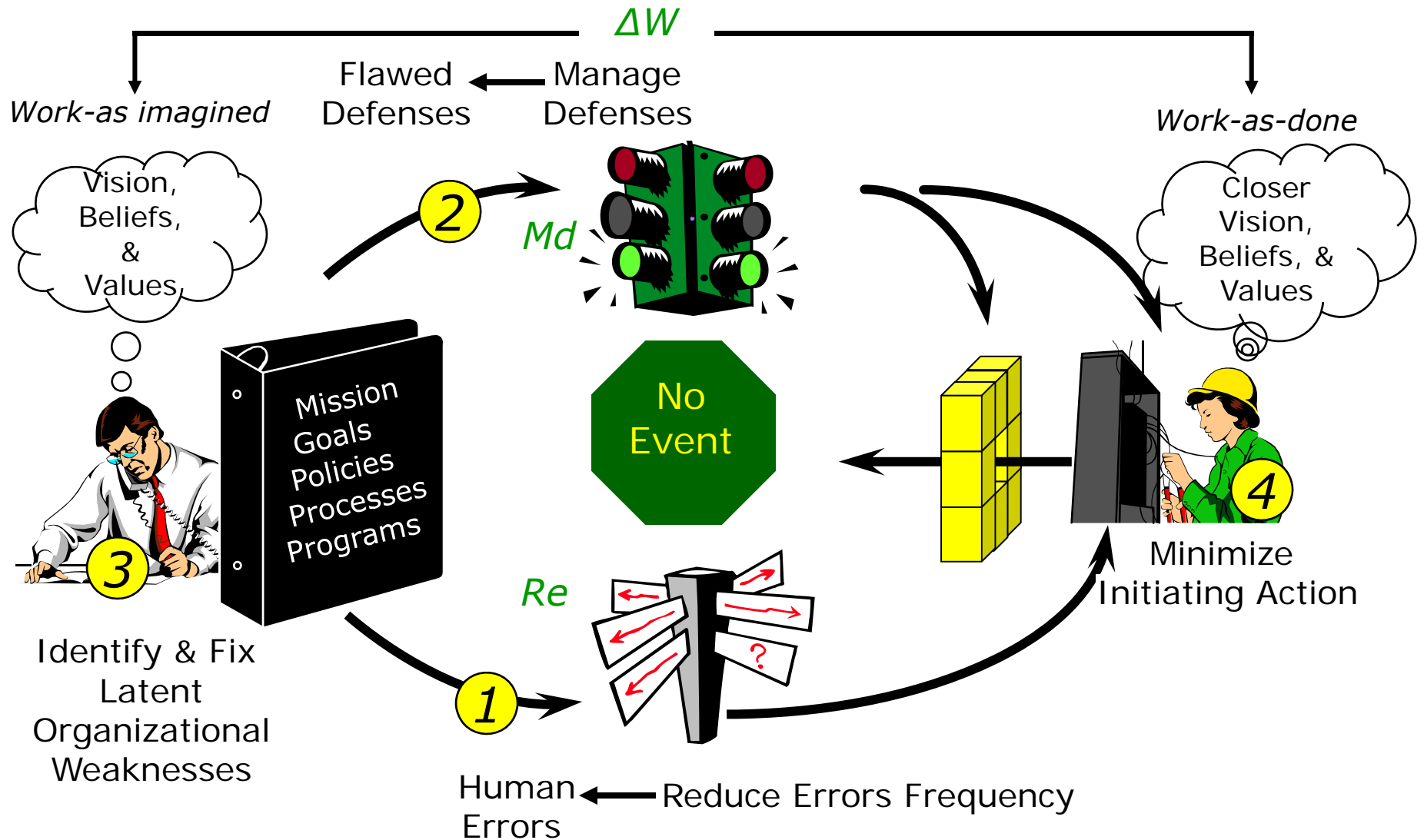
# Task Analysis



**Technical system**  
→ **social system**  
**tools**



# Basic Systems Event Model



# Precursors: What factors shape performance?

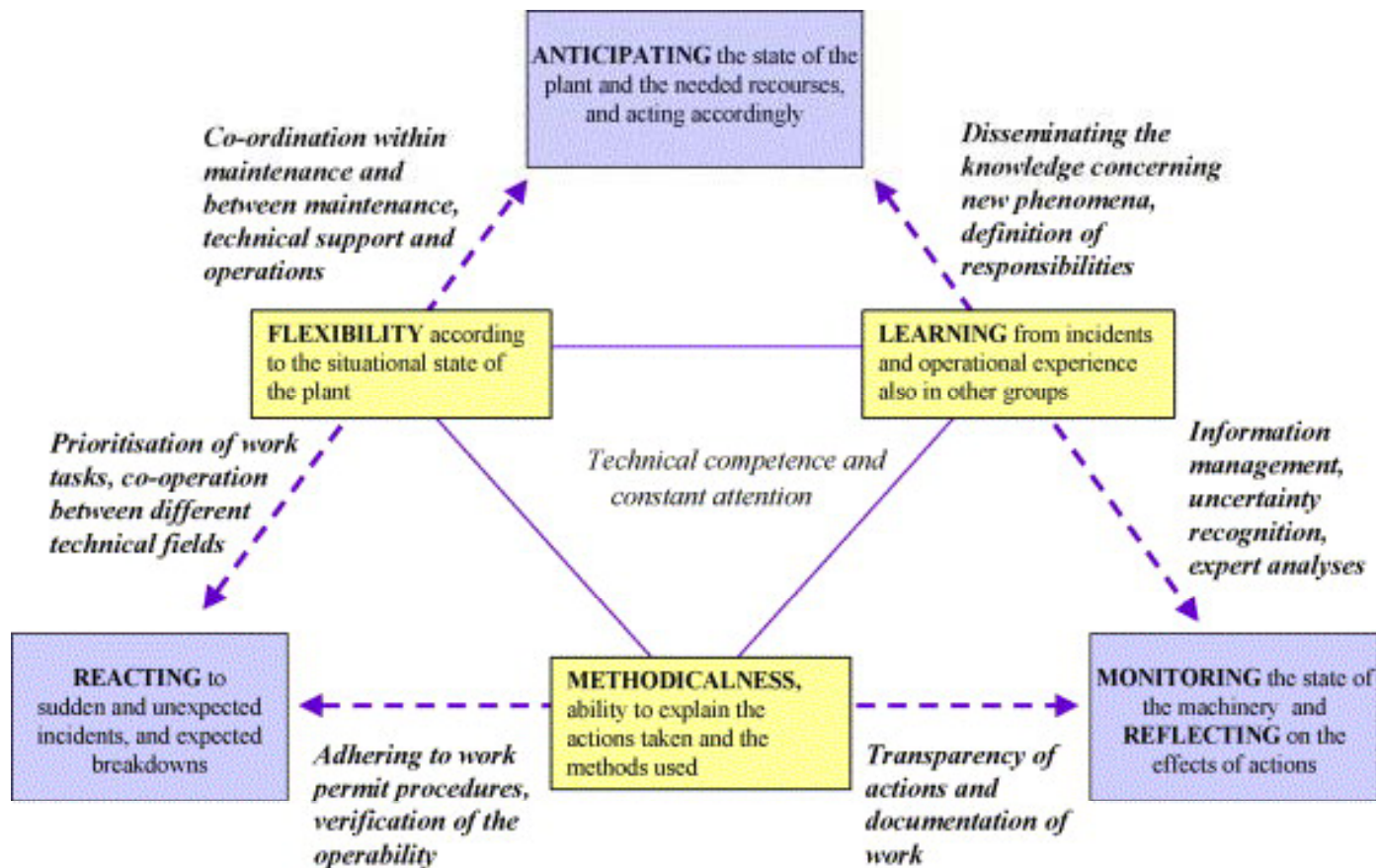
<b>Task Demands</b>	<b>Individual Capabilities</b>
▪ Time pressure (in a hurry)	▪ Unfamiliarity w/ task / First time
▪ High Workload (memory requirements)	▪ Lack of knowledge (mental model)
▪ Simultaneous, multiple tasks	▪ New technique not used before
▪ Repetitive actions, monotonous	▪ Imprecise communication habits
▪ Irrecoverable acts	▪ Lack of proficiency / Inexperience
▪ Interpretation requirements	▪ Indistinct problem-solving skills
▪ Unclear goals, roles, & responsibilities	▪ "Hazardous" attitude for critical task
▪ Lack of or unclear standards	▪ Illness / Fatigue
<b>Work Environment</b>	<b>Human Nature</b>
▪ Distractions / Interruptions	▪ Stress (limits attention)
▪ Changes / Departures from routine	▪ Habit patterns
▪ Confusing displays or controls	▪ Assumptions (inaccurate mental picture)
▪ Workarounds / OOS instruments	▪ Complacency / Overconfidence
▪ Hidden system response	▪ Mindset ("tuned" to see)
▪ Unexpected equipment conditions	▪ Inaccurate risk perception (Pollyanna)
▪ Lack of alternative indication	▪ Mental shortcuts (biases)
▪ Personality conflicts	▪ Limited short-term memory





# Organization Focused Tools

# Organizational Core Task



2002 Revision by  
The Noordwijk Risk  
Initiative Foundation

Document Reference: MOR 2002  
Review: with the MOR User Manual 2003

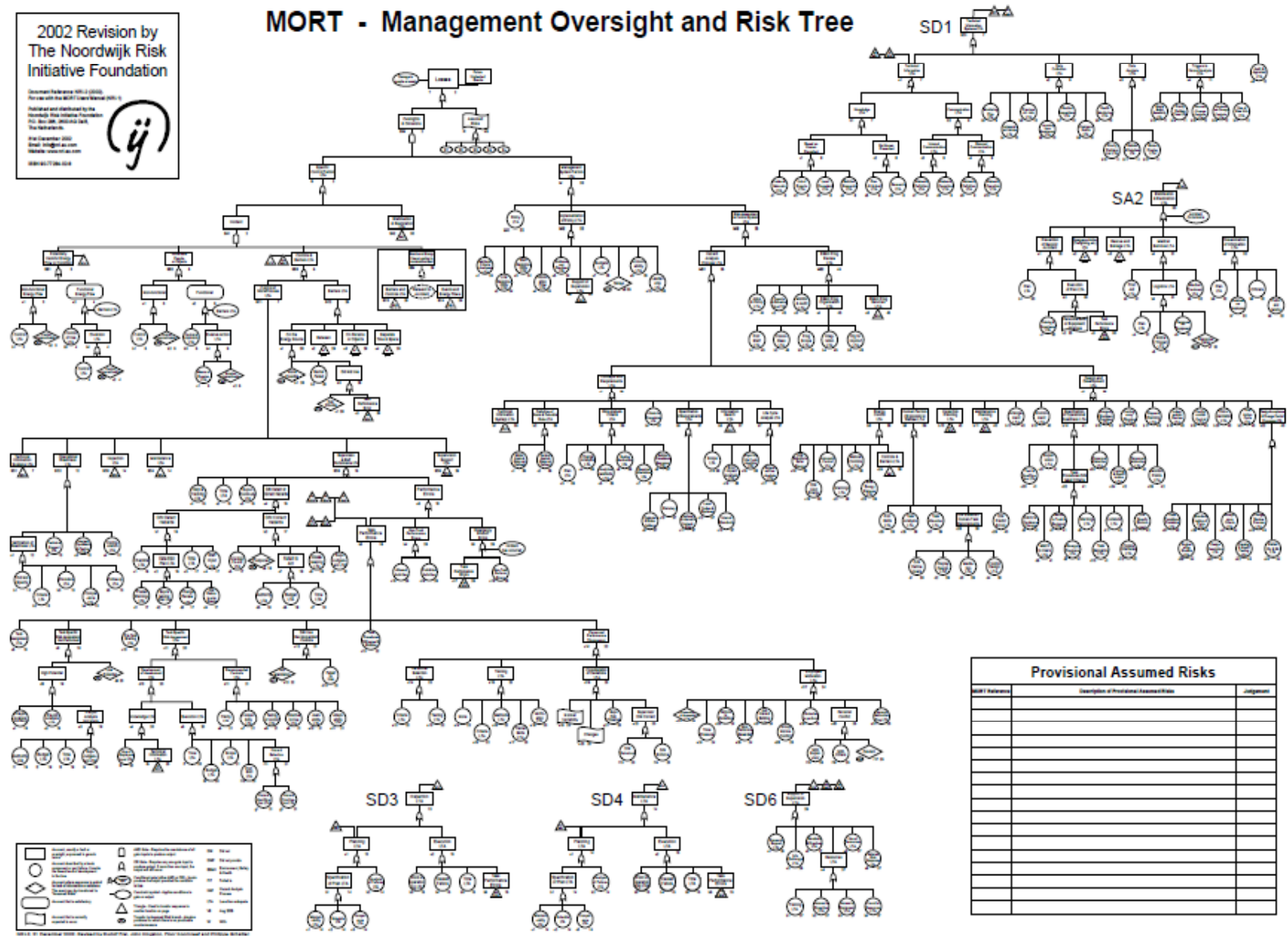
Published and distributed by the  
Noordwijk Risk Initiative Foundation  
P.O. Box 200, 2200 AA, Noordwijk, The Netherlands

First Edition: 2000  
Second Edition: 2002  
Third Edition: 2003

ISBN 1 902 524 10 6



## MORT - Management Oversight and Risk Tree





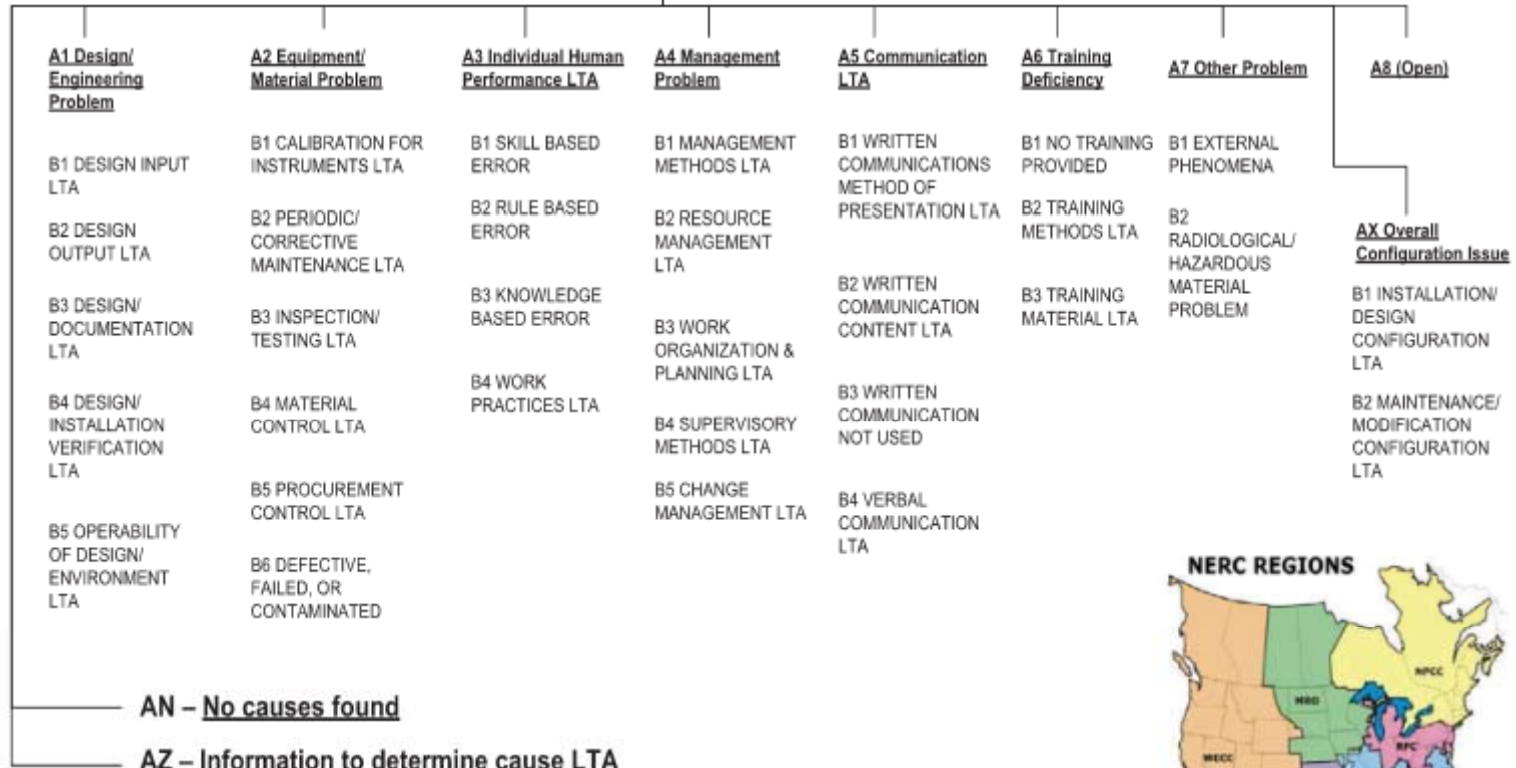
# Appendix A – Cause Code Quick Reference



## NERC CCAP Cause Code Quick Reference

[nerc.lessonslearned@nerc.net](mailto:nerc.lessonslearned@nerc.net)

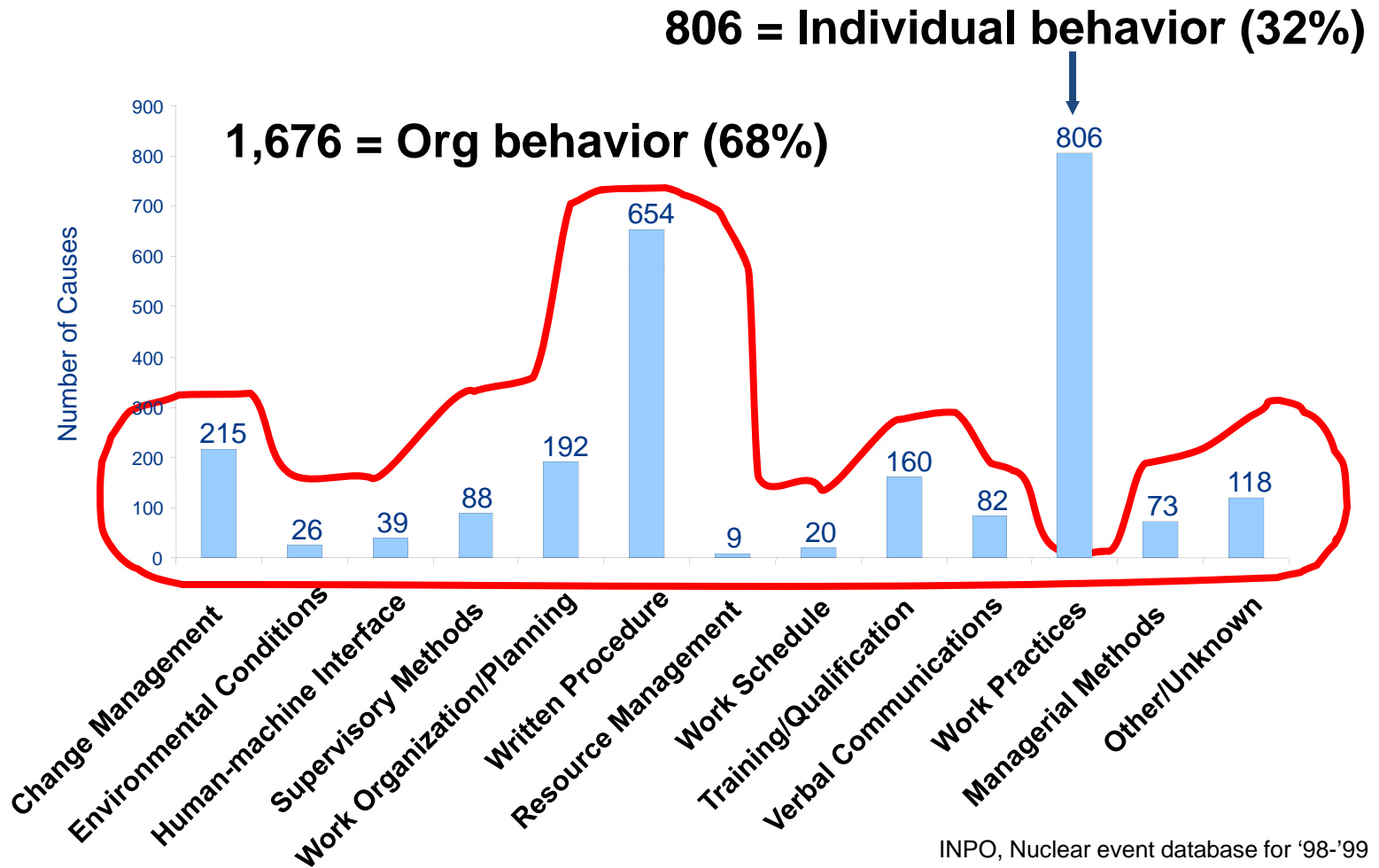
[www.nerc.com](http://www.nerc.com)



Level A nodes are underlined  
 Level B nodes are in ALL CAPS  
 Level C nodes are in "sentence case"  
 LTA = Less Than Adequate

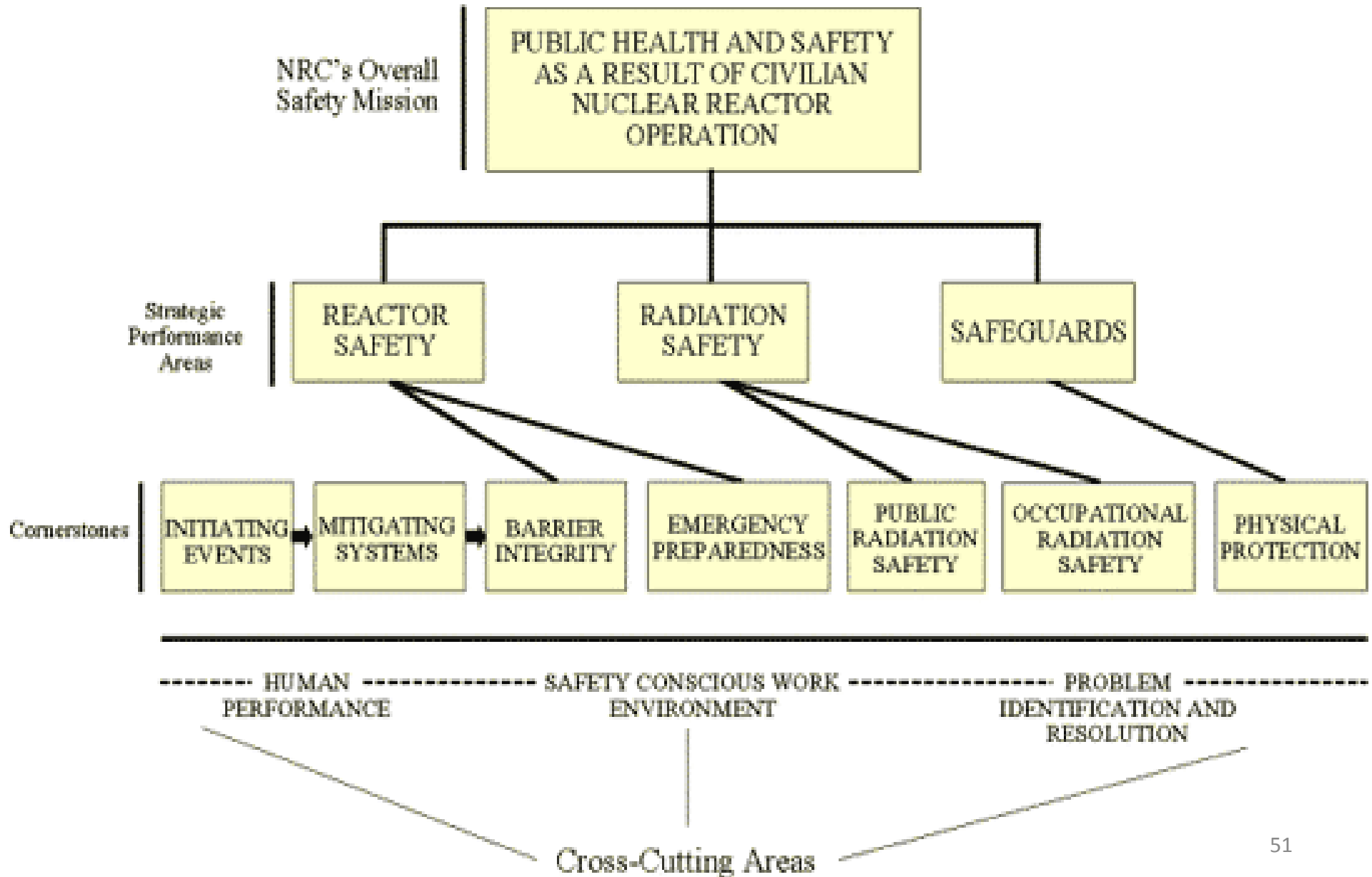


# Cause Code Binning example



INPO, Nuclear event database for '98-'99

# REGULATORY FRAMEWORK



# Organizational Assessment Criteria Model

## SECTION I – FUNCTIONAL AREAS

### FUNDAMENTALS

1. Operations
2. Maintenance
3. Engineering
4. Chemistry
5. Radiological Protection
6. Training

## SECTION II - CROSS-FUNCTIONAL AREAS

### ORGANIZATIONAL EFFECTIVENESS

1. Foundation for Nuclear Safety
2. Leadership and Management
3. Human Performance
4. Management and Leadership Development
5. Independent Monitoring and Assessment
6. Industrial Safety

### EQUIPMENT RELIABILITY

1. Equipment Performance
2. Prevention of Equipment Failures
3. Long-Term Equipment Reliability
4. Work Management

### CONFIGURATION MANAGEMENT

1. Maintaining Margins Consistent with Design Requirements
2. Operational Configuration Control
3. Design Change Processes
4. Reactor Engineering and Fuel Management

### PERFORMANCE IMPROVEMENT

1. Self-Assessment and Benchmarking
2. Corrective Action
3. Operating Experience

### EMERGENCY PREPAREDNESS

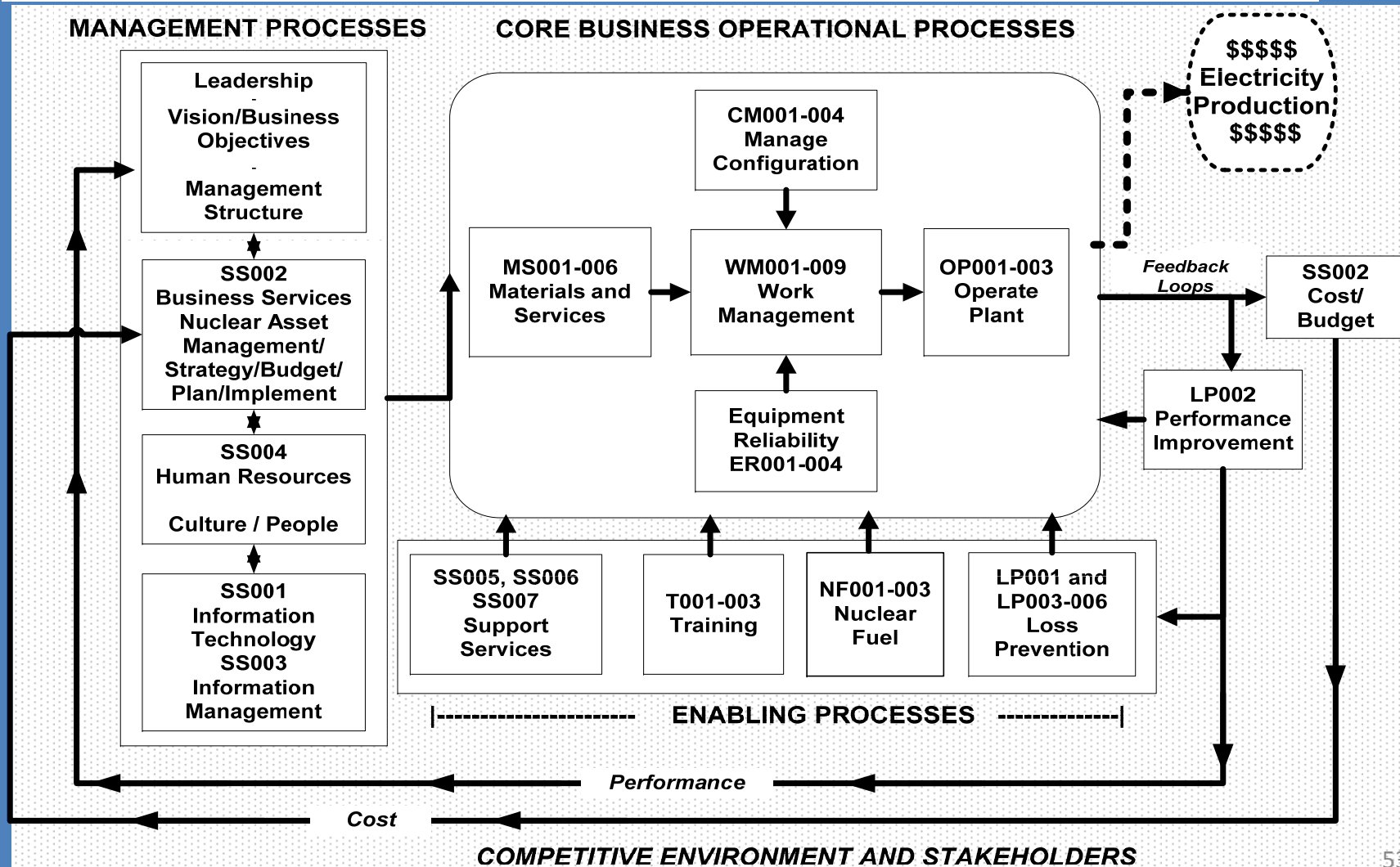
### FIRE PROTECTION

## SECTION III - CORPORATE AREAS

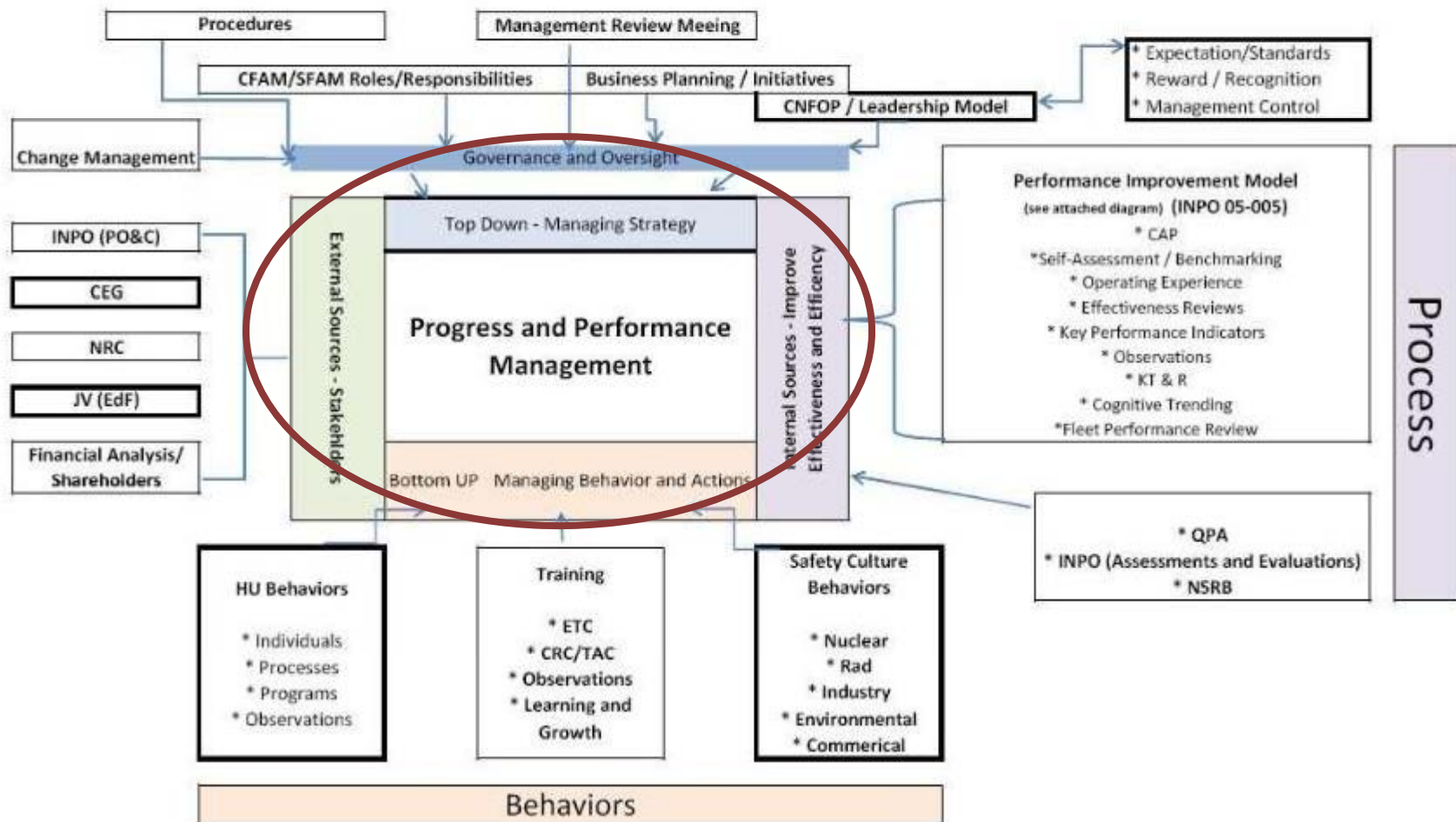
1. Corporate Leadership & Management
2. Corporate Oversight And Monitoring
3. Corporate Support
4. Human Resources
5. Communications

# Organizational Process Model

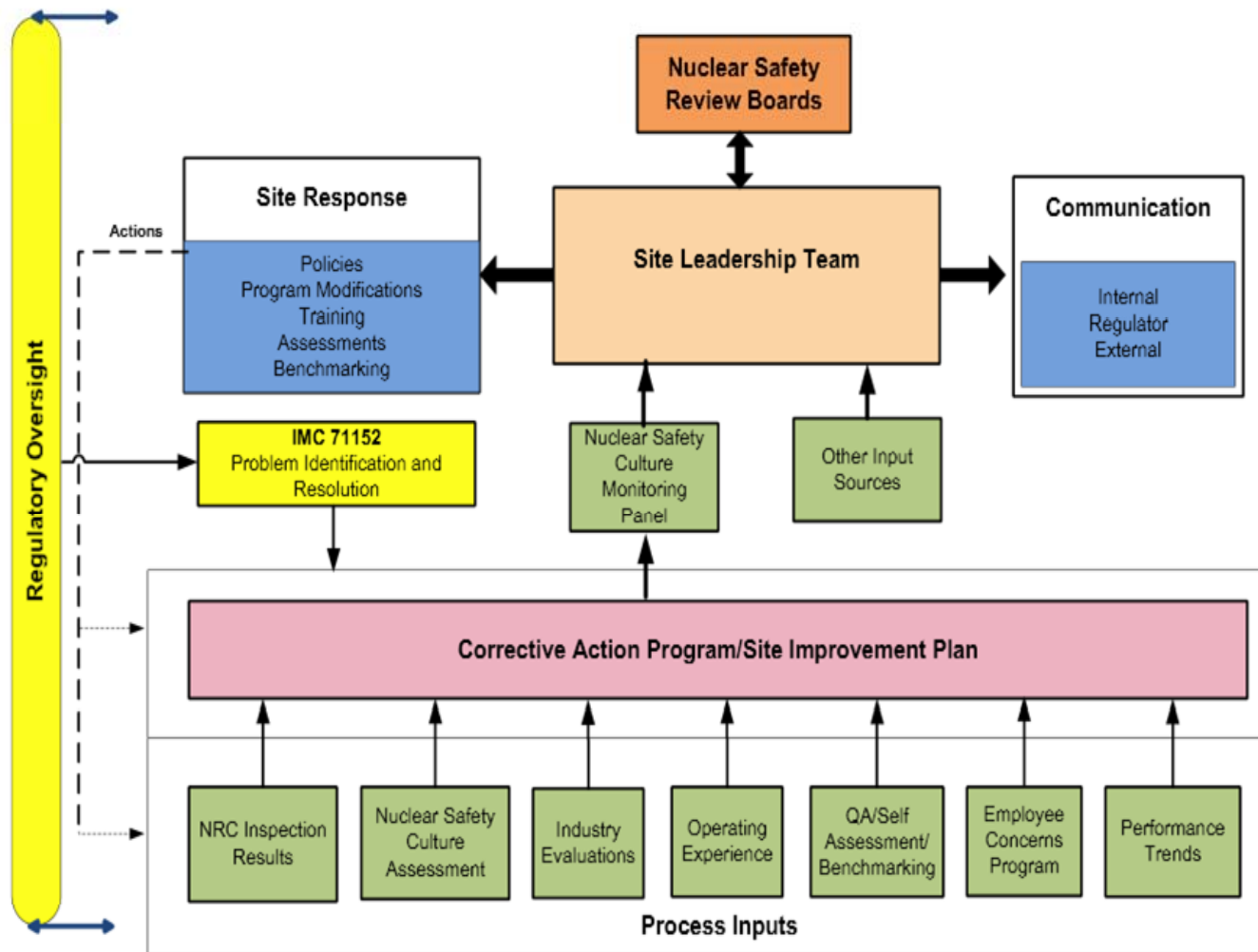
## STANDARD NUCLEAR PERFORMANCE MODEL (SNPM) - AN EXECUTIVE VIEW



# Organization Monitoring Model

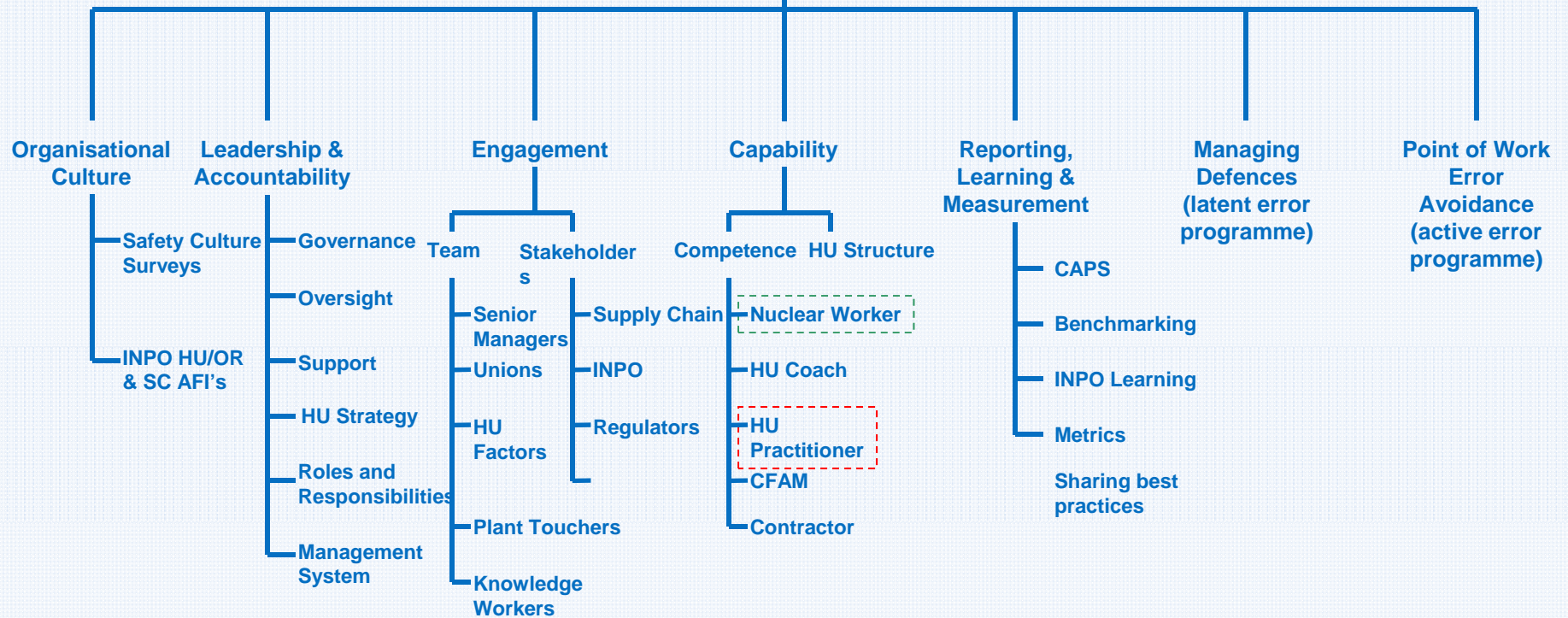


# Site Nuclear Safety Culture Process



# Blueprint

## for and effective HU programme



The Blueprint is made up of the 7 key aspects required to implement an effective HU programme. The Blueprint is underpinned by a repository of information that includes all documented material to support the implementation of any effective human performance programme. The Blueprint shows all the ingredients required and your strategy is your method of baking the pie. The Blueprint also makes it easier to communicate to the plant based workforce who are used to this type of structure.

Draft 1.  
 Andrew George  
 CFAM, Sellafield Ltd

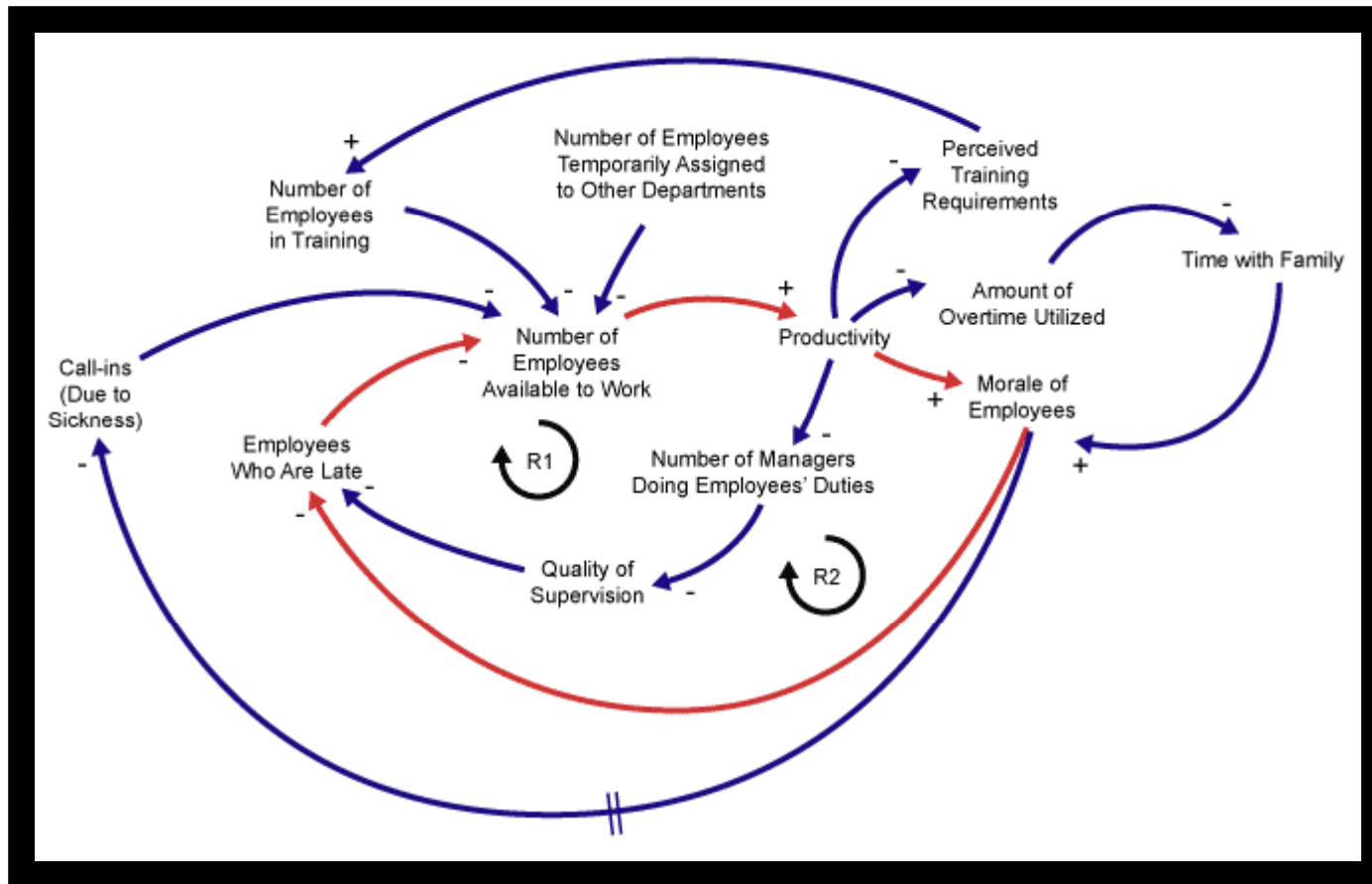




PEGASUS: Systems Thinking in Action  
 Boston - November 2010 - www.pegasus.com - graphics by Kelly Bird of www.thevalueweb.org

# System Tools

# Causal Loop diagram

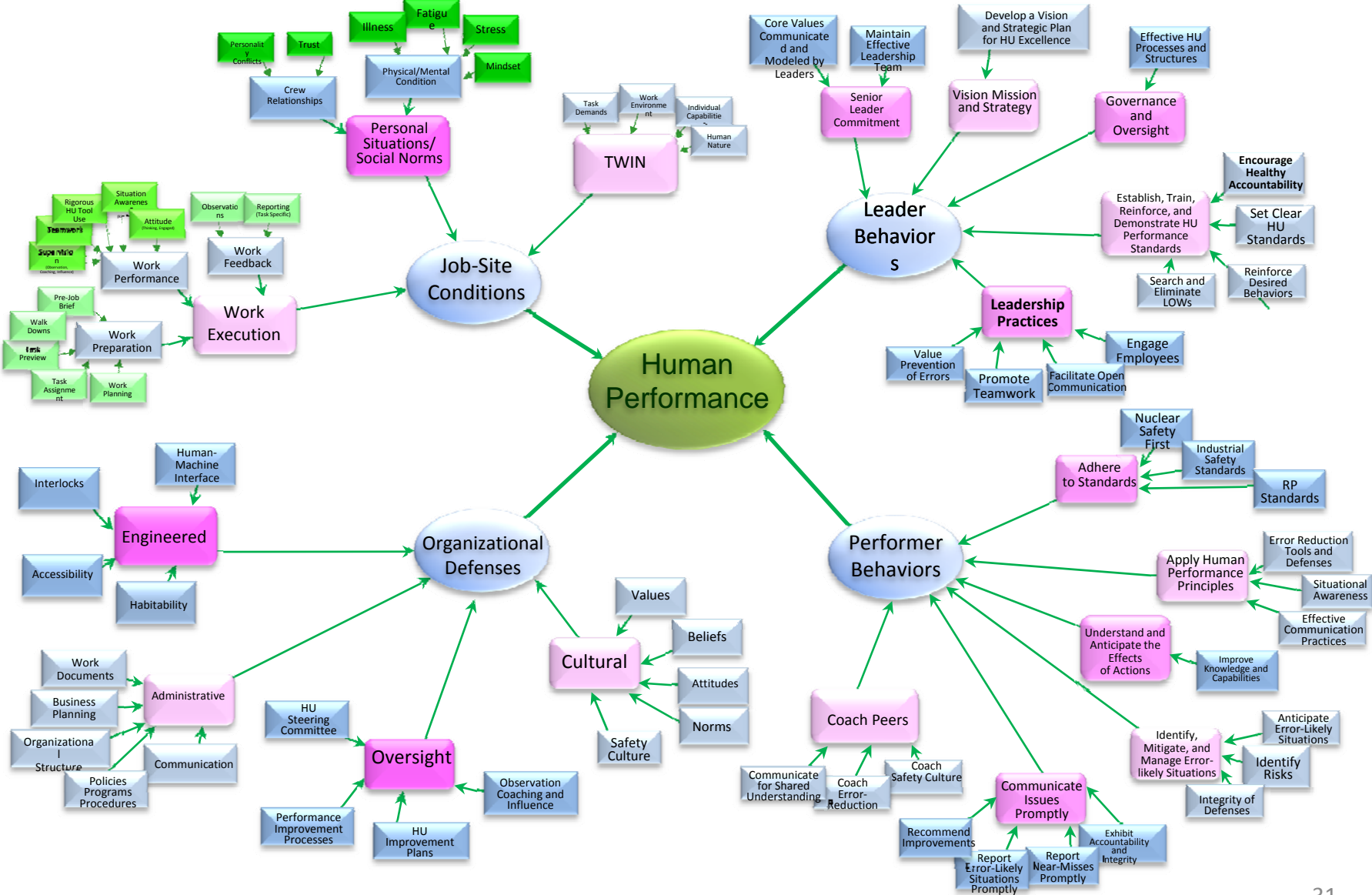




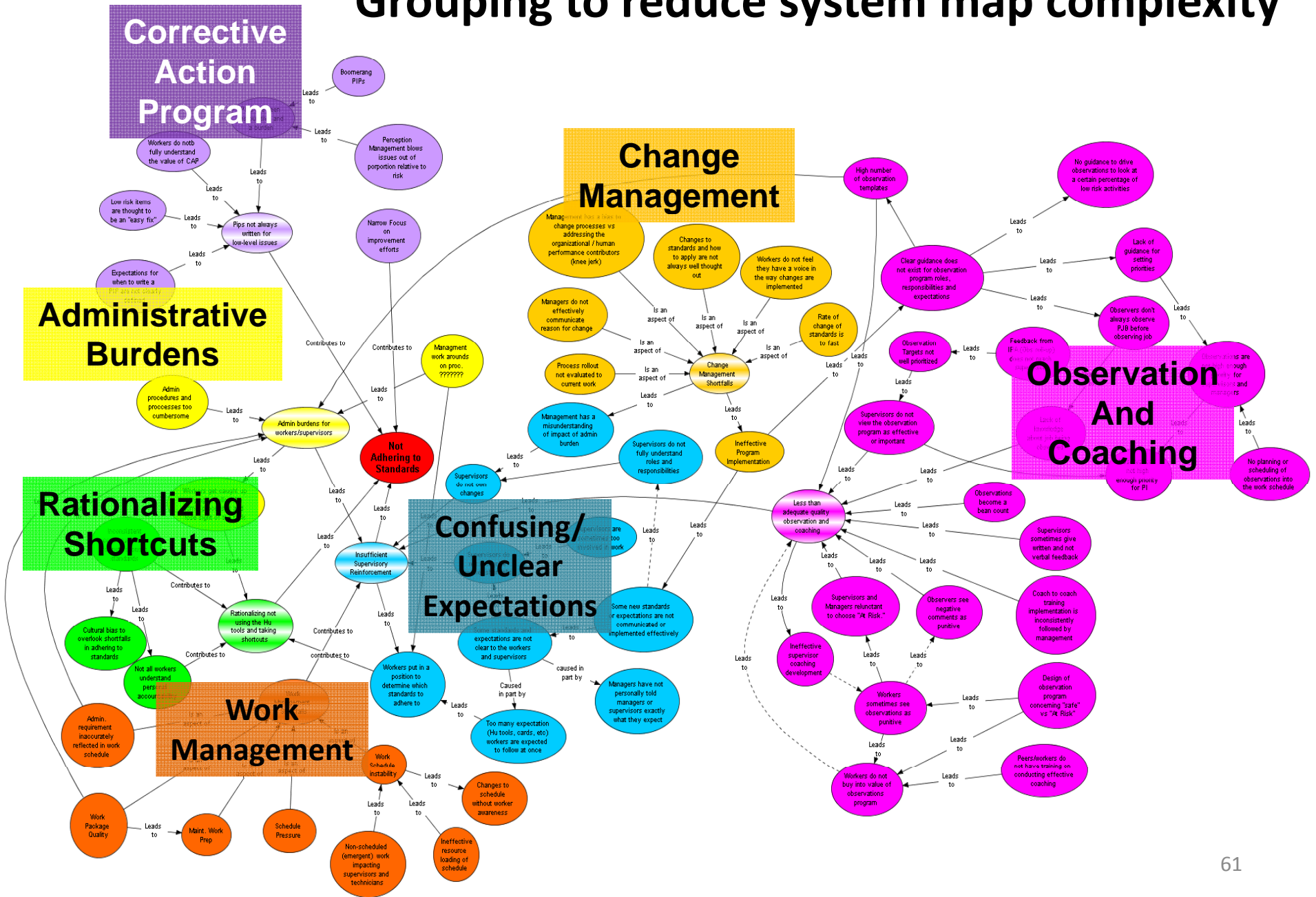
# DOE Energy Systems Analysis

# Performance

## BUBBLE CHART



# Grouping to reduce system map complexity



# Streaming to map relationships

## Right Picture

- Mission
- Organizational Structure
- Clear Direction

## Processes

- Work Management
- Administrative Controls
- Hazard Control
- Engineering
- Human Resources

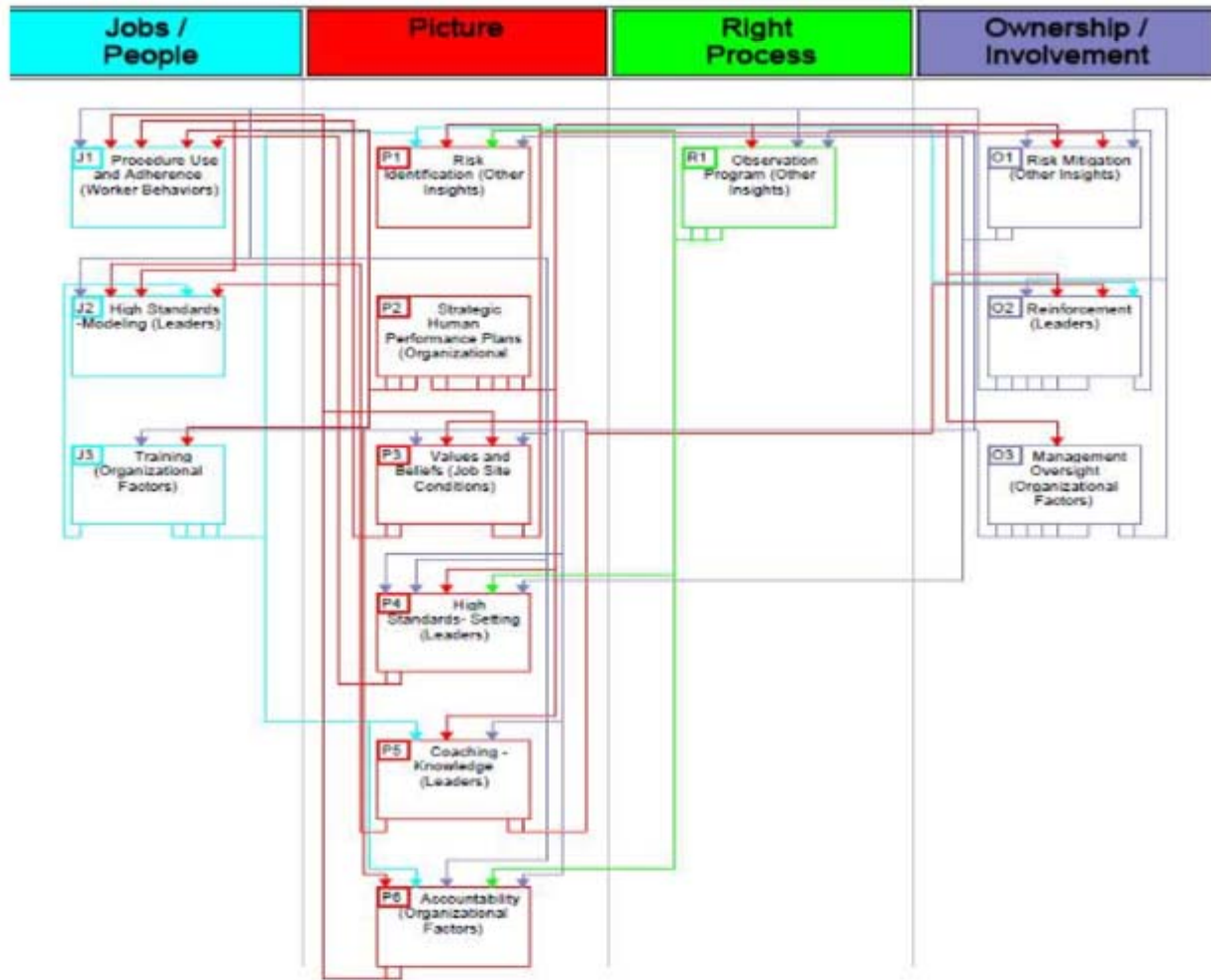
## Job Performance

- Knowledge & Skills
- Capacity and Readiness

## Ownership

- Cultural Factors
- Open Communication
- Teamwork
- Coaching
- Values

# Stream linking



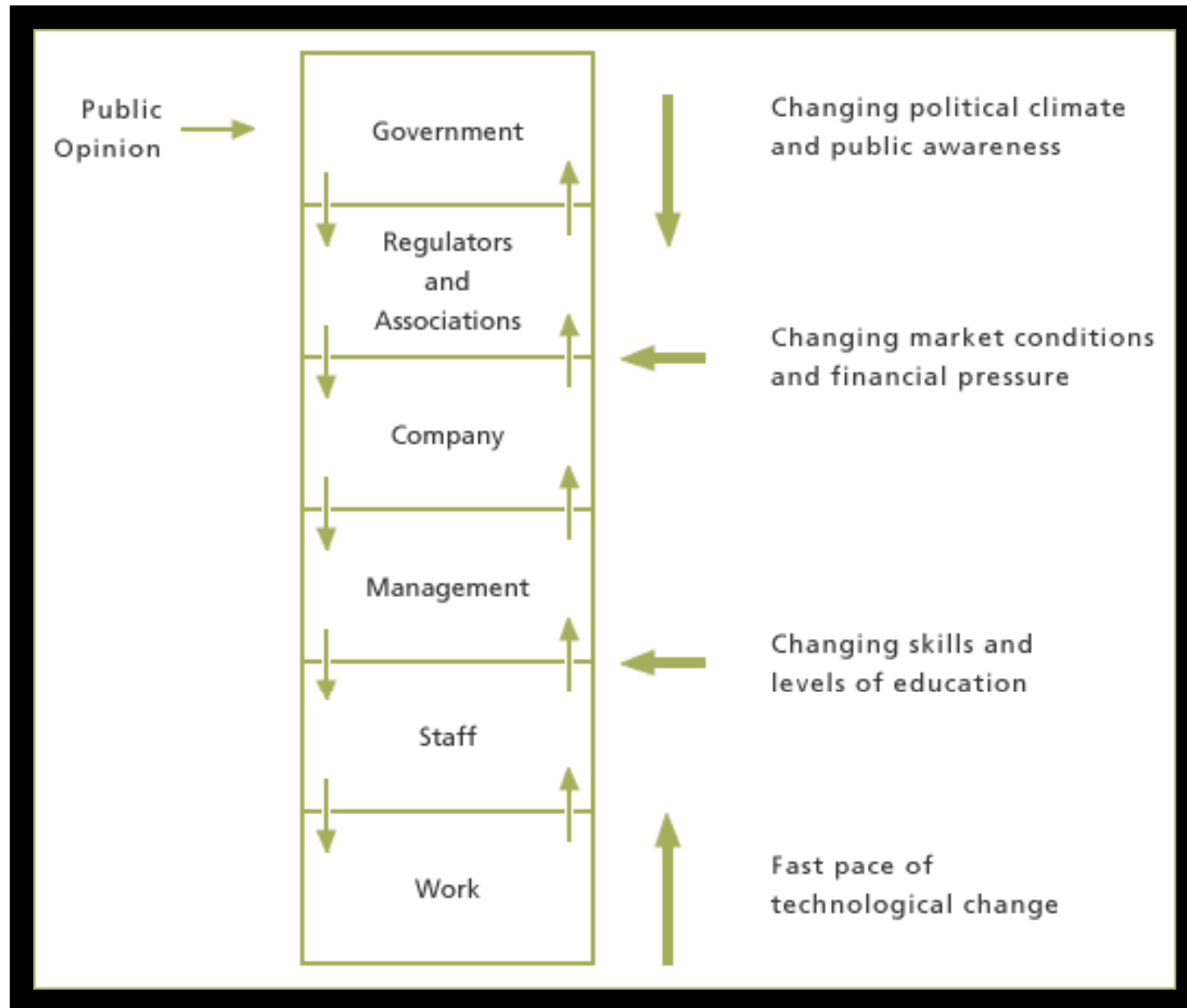
# Fundamental leverage points emerge from a mass of data

- ✓ Lack of strategic plan
- ✓ Inconsistent management oversight & reinforcement of standards
- ✓ Inadequate Risk identification & mitigation processes & behaviors

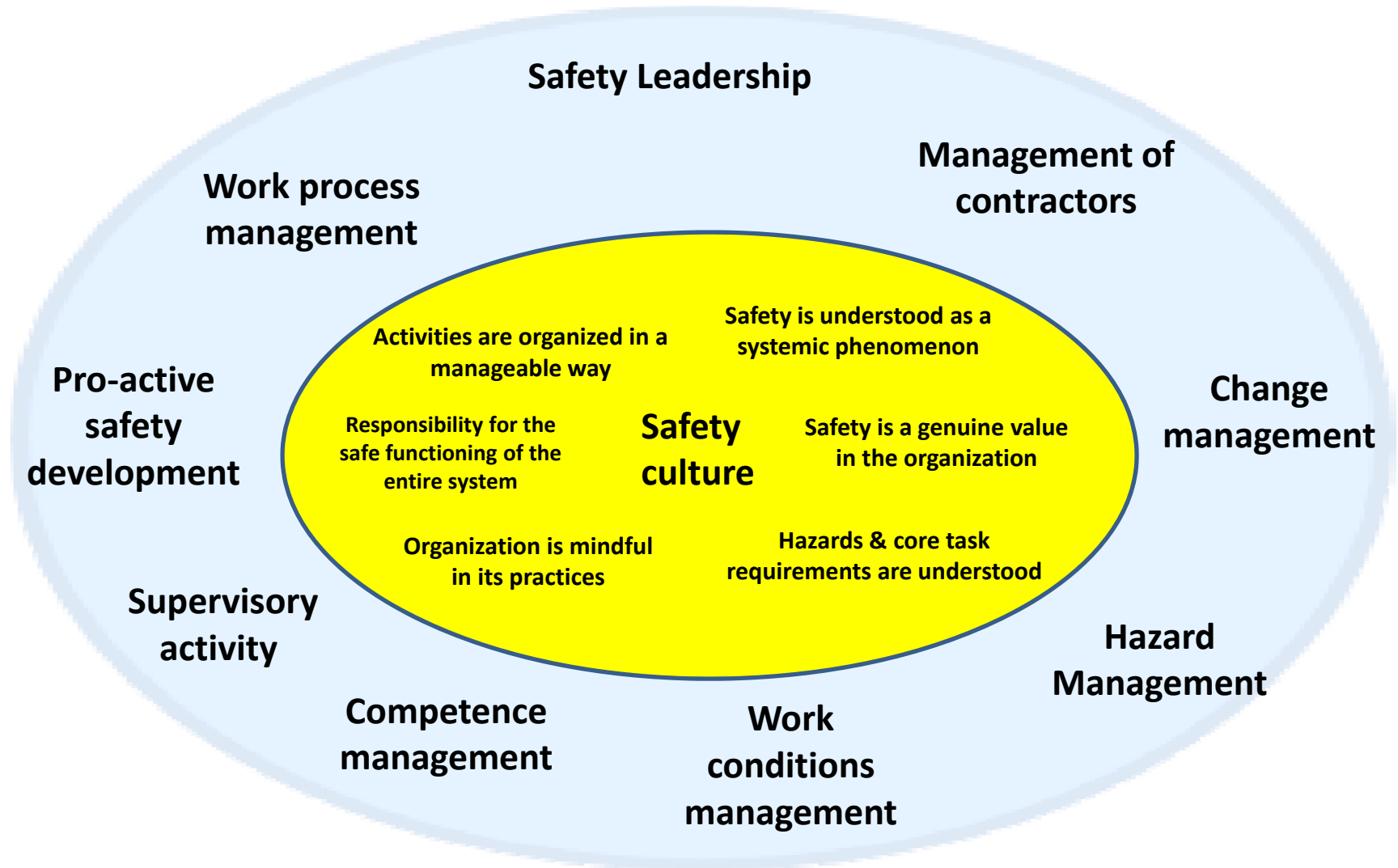




# Acci-map



# DISC Model – (Design for Integrated Safety Culture)



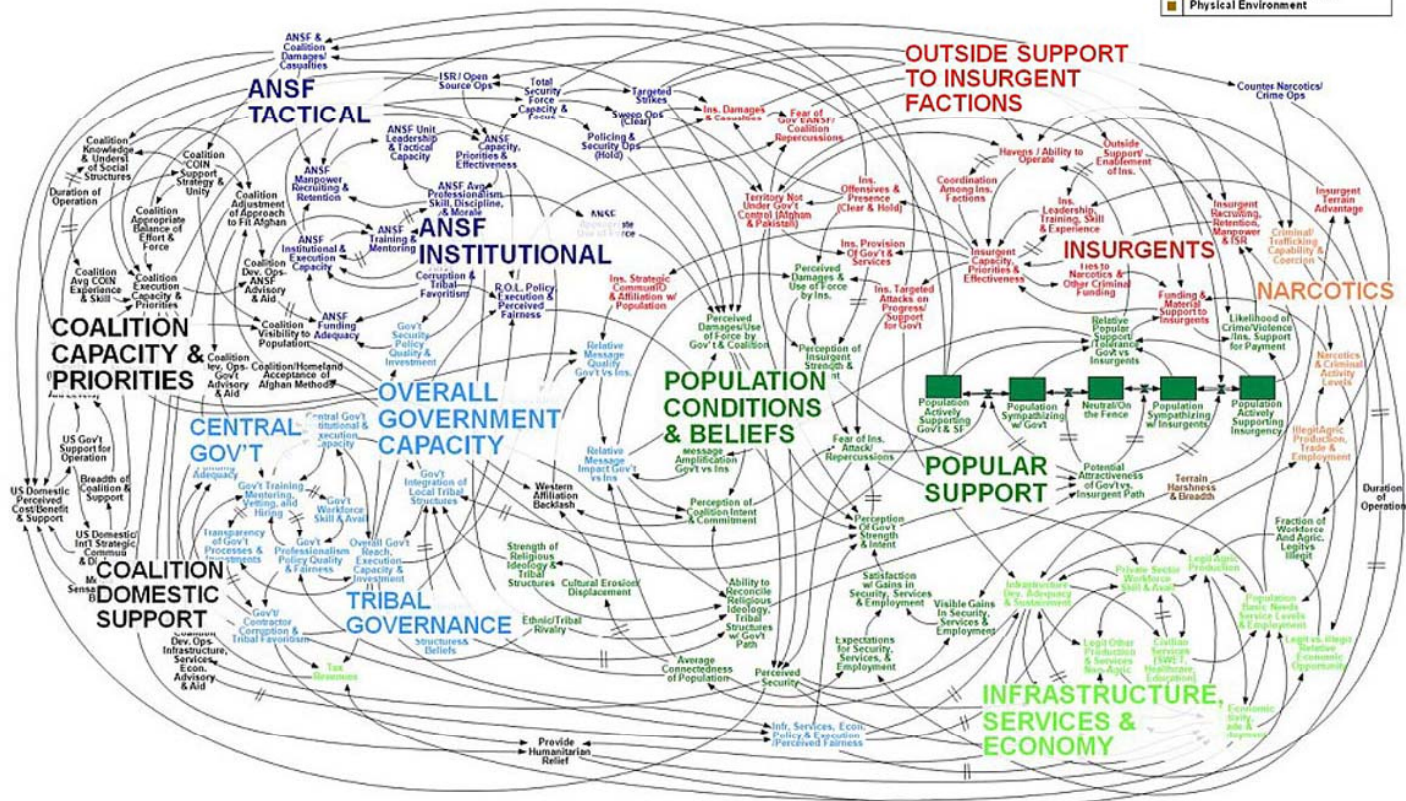
“A Guidebook for Evaluating Organizations in the Nuclear Industry”, VTT 2011

# Simplicity out of complexity – the future of analysis

## Afghanistan Stability / COIN Dynamics

Significant Delay

- Population/Popular Support
- Infrastructure, Economy, & Services
- Government
- Afghanistan Security Forces
- Insurgents
- Crime and Narcotics
- Coalition Forces & Actions
- Physical Environment



WORKING DRAFT - V3

# How do you see the world?



What's in your **tool kit**?



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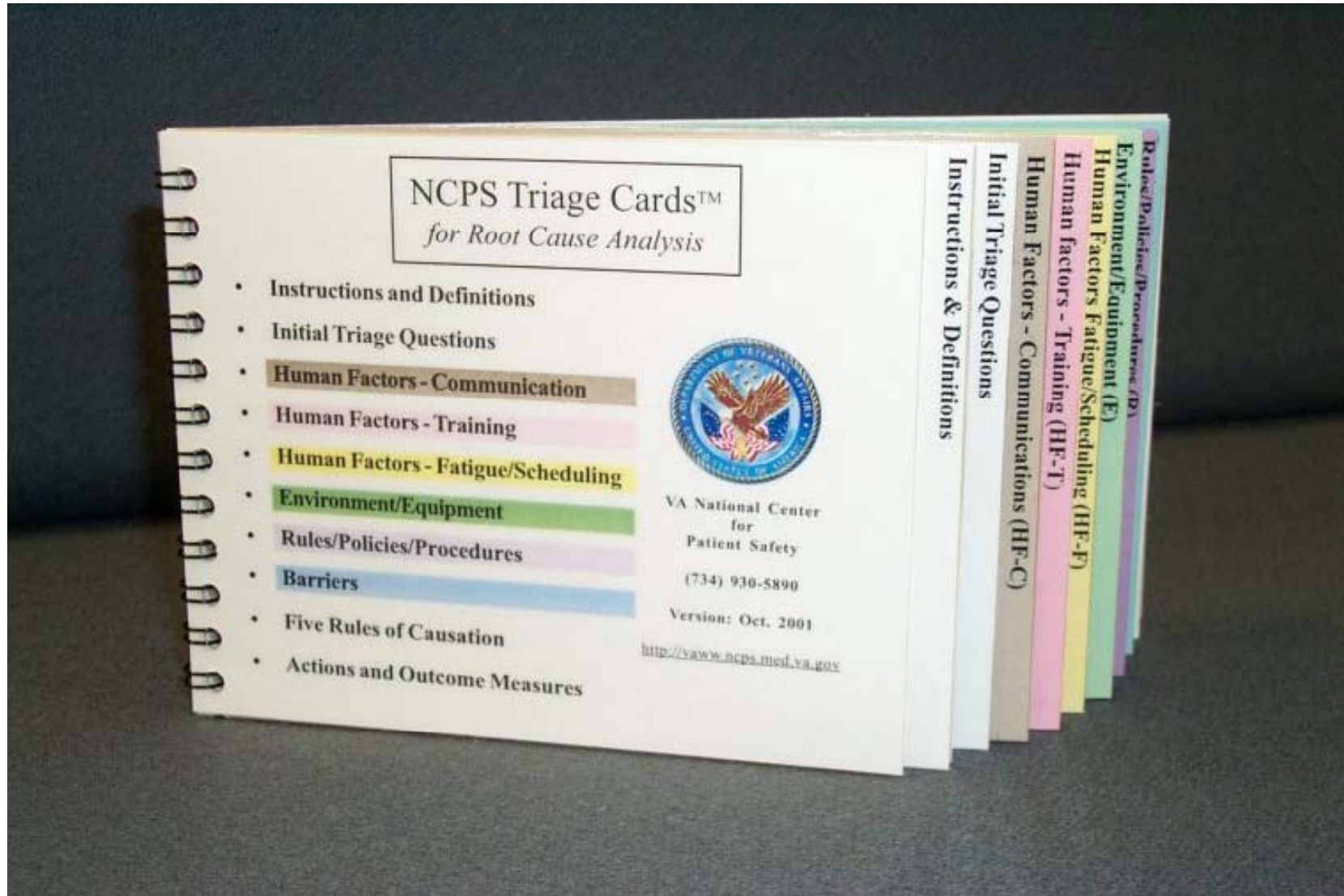
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the future

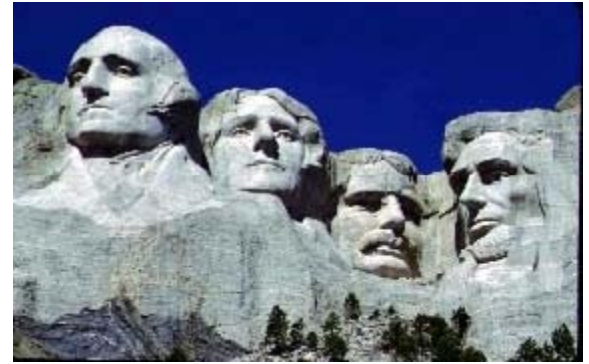
# Triage Cards



# Begin with Six Simple Questions

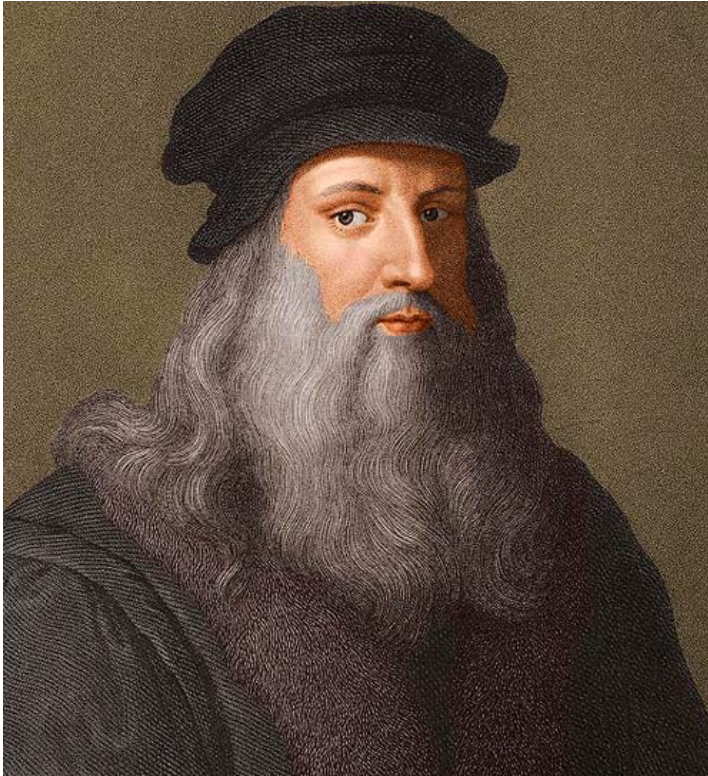
- I. What happened the way it **should have**?
- II. What **didn't happen** as it was supposed to?
- III. What **hazards did we miss**?
- IV. Which **steps did we have to interpret**?
- V. Where did we **detect and correct**?
- VI. Where did we have to **'make do' to get the job done**?

# Leadership Questions –



- How does the organization react to ambiguous danger signals?
- Is the organization capable of building organizational redundancy?
- How does the organization handle conflicting objectives when safety is involved?
- How are safety critical tasks handled across organizational borders?





Leonardo da Vinci

“Oh investigator, do not flatter yourself that you know the things nature performs for herself, but rejoice in knowing the purpose of those things designed by your own mind.”