

THE CULTURE TRANSFORMATION FRAMEWORK:



CHANGING MINDS CHANGING MINES

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1 Overview

In September 2008, principals of the South African Mining Sector at the Tripartite Stakeholder Leadership Summit agreed that an action-driven plan was necessary to ensure significant improvements in mine health and safety performance. The key themes of the actions that were identified are:

- Strengthening culture of health and safety
- Promoting a learning industry and building capacity
- Making workplaces safer and healthier

As part of implementing the Leadership Summit Action Plan, there was a need to implement a culture transformation framework with a view to significantly improve the culture of health and safety across mining sector. Over the years, most of the Mine Health and Safety Council (MHSC) focus has been on attempting to improve workplace health and safety or to control workplace risks primarily through technical aspects or the design of systems and controls. It has become increasingly important to focus on organisational factors that have an impact on the outcome of health and safety performance, with health and safety culture recognised as having a definitive impact on the outcome of the incident. To this end, the MHSC undertook the project *Changing Minds, Changing Mines* with the aim of developing a framework that would guide the South Africa Mining Sector into making a revolutionary change towards attaining zero harm in the sector.

For the purpose of this framework, the term health and safety culture encompasses:

“the extent to which individuals and groups will commit to personal responsibility for health and safety; act to preserve, enhance and communicate health and safety concerns; strive to actively learn, adapt and modify (both individual and organisational) behaviour based on lessons learned from mistakes; and be rewarded in a manner consistent with these values.”

Following an extensive research project and various stakeholder engagements, the tripartite stakeholders comprising of State, Organised Labour and Employers agree to the following framework for implementation within the South African Mining Sector.

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Principals of Stakeholders within the South African Mining Sector		
The Minister of Mineral Resources 	President of National Union of Mineworkers 	President of the Chamber of Mines
President of the Association of Mine Managers of South Africa 	President of UASA-the union 	President of SAMDA
President of South African Collieries Managers Association 	President of Solidarity 	

Signed on this day: _____

At : _____

2 Vision, Mission Statement

2.1 Vision

We, the Tripartite Stakeholders of the South African Mining Sector, see a future in which ***EVERY MINE EMPLOYEE SHALL RETURN HOME UNHARMED EVERY DAY.***

2.2 Mission

Through the individual and collective efforts, each member of the South African Mining Sector, shall (led by the leaders and principals), adhere to the values of care, dignity, respect, accountability, honesty, integrity, transparency, equity and equality to attain **ZERO HARM.**

2.3 Strategic Approach to Health and Safety

We acknowledge that:

- a) Our approach was wrong in the past; we need to move away from blame and paternalism.
- b) An effective health and safety strategy involves multiple dimensions including leadership behaviour, management systems, societal culture, technology and worker behaviour.
- c) The above dimensions vary in nature and magnitude between different companies and sites and therefore priorities differ.

In building our health and safety strategy we shall:

- a) Involve employees and be proactive and systematic.
- b) Express clear roles and responsibilities at all levels.
- c) Aim for systems that are simple, understood by all employees and which empower employees.
- d) Aim to build a trusting culture.
- e) Adopt leading practice.

3 Pillars of the Culture Transformation Framework

The Culture Transformation Framework (CTF) is based on the following premise:

The South African Mining Industry will be safe, healthy and productive with risks controlled at their source through collaborative action from all the tripartite stakeholders. The collaborative efforts will strive to ensure that through a learning and participative culture where everybody is treated with care, dignity and respect. At all times, clear standards will be enforced by effective regulator mechanisms through fair sanctions that drive performance improvements focussed on determining the root cause rather than assigning blame.

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Utilising the above, the pillars against which the CTF is based are:

PILLAR		INTENTION	RESPONSIBILITY
1	INTEGRATED MINING ACTIVITIES	We will base mining activities on the recognition that health, safety and production are not competing objectives. Safety and health are the outcomes of work well done.	Individual Mines Holding Companies Chamber of Mines
2	RISK MANAGEMENT*	We will seek to eliminate risks at their source and investigate the root causes of incidents.	Individual Mines Holding Companies Chamber of Mines Government
3	TECHNOLOGY	We will adopt mechanisation and technology as a key method of eliminating health and safety risks to mine employees.	Individual Mines Holding Companies Chamber of Mines Mine Health and Safety Council Government
4	LEADING PRACTICE*	We will take a common approach to identifying and facilitating the adoption of leading OHS practices and research outcomes.	Chamber of Mines Government MHSC
5	ELIMINATION OF DISCRIMINATION*	There will be no racism, genderism and any forms of unfair discrimination.	Individual Mines Holding Companies Chamber of Mines Government
6	BONUSES AND PERFORMANCE INCENTIVES*	We will ensure that ZERO HARM is prioritised ahead of production.	Holding Companies Organised Labour Chamber of Mines
7	TRIPARTISM	Government, labour and employers will regularly engage to pursue common objectives and goals for the mining industry.	ALL Stakeholders
8	REGULATORY FRAMEWORK	We will develop clear, concise and understandable legislation that includes enforceable minimum standards.	Mine Health and Safety Council
9	INSPECTORATE	We will create an effective, well-resourced inspectorate that can protect people at and around mines with integrity and job pride.	Government
10	DATA	We will establish a data system that allows effective and timely collection, capture, analysis, communication, dissemination and use by the industry of mine Health and Safety information	Government
11	LEADERSHIP*	That our leaders will lead by example in walking the ZERO HARM talk.	All Stakeholders

Note: * = Pillar is prioritised

4 Culture Transformation Implementation Model

In order for any framework to be successfully implemented there has to be clear, practical objectives, measures and of paramount importance finite timelines and reporting processes.

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- The Head of South African Operations of each company will lead, with the participation of worker representatives, a gap analysis between company values, systems and programmes and the minimum standards and activities as contained in the Implementation Model below.
- Where gaps are identified, the collective recommendations of all involved parties will be used by the companies to adjust their own culture transformation values, systems and programmes to address the gaps in the gap analysis.

Pillar	Description (What are the minimum standards?)
1. Leadership	<p>All mine sector leaders (which includes as a minimum the Board of Directors to all levels on an operating mine) play a critical role in changing culture. A leadership programme for all operational levels of leadership which includes, as a minimum:</p> <p>a) An annual performance assessment of our zero harm leadership that evaluates whether we do what we committed to do in the 2008 Tripartite Action Plan on Health and Safety (i.e. have a clear vision for safety and health improvement and articulate it every day with passion, respect and transparency; comply with OHS rules at and outside of work, walk the talk; require participation of all employees; values the advice of OHS professionals; integrate OHS in all business decisions; provide positive feedback when you see progress; hold our organisation accountable for improving OHS; show eagerness to learn; fully commits to improving health and safety culture.)</p> <p>b) A development programme to strengthen our ability to do what we committed to do in the 2008 Tripartite Action Plan on Health and Safety including visible leadership.</p> <p>c) A visible leadership programme with measureable targets and enabled by freeing time of leaders to do this effectively and with appropriate involvement of worker representatives.</p> <p>d) A programme to effectively engage and empower workers.</p>

Action Plan:

Activity	Responsibility	Date
1.1 Do a gap analysis between the company's leadership programme and the above-mentioned minimum standards	Companies	6 months after the tripartite approval of this framework
1.2 Adjust the company's leadership programme to address the gaps identified in the gap analysis	Companies	6 months after the tripartite approval of this framework
1.3 Pilot a health and safety leadership assessment and discuss experiences and next steps (Note: All such assessments shall be confidential between the person	Stakeholder principals	End 2012

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being assessed and their immediate supervisor)		
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Pillar	Description (What are the minimum standards?)
2. Risk Management	<p>Risk management should always focus on measures to prevent accidents and such measures should be based on objective risk assessments.</p> <p>Since blame is the key cultural challenge in our sector, changes to our accident investigation systems is a priority. The accident investigation system and the quality with which it is implemented play a critical role in transforming our culture from blame to a just and learning culture. The accident investigation system must, as a minimum, include:</p> <ul style="list-style-type: none"> a) A distinction between different types of human error, i.e. slips or lapses (unintentional lapses in attention, inadvertent omissions, natural human limitations), mistakes (unintentional lack of knowledge to select the appropriate plan of action, incorrect judgement), routine violations (violations are deviations from understood and accepted normal practice for whatever reason), exceptional violations. b) An explicit consideration of organisational system issues. c) A regular evaluation, carried out by a multi-functional internal stakeholder team, to establish whether the corrective measures deal with the underlying systemic issues rather than with the behaviour of individuals. <p>(Note: the proposal to establish independent teams to investigate high potential incidents and success to improve health and safety investigation skills have been disapproved).</p>

Action Plan:

Activity	Responsibility	Date
2.1 Do a gap analysis between the company's accident investigation system and the above-mentioned minimum standards	Companies	6 months after the tripartite approval of this framework
2.2 Adjust the company's accident investigation system to address the gaps identified in the gap analysis	Companies	6 months after the tripartite approval of this framework
2.3 Enhance the provisions of the Mine Health and Safety Act related to accident investigations and inquiries to support the transformation of culture from blame to a just and learning culture	DMR	End 2012
2.4 To improve the quality of accident investigations, facilitate the identification of leading practices in accident investigations and development of	Employers	End 2012

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universal training on the use of these tools		
2.5 To improve the quality of accident investigations, participate in independent, no name, no blame teams to investigate successes in key risk areas	All stakeholders	End 2012

Pillar	Description (What are the minimum standards?)
3. Bonuses and Performance Incentives	<p>Bonuses and performance incentives can send mixed message that production is more important than ZERO HARM. We should strive to have a ZERO HARM operations bonus systems, across ALL levels of the organisation, that:</p> <ul style="list-style-type: none"> a) Enhances safe and healthy production. b) Includes a combination of leading and lagging, safety and health indicators in the determination of the zero harm. c) Includes a regular evaluation of whether those affected by the bonus system understand it and consider it fair.

Action Plan:

Activity	Responsibility	Date
3.1 Do a gap analysis between the company's production bonus system and the above-mentioned minimum standards	Companies that have production bonuses	6 months after the tripartite approval of this framework
3.2 Review production bonus systems and ensure unions are part of the consultation process about the principles of the new zero harm operations bonus	Companies that have production bonuses	End 2012

Pillar	Description (What are the minimum standards?)
4. Leading Practices	<p>There will be a common approach to identifying and facilitating the adoption of leading OHS practices and research outcomes, which includes:</p> <ul style="list-style-type: none"> a) Support sector level initiatives on the implementation of research outcomes and leading practices. b) Investigate leading practices/new research objectively with appropriate consideration of benefits and ensuring risks areas low as reasonably practicable. c) Leadership support at ALL levels have a clear understanding of what they have to do to enable and lead sustainable adoption and this is appropriately included in their performance contracts. d) There is early and effective involvement of those affected by the adoption including their knowledge, beliefs and values.

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	<p>e) Adequate training, technical support and explicit financial resources for adoption.</p> <p>f) Monitoring of progress with the adoption and sustained monitoring of its impact through self-assessment and independent verification.</p>
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Action Plan:

Activity	Responsibility	Date
4.1 Do a gap analysis between the company's leading practice adoption system and the above-mentioned minimum standards	Companies	6 months after the tripartite approval of this framework
4.2 Adjust the company's leading practice adoption system to address the gaps identified in the gap analysis	Companies	6 months after the tripartite approval of this framework
4.3 Continue the adoption (including full implementation) of leading practices identified by the MOSH Learning Hub where practically possible using a risk-based approach. Where not practical companies, companies should investigate alternatives to address the risks. (Note: Companies should recognise that in their adoption they must consider the implications of adopting all the leading practices.)	Companies	Demonstrate evidence of wide-spread adoption of these leading practices by the end of 2012.

5. Elimination of Discrimination	<p>Racism, genderism and any other form of unfair discrimination are obstacles to the kind of workplace relationships that are conducive to achieve ZERO HARM. We should eliminate these with programmes, which as a minimum, include:</p> <ul style="list-style-type: none"> a) Diversity management competence as a requirement for all levels of management (to be part of the leadership programme). b) A focal point to champion diversity management in the organization. c) Regular diversity audits (to be part of the monitoring of the culture transformation in the organisation.) d) A more culturally-sensitive way to deal with serious injuries and fatalities including an opportunity for mourning through e.g. a memorial service at the affected operation. <p>A culturally-sensitive health awareness process to raise awareness about health issues.</p>
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Action Plan:

Activity	Responsibility	Date
5.1 Do a gap analysis between the company's programmes to eliminate discrimination and the above-mentioned minimum standards	Companies	6 months after the tripartite approval of this framework
5.2 Adjust the company's programmes to eliminate discrimination to address the gaps identified in the gap analysis	Companies	6 months after the tripartite approval of this framework
5.3 Ensure members participate in the opportunities for mourning and health awareness processes	Organised labour	Ongoing

5 Responsibilities

In order to ensure that the CTF can be implemented the following roles and responsibilities are defined:

Employers			Organised Labour	Government	Mine Health and Safety Council	Professional Associations in the Mining Industry
Individual Mines	Holding Companies	Chamber of Mines				
<ul style="list-style-type: none"> • Develop and apply site-specific strategies to implement the framework in collaboration with the workforce through their elected representatives. 	<ul style="list-style-type: none"> • Develop and apply enterprise-specific strategies to implement the framework in collaboration with the workforce through their elected representatives. • Ensure that all sites across the enterprise make sincere and constructive efforts to implement this transformation framework 	<ul style="list-style-type: none"> • Coordinate employer input to developing and applying industry strategies to implement the framework through tripartite forums • Facilitate the industry's sincere and constructive efforts to implement this transformation framework 	<ul style="list-style-type: none"> • Represent the industry's workforce in developing and applying industry strategies to implement the framework through tripartite forums. • Contribute to and support workplace representatives in developing and implementing site and enterprise specific strategies. 	<ul style="list-style-type: none"> • Represent the Government of South Africa and the public interest in developing and applying industry strategies to implement the framework through tripartite forums. • Develop and apply strategies to implement the framework within the Department of Mineral Resources. 	<ul style="list-style-type: none"> • Popularize the framework widely through Regional Tripartite Forums and other mechanisms. • Facilitate support to smaller organizations (including contractors) in implementing the culture transformation framework. • Develop a process to monitor implementation of the Culture Transformation Framework. • Develop a process to report on sector level information regarding culture transformation. • Facilitate a regular review of the Culture Transformation Framework and prioritise new issues 	<ul style="list-style-type: none"> • Lead and facilitate input to regional tripartite forums where culture transformation is discussed. • Arrange regular discussions amongst their members on issues identified in the culture transformation framework

6 Reporting and Monitoring

The following gives effect to the Monitoring and Reporting included in the 2008 Tripartite Action Plan and the Mining Charter:

- ❖ Companies will as part of their Mining Charter commitments report to the DMR, in accordance with the table below, on the percentage progress that they have made with their culture transformation programmes.

- ❖ The Mine Health and Safety Council will make arrangements for the verification of the reports in cooperation with the DMR.

- ❖ The Mine Health and Safety Council will monitor the Culture Transformation and compile a sector level report for the principals of ALL the stakeholders.

6.1 Reporting and Monitoring Scoring System

Performance against each of the pillars identified above will have to be reported using the table below.

The scoring system is described as follows:

The system or programme to deliver against each of the pillars needs to be reported against:

- If a mine has no system/programme in place then the score will be "0".
- If a new system/programme or a revision to the existing system/programme is planned, the score will be "1", if the system/programme is developed, the score will be "2" and if the system/programme is implemented then the score will "3".
- A score of "4" is obtained if the system has been implemented and reviewed for suitability or requires no revision.

It is imperative to note that since the Mining Charter only provides for an overall score of 2 that the total of all the scores has to be reduced by a factor of 10%.

Measure and Scores	Systems or Programme in support of the Pillars					Final Score = (Actual score * 0.1)
	None	Planned	Developed	Implemented	Reviewed for suitability or no revision necessary	
SCORE	0	1	2	3	4	
Priority Pillar						
Leadership						
Risk Management						
Bonuses and Performance Incentives						
Leading Practices						
Elimination of Discrimination						
TOTAL SCORE (=sum of final score of each pillar)						

*reduced by a factor of 10%.