Regulating the intangible
Searching for safety culture in the Norwegian petroleum industry

Stian Antonsen, Dept. of Safety research, SINTEF

Marie Nilsen, NTNU

Petter Almklov, NTNU Social research Ltd.
Starting point

- **Problem to be addressed:** Is it meaningful to include requirements to safety culture in regulation?

- **Sector:** Norwegian petroleum industry

- **Methods:** 21 interviews with key personnel in the industry
  - The Petroleum Safety Authority (the regulator)
  - Two oil & gas companies (the regulated)

- **Theoretical relevance:**
  - From an intra-organizational to inter-organizational view on safety culture
  - How can external/institutional factors influence on companies' inner workings
Can safety culture be regulated?

Section 15
Sound health, safety and environment culture
A sound health, safety and environment culture that includes all phases and activity areas shall be encouraged through continuous work to reduce risk and improve health, safety and the environment.

- How can you specify requirements to safety culture
  - ... without an agreed-upon definition of culture?
  - ... when it is hard to distinguish between "good" and "bad" culture?
  - ... when it is hard to determine compliance or non-compliance?
Previous research


- **KRINGEN, J. 2008.** *Culture and control. Regulation of risk in the Norwegian petroleum industry,* Oslo, University of Oslo.


- **LE COZE, J.-C. & WIIG, S. 2013.** Beyond procedures: Can 'Safety Culture' Be regulated? Trapping safety into rules. how desirable or avoidable is proceduralization
What are the consequences of the requirement for a "sound HSE culture"
The regulator

- Cultural changes within the regulator's organization?
  - HSE culture challenging the assumptions of a "technical culture"
  - Sensitizing the regulator to include new perspectives into regulatory practice
- New thinking with the regulator a prerequisite for fostering new thinking in the industry

We were in a meeting yesterday which was interesting, because there were people there that I wouldn't expect to get anywhere near [the concept of] culture. They had just got back from an investigation of a very serious incident. They actually considered issuing an order based in the culture paragraph. They were told not to do it, but I liked the way they were thinking. It was quite revolutionizing, a positive development.
The regulator

- A new legal basis
- Asking new questions related to organizational properties
- Increased emphasis on the role of top management
- From safety management to corporate governance

We've been asking simple questions. "What kind of information do you have on your desk that tells you how things are actually going" [regarding safety]. And they can't answer that, they revert to the accident statistics that they are presented with once a month. They need to have information to be able to manage the company and develop the company.
The regulated

- Confusion...
  - But is ambiguity necessarily negative?
- Efforts to make sense of the concept of HSE culture
- Searching for ways to respond to the regulations
- A productive search for ways to address the informal aspects of safety?

They [the PSA] received so much criticism: "What on earth do they want with that paragraph?" That was the main feedback. It was not concrete enough (...) I think that the PSA was very brave in introducing that paragraph. It resulted in many discussions (...) I think it was a very good process.
Communication between the regulator and the regulated

- The command and control perspective on regulation

- How does this look from a more institutional perspective?
External/institutional factors

The regulator

- Intention & purpose
- External factors

- Oseberg East accident
- Other accidents
- Tripartite cooperation
- Academia
- IRF, BSEE, NSOAF, OGP, HSE
- Media

The regulated

- Communication
- Interpretation & implementation
- External factors

- Competitors and partners
- Media
- Investors and the public
- BBS trend
- Safety forums and tripartite coop
- Other accidents
- Consultants

- § 15 HSE culture
- PSA publications
- HSE culture seminar
- Investigation reports
- Dialogue & other strategies
Conclusions

• Can regulators influence companies' safety cultures?

• No:
  • Cultures cannot be engineered – people (fortunately) tend to have opinions of their own
  • Regulators compete with other voices in the field

• Yes:
  • Regulation produces framework conditions. These may, in turn, influence culture
  • Regulation is more than command and control. Arenas for cooperation and dialogue can foster new thinking
  • Regulators can set the agenda for the institutional field