by Richard MacLean

Ignoring Impending Disasters
Why do the warning signs go unheeded?

Does this sound familiar? You identify a major issue looming over the horizon, one that might injure people or the environment, damage the company's reputation, cause long-term financial liabilities, or even offer a competitive opportunity. You raise the alarm, offer a plan of action and…nothing is done. You have probably been there; I've been there many times.

This scenario happens so often that I suspect it is the underlying reason that environment, health, and safety (EH&S) professional meetings and publications focus so much attention on how to build convincing business cases. Yes, we probably bear much of the responsibility for not communicating our recommendations clearly, but there are other factors in play. While we may have limited control over these other dimensions, it helps to understand and factor them into our strategic plans.

NO SURPRISES

In the wake of disasters such as 9/11, Hurricane Katrina, the Columbia space shuttle breakup, and BP's Texas blast, there has been a surge in business literature that dissects the systemic and psychological contributing factors.[1] In each case, there were numerous, timely warnings that something was amiss, but the warnings were ignored. A bridge just does not suddenly collapse across the Mississippi River; there are always tell-tale inspection reports claiming that it was "structurally deficient." Why then don't those ultimately responsible act to avoid disaster?

First, the top executives may not be sufficiently skilled and experienced enough to make a thorough evaluation. They may opt to go with their gut instincts or agree with others who provide recommendations more to their liking. They may be brilliant individuals, but that does not always translate into engineering and scientific knowledge of EH&S. There may be insufficient "face time" for EH&S professionals to educate them to make a truly informed decision.

Second, many of the issues that we deal with are influenced heavily by subtleties: the possible impact of public opinion; the reaction by nongovernmental and regulatory organizations; the weighing of numerous, often conflicting, scientific studies of health impacts; and so on. Indeed, we often do not agree, even among ourselves, when the threats are long-term and ambiguous.

When clear-cut regulatory noncompliance issues are involved and when the legal consequences are obvious, management rarely hesitates. The threshold for action on safety concerns is generally lower than those for environmental concerns because management can more directly

grasp the consequences and the issues involved. But with complex emerging health and environmental threats, it can ultimately come down to individual opinions and, like belly buttons, everyone has one. Management may think their approach is every bit as sound as yours and, of course, ultimately they are the ones responsible.

Third, sufficient information may never get to the decision-makers in the first place. Information gets filtered as it makes its path to the top or across organizations. One such filter, the boss that refuses to convey bad news, is a common example. But this "failure to communicate" is much more pervasive. The organizations, not just individuals, may collectively hold certain beliefs or insist on certain processes. For example, some organizations develop a powerful data-driven culture, whereby one has to prove beyond some threshold hurdle, usually in specific financial or statistical terms, that the threat or opportunity is real.

Ambiguous threats can be phenomenally challenging to quantify. Documenting a compelling business case that passes threshold muster can be all but impossible. All we may really have are generalities, case studies, and gut instincts based on a lifetime of relevant experience. The resources required to research and formulate a truly sound business case can be out of reach for EH&S professionals. We can find ourselves caught in a classic *Catch-22* situation.

Fourth, group dynamics or group think can hinder unconventional thinking or prevent raising an alarm. Individuals may be reluctant to force an issue forward if it might upset their colleagues or other functional areas. Going with the flow may be more important, especially if it preserves one's own career aspirations. No one likes being viewed as a loose cannon. Sometimes the lack of open communication across functional areas can lead to bad decisions or no action at all. Each group may have only partial information and there may be no central mechanism to pull it all together into a compelling business case. Separately, the evidence might look unconvincing; as a result, no one feels compelled to do anything.

Fifth, individuals have different tolerances for risk. EH&S professionals and attorneys tend to be more risk adverse than most individuals. Business executives, and especially sales and marketing staffs, tend to be much more willing to take risks. Indeed, a can-do attitude is valued highly in the business world. Confidence, even overconfidence, is viewed as a positive attribute. It is no wonder that cautious EH&S professionals can be viewed as "Eco Cops" or "Safety Czars" and their concerns dismissed out of hand.

Finally, individuals resist change and stubbornly hold onto their existing beliefs. Even EH&S professionals can be blind to emerging issues. I believe that this is most often the case because they are focused totally on the crisis du jour or maintaining regulatory compliance. Unfortunately, a few also can be so convinced of their individual prowess that they fail to see the value of an occasional independent assessment. Standard regulatory compliance and management system audits are not sufficiently rigorous to uncover broader business concerns related to emerging issues.

Some may fully grasp the risk of raising previously undiscovered governance issues and fear that they may be held accountable. "Why rock the boat?" might be their motto. Also, people do not like to admit errors either to themselves or to others. Even if emerging facts directly challenge their beliefs, some may persist on the same flawed path. They prefer to selectively choose information that conforms to their own beliefs, going so far as to surround themselves with submissive yes-men and flattering consultants.

> **Information gets filtered as it makes its path to the top.**

DEVELOPING A PLAN

Human nature and organizational dynamics are what they are. You will never change these forces. What you can do is factor these dimensions into your planning. For example, building strong teams and interdepartmental allies, breaking down information barriers, and encouraging contrary views are obvious positive steps to overcoming inertia.

Groups should actively seek input from others who can challenge their assumptions. Groups also can be broken into sub-groups and can work on the same problem using different assumptions. One group may even play the role of devil's advocate for the other. Decision-making at the point closest to the expertise should be encouraged.

For the really big elephants in the room, sometimes it helps to bring in outside experts who can raise issues that would be far too controversial for the EH&S staff to broach themselves. Top executives almost always perceive outsiders as more competent and knowledgeable than insiders. It's sad, but true.

Last, do not underestimate the forces you are up against. Our profession's attention to building "better business cases" and "demonstrating value" conveys a subtle message that we are ineffective and unconvincing. In actuality, the challenges we face are enormous. Our only mistake would be to give up and admit defeat. **em**

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REFERENCE

1. See, for example, M. Roberto, et al. Facing Ambiguous Threats; *Harvard Business Review,* November 2006, pp 106-113; C. Wei Choo Information Failures and Organizational Disasters; *MIT Sloan Management Review,* Spring 2005, pp 8-10; M. Watkins and M. Bazweman Predictable Surprises: Disasters You Should Have Seen Coming; *Harvard Business Review,* March 2003, pp 72-80.