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# The Firebird Forum

*The Newsletter of*  
**Event Investigation  
Organizational Learning  
Developments**  
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## **OVERSIGHT, REGULATION, AND SELF-ASSESSMENT**

### **Effective Oversight Assures Effective Self-assessment**

Now we explore oversight, regulation and self-assessment. There is one major point to be made.

That point is that the essence of good oversight including regulatory oversight is the consistently relentless uncompromising insistence upon good self-assessment on the part of those people, organizations, and activities being overseen. This is because most, if not all, tragic, consequential, game-changing events involve problems that were not found at earlier better, cheaper, safer stages.

In this context self-assessment is just people and organizations finding their own problems. It's that simple.

No amount of oversight or regulation can make up for an organization that is blind to its own problems.

Competence, integrity, and transparency support effective self-assessment.

Competence includes knowing what is right and recognizing what is wrong. This requires the flowdown of requirements to where they matter.

Integrity includes facing facts the way they are rather than the way one might wish they were. Complicated definitions and semantic loopholes make the job harder.

Transparency includes doing business in such a way that it is not hard to see what's wrong. If it is hard to see what's wrong self-assessment is doomed from the start.

### **Why Pay for Oversight?**

The main purpose of oversight, the purpose for which it is worthwhile spending organizational dollars and taxpayer dollars, is the prevention of certain types of consequential events.

For example, the essence of OSHA oversight is to prevent harmful industrial safety events. The essence of NRC oversight is to prevent harmful radiation events. The essence of FDA oversight is to prevent harmful events involving food and healthcare products.

The organization actually doing the work being overseen either causes or prevents events depending upon the conditions, behaviors, actions and inactions reinforced or tolerated.

Neither oversight organizations nor regulators prevent consequential events. The consequential events can be prevented only by the organizations doing the work.

If self-assessment is adequate oversight and regulation are redundant. If self-assessment is inadequate oversight and regulation are insufficient.

### **What Prevents the Consequences of Events?**

In order for consequences of events to be prevented, it is necessary to prevent the conditions, behaviors, actions and inactions that set the stage for the event, trigger the event, or make it worse. It is helpful to encourage the conditions, behaviors, actions and inactions that would tend to mitigate events in progress that have not been prevented.

Therefore, for an oversight organization or agency to be effective, its emphasis must be on the effectiveness of the overseen organization in detecting and addressing the conditions, behaviors, actions and inactions that make situations vulnerable to the events to be avoided, cause those events to be triggered, or exacerbate the consequences of events in progress.

In addition, oversight organizations and agencies need to evaluate the effectiveness of the overseen organization in promoting the conditions, behaviors, actions and inactions that would tend to mitigate events in progress.

### **Effective Compliance = Effective Self-assessment**

The essence of actual compliance is self-assessment. The only known way for organizations to comply with regulations and other requirements is to effectively self-detect the actual and potential departures from those regulations and requirements. There are not enough overseers and regulators in the world to assure compliance by oversight alone.

### **Oversight and Regulatory Behaviors**

What does this mean for the actual behaviors of oversight and regulatory personnel?

Above all, it means the clear establishment of requirements for the overseen organization to find their own problems promptly. This means at the first opportunity and on the first pass. Even if a problem is found before harm is done if it is not found at the first opportunity on the first pass it represents a self-assessment flaw.

Secondly, it means that all infractions and violations have at least two important components. These two components are the requirement infraction component and the self-assessment infraction component. The overseers and regulators need to rid themselves of the erroneous sense of fairness that prompts them to ignore or forgive the overseen organization's lapses in self-assessment.

Self-assessment lapses should be taken as indications of a culture of ineffective self-assessment until that implication is firmly disproved. (It seldom is.) The specific instances of lapses in self-assessment are not as important as either their extent or their causation.

Organizations that do not find unimportant problems often also do not find important problems.

Each specific instance of self-assessment performance is what it is because management wants it that way, management tolerates it that way, and/or management does not know it is the way it is.

Every self-assessment system is perfectly designed to find what it finds and to miss the rest.

### **Problem Finding**

There are seven basic ways that problems are found in the high hazard industries.

1. A person accountable for the problem finds it.
2. An accountable person's management finds it.
3. An internal assessor finds it.
4. An external assessor finds it.
5. It is found as a result of a harmful event that it was involved in.
6. It is found as a result of a harmful event it was not involved in.
7. It is reported and publicized by self-appointed informants.

When a problem is surfaced other than by the first way at the first opportunity on the first pass there is also a self-assessment problem.

### **Post-event Behaviors**

The discussion above implies a specific approach to the investigation of events that the regulations are there to prevent, as well as the investigation of precursors to those events. (In this regard, a precursor is a situation that has some, but not all, of the ingredients necessary for a consequential event.)

Thus an effective investigation of a significant event by an oversight organization or regulatory agency has six objectives:

- understand what made the organization vulnerable to the event, what triggered the event, what made the consequences as bad as they were, and what kept the consequences from being worse
- understand what infractions of regulations made the organization vulnerable to the event, triggered the event, and made the consequences as bad as they were,

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- understand what deficiencies in the regulations could have allowed any of the conditions, behaviors, actions and inactions involved in the event without being in violation of regulations,
- understand what is it about the way the organization does business that kept it from finding the conditions, behaviors, actions and inactions before they were able to be involved in this particular event,
- understand what it is about the way the regulator does business that prevented surfacing the above before the event, and
- understand the extent of the above as well as the causation of that extent.

The essence of safety in high-hazard industries is positive control: what happens is what management intends to happen and that's all that happens.

Positive control is achieved by relentless self-assessment at all levels.

Self-assessment includes learning from all losses of positive control and feeding that learning back into the organization.

The effectiveness of oversight amounts to the effectiveness of oversight and regulatory activities in inducing the overseen organization to continuously refine the effectiveness of its own self-assessment.

#### Suggestions for root cause instructors

Discuss how your oversight organizations participated in recent root cause analyses?

How well did they achieve the six objectives above?

#### Thought of the Month

What are the self-assessment improvements your organization made after its last event?

#### Quotation of the Month

Inadequate self-assessment is involved in all accidents.

#### Staff

Editor: William R. Corcoran, Ph.D., P.E.

21 Broadleaf Circle  
Windsor, CT 06095  
Tel: 860-285-8779

Email:  
[thefirebirdforum-owner@yahoogroups.com](mailto:thefirebirdforum-owner@yahoogroups.com)

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#### Why do we call it "The Firebird Forum"

Firebird is just the English form of Phoenix, the mythical male bird that lives in the desert, periodically builds a nest, and then sets it afire. The Phoenix is consumed by the fire it sets, but arises freshly renewed from the ashes. Similarly, organizations often arise renewed from problems that they themselves have created. Thus we get the name, "The Firebird Forum".

