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CULTURE TRANSFORMATION FRAMEWORK (CTF)

GUIDE BOOKLET

THE IMPLEMENTATION OF THE CULTURE TRANSFORMATION FRAMEWORK PILLARS

CONTENTS PAGE

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1. CEO's FOREWORD

The Mine Health and Safety Council (MHSC) is a public entity that is mandated, in terms of the Mine Health and Safety Act (MHSA), to advise the Minister of Mineral Resources and Energy on research programmes, regulations, standards, policies and procedures focused on minimising the Occupational Health and Safety (OHS) risk at mines. The Council is also tasked with promoting a culture of health and safety in the mining industry. The MHSC office executes the operational deliverables of the Council, including the provision of secretarial support to the Council and all its committees, managing OHS research programmes, finances, communications and promotions, and liaising with other statutory bodies on matters relating to OHS at mines. The MHSC provides a platform for stakeholder engagements on OHS matters, thus operates as a tripartite entity representative of the State, Employers and Organised Labour.

The Principals of the South African Mining Industry (SAMI) at the Tripartite Stakeholder Leadership Summit In September 2008 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 occupational health and safety
• Promoting a learning industry and building capacity
• Making workplaces safer and healthier

To this end, the MHSC undertook the project of Changing Minds *"Changing Mines"* with the aim of developing a framework that would guide the South Africa Mining industry into making a revolutionary change towards attaining Zero Harm in the industry. The project outcome was the development of the Culture Transformation Framework, signed-off by the Minister of Mineral Resources and Energy and stakeholder principals at the 2011 OHS Summit, with subsequent industry implementation in 2012.

The need to implement a **Culture Transformation Framework** was with a view to improve the culture of health and safety across the mining industry. It became increasingly important to not only focus on improving workplace health, safety and risk controls, but to also focus on organisational factors as they have been recognised as having a definitive impact on the outcome of health and safety performance.

Eleven CTF pillars were developed and the MHSC stakeholders agreed to implement five of the pillars, namely: Leadership, Risk Management, Bonuses and Performance Incentives, Leading Practices, and Elimination of Discrimination.

The tripartite principal stakeholders however agreed at the 2016 Tripartite Summit, that the CTF implementation should be extended to the year 2020 on the basis that the majority of companies had not implemented all the five pillars 100%. A number of companies constantly indicated to the MHSC the need for guidance on the implementation of the CTF.

As such, the MHSC hereby presents this booklet to the SAMI, which provides guidance on how to implement the minimum standards of the five pillars of the CTF.

Thabo Dube
Chief Executive Officer
Mine Health and Safety Council

2. CULTURE TRANSFORMATION FRAMEWORK PILLARS

Over the years, the MHSC focused on attempting to improve workplace health and safety, as well as controlling workplace risks primarily through technical aspects or the design of systems and controls. The CFT was subsequently developed to improve the culture of health and safety in the SAMI, by looking at other organisational factors which in-turn gave rise to the Eleven Pillars of the CTF. For the purpose of this framework, the term health and safety culture encompass:

"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."

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 actions 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 focused on determining the root cause rather than assigning blame.

The FIVE CTF Pillars prioritised for implementation by the year 2020

1 Leadership

2 Risk Management

3 Bonus and Performance Incentive

4 Elimination of Discrimination

5 Adoption of Leading Practices

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The eleven 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 Mineral's Council of South Africa
2	RISK MANAGEMENT*	We will seek to eliminate risks at their source and investigate the root causes of incidents.	Individual Mines Holding Companies Mineral's Council of South Africa 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 Mineral's Council of South Africa 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.	Mineral's Council of South Africa Government MHSC
5	ELIMINATION OF DISCRIMINATION*	There will be no racism, genderism and any forms of unfair discrimination.	Individual Mines Holding Companies Mineral's Council of South Africa Government
6	BONUSES AND PERFORMANCE INCENTIVES*	We will ensure that Zero Harm is prioritised ahead of production.	Holding Companies Organised Labour Mineral's Council of South Africa
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

Table 1: The CTF Pillars
__ CTF Pillars to be implemented by December 2020.__*

3. CULTURE TRANSFORMATION IMPLEMENTATION MODEL: GUIDANCE
"Guidance to implementing the five CTF Pillars"

- By December 2020 there will be 100% implementation of the prioritised 6 pillars of the Culture Transformation Framework.

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3.1.PILLAR: LEADERSHIP

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3.1. PILLAR: LEADERSHIP

Research: The Mine Health and Safety Council (MHSC) initiated a Leadership and Diversity project with the aim of assessing the Cultural Transformation Framework (CTF) initiatives under-taken by stakeholders in terms of meeting minimum standards and actions set by the CTF. The outcomes of the project are the development of leadership and diversity tools and guidelines to be used at the mines, and for stakeholders to further accelerate the journey of "Zero Harm" in the mining industry, based on the CTF initiatives undertaken between 2012 and 2014.

The outcomes of the research comprised of:

a)   Draft reports of the stakeholders based on the assessments of leadership and diversity management initiatives in line with the CTF minimum standards;

b)   Leadership and diversity management tools to be used by the stakeholders to improve on the implementation of the CTF; and

c)   Guidelines to be used by the mining industry for the implementation and improvements of the leadership and diversity management, in line with CTF in hard copy and an e-book format.

The tools developed from the study aim to assist the mining industry leaders in developing programme to develop or review their leadership programmes.

Description: What are the minimum standards?

All mine industry 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:

a) An annual performance assessment of the Zero Harm leadership that evaluates the commitment made in the 2008 Tripartite Action Plan on Health and Safety (i.e. a clear vision for health and safety 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 commit to improving health and safety culture).

Guidance: The MHSC conducted research on leadership and developed a leadership assess-ment tool as part of the research outcomes. Companies which do not have a tool to assess lead-ers can use the MHSC assessment tool which can be obtained from the MHSC website(www.mhsc.org.za). If a Stakeholder grouping had developed tools and are in place, they should con-tinue use them provided that they can be verified.

EVIDENCE REQUIRED: The assessment report.

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b) A development programme to strengthen our ability to do what we committed to do in the 2011 Culture Transformation Framework.

Guidance: The results of the Leadership Assessment in (a) should inform the programme/s to be developed for the individual assessed. Such a programme/s should ensure that Diversity management competence (see pillar 5a) is part of the leadership programme.

The MHSC conducted research and developed a guidance document on how the SAMI should manage diversity. The guidance includes a tool to manage diversity. Embedded in the Leadership Tool as indicated in (a) above. If a Stakeholder grouping had developed tools and are in place, they should continue use them provided that they can be verified.

EVIDENCE REQUIRED: A Leadership Development Programme that includes diversity management.

c) A visible leadership programme with measurable targets and enabled by freeing time of leaders to do this effectively and with appropriate involvement of worker representatives.

Guidance: The Visible Felt Leadership (VFL) Programme should have measurable targets which include both quantitative (e.g. the number of visits) and quality-related measures (e.g. what will the leaders be checking for in the visit).

Freeing time for leaders may require relieving them of some of their current responsibilities as some companies already do, to enable them to be more visible.

EVIDENCE REQUIRED: VFL Programme which indicates the areas to be visited and the engagements which will be made during the visit.

d) A programme to effectively engage and empower workers.

Guidance: The MOSH Learning Hub has developed tools to engage and empower workers on adoption of leading practices and change management. Contact Minerals Council of South Africa for more information.

EVIDENCE REQUIRED: A document which highlights how the organisation engages and empowers its employees.

3.2. PILLAR:
RISK MANAGEMENT

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3.2. PILLAR: RISK MANAGEMENT

Research: The MHSC is currently conducting Research that will inform the development of risk management best practice guidelines. The guidance provided on this pillar is according to the Mining Charter guidance document, developed by Minerals Council of South Africa previously.

The tools that will be developed from the study will assist the mining industry leaders in establishing programmes to develop or review their risk management programmes.

Description: What are the minimum standards?

Risk management should always focus on measures to prevent accidents and such measures should be based on objective risk assessments.

Since the blame culture is the key challenge in our industry, 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:

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.

Guidance: The Employer to consult with Organised Labour to define different types of Human errors in their organisation. Such types of errors should be documented on an agreed upon by all parties.

EVIDENCE REQUIRED: organisational Report on the type of Human errors.

b) An explicit consideration of organisational system issues.

Guidance: When conducting internal accident Investigations, employers should ensure that root causes identified consider organizational system shortcomings that create circumstances for errors.

Organisational system issues can include, for example, design, planning, cost savings and material shortages. Accidents caused through organisational system issues are usually not corrected by administrative measures that focus on human behaviour such as task observations, training and disciplining employees.

EVIDENCE REQUIRED: Accident Investigation reports which demonstrates that organizational considerations and human error were considered in the accident investigation process.

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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.

Guidance: Organisations must establish internal teams that include management representative and employees (Organised Labour). The internal team must carry out assessments/audits to determine the effectiveness of the corrective actions/measures implemented after the occurrence of accidents to ensure that deficiencies identified through the accident investigations are effectively addressed to prevent them from re-occurring. The assessments/audits must also verify if corrective measures address underlying systemic issues rather than the behaviour of individuals.

EVIDENCE REQUIRED: Assessment/Audit reports that verify that corrective measures implemented after accident investigations do not address the behaviour of individuals only but rather address systematic deficiencies.

3.3. PILLAR: BONUSES AND PERFORMANCE INCENTIVES

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3.3. PILLAR: BONUSES AND PERFORMANCE INCENTIVES

Research: The MHSC conducted research with the aim to deliver a holistic incentive scheme that holistically covers OHS and production issues for the SAMI. This was based on the following:

a) Identification of global practices including South Africa;
b) Establishment of leading and lagging indicators; and
c) OHS incentive scheme motivation and incentive scheme specific best practice.

Specific to incentive schemes, the research revealed that:

a) Best practice requires an incentive scheme to incentivise positive behaviour and performance and to penalise negative behaviour and performance.
b) Leading indicators must be used to incentivise whilst lagging indicators must be used as the basis for penalisation. In this regard leading indicators are seen as the factors that would result in a future desired outcome whilst lagging indicators are the analysis of the pat.
c) The most effective measuring tool remains the balanced scorecard approach being the only effective tool to balance the weightings and therefore importance allocated to each key performance area (KPA) and key performance indicator (KPI).
d) The weighting of key performance areas and indicators is essential to strike a balance between safety and health performance and production performance. Yet, these must be part of a single incentive system to achieve balance, synergy and a positive outcome.
e) The weighting of specific key performance areas must be such that an achievement of an incentive payment of more than 10% of salary is possible. The literature research as well as the field research confirmed that incentive payments of less than 10% serve no motivational value. Similarly, penalties of less than 10% serve no value.

A booklet on implementing 'Bonuses and Performance Incentives' pillar has been developed and available to the SAMI. Stakeholders are encouraged to contact MHSC office or visit our website: www.mhsc.org.za

Description: What are the minimum standards?

The South African mines are required to design a Bonus and Performance Incentives scheme that covers and prioritises health and safety above production, with the aim of preventing incidents and accidents before they happen. The standards required, as a minimum, include:

a) Enhances safe and healthy production.

Guidance: The MHSC conducted a study to develop a best practice model that will guide mining operations in the design of bonus incentive schemes that ensure that production is not prioritised over safety and health.

In order to assist the industry, the MHSC has developed a matrix to assist the SAMI, (which can be found on the MHSC website). If a Stakeholder grouping had developed tools and are in place, they should continue to use them provided that they can be verified.

EVIDENCE REQUIRED: A bonus incentive model for the operation.

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b) Includes a combination of leading and lagging, safety and health indicators in the determination of the Zero Harm.

Guidance: The MHSC conducted a study to develop a best practice model that will guide mining operations in the design of bonus incentive schemes that ensure that production is not prioritized over safety and health.

In order to assist the industry, the MHSC has developed a matrix to assist the SAMI, as indicated in (a) above. If a Stakeholder grouping had developed tools and are in place, they should continue to use them provided that they can be verified.

The bonus and incentive scheme must consider to include both leading indicators. Lagging indicators are reactive in nature. They measure the effectiveness of a health and safety program after the facts. Typical lagging indicators include the number of incidents, injuries, days away from work (DAFW), etc. Leading indicators, in contrast, are proactive in nature. They consist of safety initiatives or reported activities, with the aim of preventing adverse events before they happen, e.g. planned task observations, safety day campaigns, etc.

EVIDENCE REQUIRED: A Bonus incentive model of the operation.

c) Includes a regular evaluation of whether those affected by the bonus system understand it and consider it fair.

Guidance: Mining operations to conduct self-assessment on implementation of the incentive model. In terms of independent verification, the MHSC will source a service provider to conduct the verification. Mine are requested to keep record of their evidence for this purpose.

EVIDENCE REQUIRED: Self-assessment reports that to assess whether those affected by it understand it.

3.4. PILLAR: LEADING PRACTICES

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3.4. PILLAR: LEADING PRACTICES

Research: The MHSC in collaboration with MOSH, conducted research and developed a Guideline for the adoption of leading OHS practices for implementation by the SAMI. The guide, in a form a booklet, aims to assist the industry in setting out actions, procedures and standards of the common approach called for in the Leading Practice pillar of the CTF.

Description: What are the minimum standards?

There will be a common approach to identifying and facilitating the adoption of leading OHS practices and research outcomes, which includes:

a) Support industry level initiatives on the implementation of research outcomes and leading practices.

Guidance: The MHSC developed guidelines for the adoption of leading OHS practices as well as MHSC research outcomes. The guidelines set out a common approach and minimum standards for identifying and facilitating the adoption of leading OHS practices and research outcomes to achieve Zero Harm.

For adoption of leading OHS practices promoted through the MOSH Learning Hub, the Learning Hub has developed Leading Practice Guides to help with adoption of leading practices. Contact the Minerals Council of south Africa for more information. Information on the research outcomes can be obtained from the MHSC. For more information please log on to www.mhsc.org.za

EVIDENCE REQUIRED: A report with identified projects for adoption.

b) Investigate leading practices/new research objectively giving appropriate consideration of benefits and ensuring that reasonably practicable measures are taken to address the risks.

Guidance: Investigation tools have been developed through the MOSH Learning Hub, to make the investigation of leading practices outcomes more objective. For more information on these Contact the Minerals Council of south Africa for more information. The tools for objective investigation of research outcomes can be obtained from the MHSC at www.mhsc.org.za

EVIDENCE REQUIRED: Completed investigation tools which the organisation used to assess the applicability of the leading practice/research outcomes to its operations.

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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

Guidance: Adoption of leading practices/research outcomes must be included in the performance contract of relevant management.

EVIDENCE REQUIRED: Performance contracts of relevant managers.

d) There is early and effective involvement of those affected by the adoption including their knowledge, beliefs and values

MHSC Guidance: The MHSC has developed a change management strategy from the project "Impact of technology on people" which is generic and can be applied to any change that is introduced in different mining environments, and can be accessed from the MHSC website.

EVIDENCE REQUIRED: Demonstration that the end users adopting the leading practices were effectively involved in the adoption process.

e) Adequate training, technical support and explicit financial resources for adoption.

Guidance: The organisation must have systems in place to ensure that there are adequate resources to enable necessary training, technical support and financial resources were availed to ensure sustainable adoption.

EVIDENCE REQUIRED: Training records, maintenance programs and records and the allocated budget for adoption of leading practices/research outcomes.

f) Monitoring of progress with the adoption and sustained monitoring of its impact through self-assessment and independent verification.

Guidance: Mining operations to conduct self-assessment. In terms of independent verification, the MHSC will source a service provider to conduct the verification. Mine are requested to keep record of their evidence for this purpose.

EVIDENCE REQUIRED: Self-assessment reports that monitor sustained adoption.

ELIMINATION OF
DISCRIMINATION

3.5. PILLAR: ELIMINATION OF DISCRIMINATION

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3.5. PILLAR: ELIMINATION OF DISCRIMINATION

Research: The MHSC conducted a study to ascertain and evaluate significant forms of discrimination within the mining industry. The main aim of the project was to develop elements that will address racism, genderism, and all forms of unfair discrimination that the mining industry can integrate into existing leadership development programmes at all levels, taking into account the various leadership styles. The findings of the project aim to assist in the effective implementation of the various legislation and policies that the South African government has instituted in an effort to encourage the mining sector to transform and promote diversity in its employment policies. The research aimed to address attitudes, and behaviours which inhibit the nurturing of diversity and the appreciation of the different skills and knowledge that each employee brings to the organisation.

The main outcome of the project was the development of the implementation strategy underpinned by the following principles:

a) Demonstrate leadership commitment to transformation and diversity
b) Transformation and diversity policies and programs must be in place
c) Commitment to education, training and development of employees
d) Advancing workers' concerns on transformation and diversity in the mines
e) Commitment to eliminating discrimination on the basis of race or ethnicity in the mines
f) Commitment to ending gender discrimination in the mines
g) Creating workplaces that accommodate the physically challenged employees in the mines
h) Commitment to safety and security for all employees in the mines

Implementation is the responsibility of individual mining companies. However, the employer representatives such as the Chamber of Mines and trade union, together with the MHSC and the Department of Mineral Resources and Energy, should consider developing a system that will monitor and evaluate compliance with this framework as a way of providing support and guidance to mining companies. The implementation, monitoring and evaluation of this model, should serve as an incentive for companies to develop good practices.

Description: What are the minimum standards?

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:

a) Diversity management competence as a requirement for all levels of management (to be part of the leadership programme).

Guidance: Mining operations must ensure that the leadership development programme incorporate diversity management as a component of the Leadership Programme as in Pillar 1a.

EVIDENCE REQUIRED: Leadership development programme.

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b) A focal point (being the Human Resource Department) to champion diversity management in the organization.

Guidance: The role of championing diversity management can be incorporated into existing functions and personnel.

EVIDENCE REQUIRED: The Key Performance Contracts of personnel whose functions include diversity.

c) Regular diversity audits (to be part of the monitoring of the culture transformation in the organization.

Guidance: Mining operations must audit annually to assess transformation. The MHSC will provide the tools to assist mines who may not have existing tools. . These tools can be obtained from the MHSC website.

EVIDENCE: Diversity audit report.

d) A more culturally-sensitive way to deal with fatalities including an opportunity for mourning through e.g. a memorial service at the affected operation.

Guidance: Full participation of employees is important in realizing the objective to mourn fatalities through for example, a memorial service.Different cultures deal with fatalities differently and company processes need to be sensitive to this issue.

e) A culturally-sensitive health awareness process to raise awareness about health issues.

Guidance: Mining operations must set aside specific days to host health days to raise awareness amongst. This information is also available on health calendar days.

EVIDENCE REQUIRED: Health awareness campaign report.

f) An understanding that serious injuries have a major, often devastating, impact on the person who was injured and their loved ones.

Guidance: Mining operations must provide counselling sessions for employees affected including their immediate families.

EVIDENCE REQUIRED: Counselling reports.

4. REPORTING AND MONITORING

The following gives effect to the Monitoring and Reporting included in the 2014 Milestones;

• The Mine Health and Safety Council will make arrangements for the verification of the re ports.
• The Mine Health and Safety Council will monitor the Culture Transformation and compile a industry level report for the Principals in the mining industry.

4.1. 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:

Step 1: 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 that meets the minimum standards of the pillar in section 4 above, then the score will be "0".
• If a new system/programme or a revision to the existing system/programme is planned to meet the minimum standards of the pillar in section 4 above, the score will be "1",
• If a new system/programme or a revision to the existing system/programme is developed to meet the minimum standards of the pillar in section 4 above, then the score will be "2",
• If new system/programme or a revision to the existing system/programme is implemented to meet the minimum standards of the pillar in section 4 above, then the score will be "3".
• If new system/programme or a revision to the existing system/programme is implemented and reviewed for suitability, then the score will "4".

Step 2: The Total Score is calculated by adding the scores for each pillar. The maximum score that can be achieved is 5 pillars x 4 = 20.

Step 3: Since the Mining Charter only provides for an overall score of 2 that the total of all the scores has to be divided by a factor of 10.

Table 2: Milestone Score Card

Pillar	Score
Leadership	
Risk Management	
Bonuses and Performance Incentives	
Leading Practices	
Elimination of Discrimination	
TOTAL	
MILESTONE SCORE (= TOTAL/10)	

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"Every mine worker returning from work unharmed every day. Striving for Zero Harm."

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