

Mark Carne Speech – Sword of Honour

Your Excellency, ladies and gentlemen.

I am so grateful to have the opportunity to be here amongst you today, to be amongst winners, real winners who have done something that really made a difference to the people who you work with and I am really proud of that.

A few years ago I was working in the central North Sea and one of the offshore installations that worked there won the **Sword of Honour** and I know how proud they were of that achievement. I know what a difference it makes to you and those people who work in your organisations to see this recognition. It is wonderful that we are here today to celebrate success.

One of the things about safety is that we very often measure our performance by the **number of people who are hurt**, which I think is rather peculiar because there are **many people alive today** because of what you have done, there are people who have their arms, legs and fingers who are not hurt because of the extraordinary things that you and your teams have done, that it is something we should celebrate and I am pleased to be a part of it today.

I have to confess that I do feel somewhat a fraud as I certainly have not won anything but it is wonderful to have a chance to share this afternoon with you.

I have spent my entire career working in what I would consider to be really safety critical industries and I have some very proud moments in that career but I can honestly say that both the highest points of my career, but also the lowest points, have been connected with safety. The things that I am proudest of are when we have had teams that have achieved fantastic safety performance but sadly I have also had the experience of being involved in some dreadful tragedies and they are without exception the low points in my life.

I believe safety is a moral and ethical responsibility, for all business leaders, to impart in their organisation but I also believe that **safety and business performance go hand in hand**, there is no conflict between the idea of a safe organisation and a high performing organisation. I think everyone here in this room would absolutely agree with that but there are some organisations where performance is everything and safety lags. We need to go out into those businesses as ambassadors and talk about how safety and performance go hand in hand.

This belief has been with me for my entire career and I haven't changed much over the years, I still, at the start of a new project or a new job or a new task to perform, ask how are we going to do this safely, because if you start with safety from the beginning you achieve a different type of engagement with your people and you achieve a different business outcome.

Why the railways?

Now you may ask what is oil and gas man doing running the railways in Britain, well they are actually quite similar industries in many respects. They are both are operationally very intense, have big projects, are politically sensitive, economically vital, but most importantly are safety critical. Actually it is quite true that I was attracted to do the Chief Executive job at Network Rail because when I looked at the workforce safety performance I thought it was really unacceptably poor. I thought to myself if that company's safety performance is so poor there is a fantastic opportunity here, not just from a moral and ethical perspective to improve but to also drive better performance in the company as well.

The 3 balls – The juggler

Let me take a step back. There are three things I believe that as a leader in these complex industries, you need to have right and relentlessly pay attention to, The first is:

Engineering excellence: real technical excellence, to ensure that the products you are producing or the trains that we are running, have technical excellence to be operated safely.

Management systems and the process and the competence systems to ensure you can operate those systems correctly.

And the **Attitudes and behaviours** of the people who work in your industry.

I think as a leader one of your biggest challenges that we have is to **juggle** those three balls, the engineering, management systems and behaviours and never lose sight of any one of them. You have to have sort of chronic unease the entire time to make sure you are keeping your eye on all of the 3 balls at once.

Now my passion for engineering excellence was born from a very early experience in my own life when I was the Shell focal point for the appalling tragedy in the North sea that some of you will have heard of, **the piper alpha** disaster where 167 people were killed in 1988. There were a lot of factors that went into that terrible disaster but engineering and inadequate design of the facilities in that time was a common factor. And it was common in the rail industry at the same time as well and there were numerous, appalling train accidents in the 80s and 90s, you will remember them, **Clapham junction, Ladbroke grove, Hatfield, Potters Bar**. Tragedies that cost the lives of many many people.

Today I am enormously proud of what we are doing on passenger and public safety on our railways; through engineering excellence, we now run the **fastest and safest growing railway in Europe**. 4.5 million People every day travel on Britain's railway and it is the safest railway in Europe through the quality of inspections, the rigorous systems and the processes that we use to ensure that.

Rear view mirror

I am not complacent when I talk about the chronic unease and the juggling of the balls, it is relentless but we should also sometimes, when you are climbing a mountain **pause and look back and admire the view**, see where you have come from and certainly on rail safety we have made some fantastic improvements. We have also made amazing improvements on level crossing safety, I don't know if you know this but in this country we have 6,500 level crossings, they criss cross our network in an extraordinary way because these footpaths were laid out long before the Victorians laid the railways. For 5,000 of these level crossings, the only safety precaution is a sign that says 'stop, look, listen'. Now I believe that a safe level crossing is a closed level crossing and we have been closing them at a considerable rate and I will continue to drive this programme. We have closed 1,000 level crossings in the last 10 years and today we now have the safest level crossings in Europe. But there is so much more to do.

I talked about engineering excellence, the second thing was management systems and competency processes, you know those controls, and all those things you have to have in place to run a railway or any other business safely.

But the point that I would like to spend a little time on is behaviours. It is the people at the sharp end of our businesses that actually get hurt, they are the ones that are most likely to get injured and one of the things we really need to embed in our organisations, a huge challenge I face every day, is how you embed that belief that safety and performance go hand in hand amongst the people at the sharp end.

One of the things I have found when I go and talk to our frontline is if I go and say how do we improve performance, it immediately breeds suspicion, it immediately breeds images in their mind that I am trying to fire some of them, that I am going to find a way of cutting costs and doing without them. It doesn't engage them in the challenge I have but if I go and say to them how can we work safer, how can I help you to work more safely, it demonstrates care and empathy that brings them in and they then start to say, we can do this, we can do that and because safety and performance go hand in hand we not only get a better degree of safety but we also improve business performance and the more we that you engage those people the more you bring in their creativity, the more you start to create a culture that values diversity, values different ideas and the one that really has that spirit to be **better every day**.

Now I can assure you that most companies here are in a different place to the industry I currently work in, we have a long way to go but I am absolutely determined that we will achieve that safety performance and sit with you at those tables in the future. But of course front line workers behave in a certain way, because of the culture that exists in an organisation and that culture is created by the leaders in the company.

So when my first question to people is how do you do it safely, I promise you that my very first question when I am interviewing for a job is, is this person a **safety leader**? Is this somebody who is going to drive forward a culture in the organisation that I want because managing safety and changing safety culture is hard, really difficult, because you have to change the behaviours of thousands of people and if you can do that then of course you can do anything as a leader! So I really believe that paying attention to safety as a core value as to what you expect of leaders is absolutely critical and it is what I demand of people who want to succeed in an organisation that I run.

When you get this right it is unbelievable what you can achieve and I was speaking to his excellency earlier today about a project we both know well, the Shell Qatar GTL project that achieved **80 million man hours without a lost time injury**, 80 million man hours. An extraordinary achievement and when you went and visited this project when it was being built, you could feel it. There were thousands of people working on this site and they were smiling, happy, because they were cared for, looked after, had fantastic facilities and they were demonstrably enthusiastic about the safety culture.

The silent 'H'

They were also, looked after from a health perspective and I think that too often, the H part of Health and Safety is too small, we don't spend enough time as professionals thinking about health. It actually affects far more people directly than safety, an unseen side of our business and as leaders we need to spend as much time as possible thinking about health as we do about safety.

I am enormously proud to be here today, mighty chuffed actually, but I tell you what I would so rather be sitting with you than standing here, I would so much rather be a winner than standing here and that's what I am going to try and do, try and lead my organisation to do because celebrating your success in this way is something that all leaders should aspire to.

Well done and thank you.