

Performance Improvement, Risk Management and Safety Consultants Helping Organizations Achieve High Reliability and Better Business Results



Spencer L. (Spence) Byrum
CEO
HRS Consulting, Inc.

CEOCFO: Mr. Byrum, what is the overall vision and mission at HRS Consulting?

Mr. Byrum: HRS is a company that helps others identify High Reliability Solutions in a wide variety of industries. When I use the words High Reliability, I mean that they try to emulate High Reliability Organizations (HRO) that typically succeed, despite having high risks or high potential for catastrophic consequences if they are not doing something correctly, which could result in financial or physical losses. Essentially, we help others determine what those risks are, how to mitigate those risks and how to most effectively use the principals of High Reliability to achieve better business results.

CEOCFO: When you say principles of High Reliability, what does it come down to at the bottom line?

Mr. Byrum: The bottom line is High Reliability Organizations do things a consistent manner. They have predictable performance. They use standardized processes and procedures, and they're obsessed with failure. They recognize the benefits of expertise and try to capture what that expertise would tell them to do a given situation. Each time that a High Reliability Organization, or HRO, has the chance to make a decision, that decision is predicated on a series of metrics that they have already evaluated in advance. The process is not new or surprising, so it allows HROs to be very agile. You can see the benefits of that which could be that agility and predictability in terms of better financial results, efficiencies and safer practices. High Reliability Solutions apply to anything, whether it's aviation, manufacturing, healthcare, or even office processes.

CEOCFO: Why would companies not want to be a High Reliability company? Should that not be a basic tenet?

Mr. Byrum: High Reliability is starting to be recognized within healthcare, a segment in which we are heavily involved, by The Joint Commission, the Secretary of Defense and the head of the Veteran's Health Administration who have all said that their organizations need to become HROs. It is every single component of the medical infrastructure, that the healthcare leaders are saying that their organizations need to become Highly Reliable. They have recognized that although they are delivering good quality of care, it could certainly would be better if they have more predictable performance and more replicable results. Frankly, it is tied to attention to detail; how you make sure that the decisions you make are the right decisions for the right patient each and every time.

CEOCFO: You work in a number of industries. Is there a primary focus?

Mr. Byrum: Our two primary focus areas are within healthcare and in the government sector. We do a lot of work in aviation, which is my background. We help a number of other government organizations such as the Coast Guard Office of Search and Rescue, the Bureau of Safety and Environmental Enforcement and a variety of government groups, all of in an effort to assist their respective organizations and safely prosecuting the mission. We've also started work with the Veterans Health Administration at the local level. The bottom line for us is how you make sure that you make the best decision possible, whether it is in the government sector or whether it is with regard to caring for a patient. That decision needs to be the best it can be, based on the performance factors that you have to consider at the time. When the circumstances change, and you have accurately anticipated what those changes are, you have thought about it, you have prepared and you have contingency plans, you can react in agile way that supports resiliency, which is a component of reliability, and your ability to continue the mission without continually being surprised. That happens more than it should.

CEOCFO: When an organization turns to you, what is the process and how do you access what they are doing, what they should be doing and how do you help them go from A to B?

Mr. Byrum: You have hit on one of the key components of High Reliability. It is critical that you do an assessment first, for although we are experts in High Reliability, it would be presumptuous for us to say that we know what each and every

company's or government organization's individual circumstances are. It is incumbent upon us to do our homework, to go out and get to know the organization; how they do things, what they call things and what their challenges are. We have a quick-hitting risk-based diagnostic tool, called SAHARA™ (Systematic All-Hazards Approach to Risk Assessment) that we use to engage our clients to learn their perspectives about the challenges they face and how to mitigate their risks. Once we have done that we make meaningful recommendations. There is a very comprehensive way that they could undertake High Reliability, but it requires a significant commitment of time, energy and organizational will. The challenge is that it is not easy to do, it requires organizational commitment and in all likelihood, no matter how good the organization is, it will probably require some sort of cultural transformation that will take time, not be easy, and cost money.

CEOCFO: *What might you look at when you are doing that evaluation that others in your industry do not realize is important?*

Mr. Byrum: The difference I think for us is that there is a tendency now for anybody that has any kind of transformation experience whatsoever to say they know how to make you a HRO. I frankly do not believe that. There are a number of academics in that regard who may know a tremendous amount about the core tenets of High Reliability, but have not lived it. Those academics lack hands-on experience - they have not been in life-threatening circumstances, or actually worked in unforgiving environments where mistakes lead to catastrophes. They have not "been there and done that." It takes field experience to develop the personal fervor and perspective that someone who knows that this HRO "stuff" really works. As a consequence, the academics will espouse these principals, but when push comes to shove, they will do things the way they have always done it. It is a natural tendency and most organizations are inclined to go with academic solutions. The difference with High Reliability Solutions is we use people who have "been there and done it" and we augment them with people with particular clinical skills, or somebody that has experience within that industry. It is that mix of people we use, that composite team with High Reliability processes and tools that makes a difference because it gives us more thorough understanding of their challenges and it also helps them to have mentors that have actual experience applying the principals.

"The time is now for High Reliability Solutions, and if that is not the direction in which your organization is going, you are falling behind. Even if you think your organization is good, High Reliability principles can make you better. HRS has the people, processes, and tools to develop a culture of High Reliability in any organization, regardless of their nature of work. Everything HRS Consulting, Inc. does is predicated on the foundations of individual and organizational High Reliability excellence for which we have received national and international recognition. Our HRO tools and techniques have led to dramatic, documented improvements in the execution of high risk, error intolerant processes, reducing deaths, errors and costs of those errors by millions of dollars in numerous complex organizations." - Spencer L. (Spence) Byrum

CEOCFO: *How do you put into place safeguards against companies falling back? What can you do as you are devising a strategy to pull someone back from just doing what they have normally done?*

Mr. Byrum: That is probably the easiest question you have asked me today. We establish metrics and we feel strongly that those metrics must be reviewed by leadership on a daily basis. What I mean by metrics is we agree with the organization what their indicators of success are going to be. They can be multi-faceted. They could be financial incentives, they could be avoided bad occurrences, or they could be a variety of different things. If you do not adhere to the metrics and have measureable, quantifiable milestones that you can use, both predictors of performance and indicators of performance, then you are never going to know if you have achieved High Reliability. You will think that you have, but you cannot know until you have the facts and that is the hardest thing to do because once everyone achieves what they think is High Reliability or close, there is a tendency to declare an early victory. All organizations have the inclination to do it and it is really a challenge, because the first thing that they will then ask is when they can stop measuring. The realistic answer is never. High Reliability isn't a point, it's a process.

CEOCFO: *What is your geographic reach?*

Mr. Byrum: Our High Reliability Solution projects occur all over the United States, Canada, the UK and we have worked in a number of other countries, particularly with their NATO forces. We do have a couple of projects pending in Turkey and the Netherlands.

CEOCFO: *Are you looking to increase the international scope or is it more opportunistic?*

Mr. Byrum: We are looking to increase our international reach. We were tremendously involved internationally years ago, but made a conscious decision to consolidate when the world economy started to go south. We scaled back and focused on our US operations that are our bread and butter. If there are opportunities to go global again, we are certainly going to be amenable.

CEOCFO: *Most people search for information on their mobile devices and computers today. What category or keywords would people search under that best describe HRS Consulting?*

Mr. Byrum: They are High Reliability, performance improvement, continuous process improvement, risk assessment, risk mitigation, crisis leadership, team building, and safety.

CEOCFO: *Are organizations coming to you because they understand the depth of your approach or are they often surprised to find out how you look at things?*

Mr. Byrum: We do not advertise, so they are coming to us because they have heard from someone else that this approach is successful and that there is merit to it.

CEOCFO: *What have you learned over the last few years that allows you to be a better company today?*

Mr. Byrum: A great deal. We learned that High Reliability is as important in a declining organization as it is in a growing industry. We learned that resiliency is not the panacea it's portrayed to be. You can be resilient, but not reliable. You can have capabilities, competencies, and capacities, but if your processes are broken or suboptimal, then you're not reliable.

The economy has changed dramatically in the last five years from very, very good to very, very bad and now rebounding again. Another thing we learned is that it does not matter how well you do things, or how noble your missions are, or how good your message is. One of the first things that companies will do in a declining economy is reduce their training. Less experienced people need more training, period. If you are in a job or an industry that has any element of risk, that risk will only be exacerbated by not keeping your personnel current and trained. One of the key tenets of High Reliability is that you train and you practice. As you review your processes and procedures with regularity, you are continually learning and determining whether those practices are the best things to be doing right now. If you stop training and learning, you will be at risk for having those skills that made you successful atrophy, and if they atrophy, then your company is at risk.

CEOCFO: *What are the intangibles you look for in your people?*

Byrum: Number one, we want someone that has integrity and is going to be committed to the notion that they can help. There are no short cuts. If you deviate from a known successful process or procedure, and you do it because of time compression, distraction and any of those human factors that everyone is subject to, something bad is going to happen. It may not be catastrophic and the adverse event may not be that day but the end result is not going to be good. Our HRS Associates are dedicated to HRO principles and agree there is no easy way to get there, but they're willing to work hard to instill High Reliability Solutions. You have to do the work and be committed. You have to follow up with the metrics that I talked about or come to grips with the risk of failure and that there will be bad outcomes.

CEOCFO: *You have worked with many government agencies. How do you overcome some of the challenges in the public sector?*

Mr. Byrum: Many times government agencies do not have the resources or the depth they need. I think sometimes they take the path of least resistance or lowest cost simply because they do not have the time and resources to figure out who can help them the most. One of our primary jobs is to educate them on how our High Reliability Solutions approach is different and how we might be able to help them in a manner that is truly unique.

CEOCFO: *Why choose HRS Consulting?*

Mr. Byrum: Choose us because of our experience and performance. It has made a difference and I think it continues to make a difference on a daily basis.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine



HRS Consulting, Inc.

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