

ORGANISATIONAL COMPLIANCE CULTURE IMPLEMENTATION: BEHAVIOUR-BASED SUPPORTIVE INTERVENTION

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Abstract: *Research indicates that there is a wide gap between compliance and non-compliance in Indian workplaces which can ultimately decay the organisation. This study explored a basic query from 303 Indian industry professionals (managers, HODs, and EHS professionals across India, from public/private sectors, including chemicals, gas, power, construction, and steel) of whether a culture of work compliance is lacking in India, and if so, how it can be implemented. More than 90 per cent of the professionals affirmed that a culture of compliance is lacking due to time pressure and cost pressure, which can be achieved through the commitment of the top management and continual interventions. A host of recommendations as received from the study participants are discussed in this paper for developing a better business culture scenario. In addition, a caring safety culture can increase organisational citizenship behaviour (OCB). Supportive work culture means one cares for all, and all care for one. This paper has added an in-depth sense of qualitative data on the topic.*

Keywords: *Business, Compliance, Behaviour, Safety, Culture*

INTRODUCTION

Several researchers investigated the impact of safety compliance on organisational citizenship behaviour (OCB), showing that safety compliance is an important predictor of OCB (Lee et al., 2007). Organisational citizenship behaviour is one of the factors that can reinforce work culture, including safety culture (Jafarpanah & Rezaei, 2020).

Corporate compliance and business development go hand in hand (Zee News, 2022). Compliance helps companies perform in terms of regulations related to safety and other standards (VComply Technologies, 2022). A lack of culture is the major cause of safety problems (British Safety Council, India 2020). Work compliance culture transformation for industries is the need of the hour for achieving business excellence. Workplace culture and compliance are challenged over the years. Work culture includes all areas of the company, such as safety, quality, production, maintenance, and so on. Compliance is not only limited to safety, but is also applicable to an entire organisation's concerns. Though compliance training is an essential part of corporate life, there is a lack in practice by the manpower. Companies' losses are a major result of

non-compliance. The least losses are penalties and related costs (Ponemon Institute, 2011). The government is trying to minimise non-compliance, which has a negative impact on company businesses (Business Standard, 2021).

Macht and Davis (2018) suggested ways to augment the quality of compliance culture by knowledge management. Another study concluded that improving the organisational culture helps the effectiveness of organisations (Nungchim & Leihaothabam, 2022). Yohn (2021) emphasised that company culture is a joint venture, and the top-down company culture does not work due to obvious reasons. There is also a difference between the present culture and the culture desired to support the company's objectives. In a desired cultural framework, everyone is involved in cultivating the culture. Behaviour-based safety approach is considered an effective way of developing a supportive culture (Financial Express, 2021). Bryan (2019) emphasised that without improvising a compliance culture, it is impossible to gain sustainable business results.

The traditional safety approach almost failed to develop a positive work safety culture; hence, it is crucial for the top management to innovate new safety culture transformational methodologies. The leaders build cultures by empowerment

(Baumgartner, 2020). Lack of empowerment to employees amounts to a lag in business sustainability. A positive safety culture starts with the leaders' continuing engagement. Sometimes, leaders are verbally committed, but not engaged with the safety culture at the grassroots level (Prescient National, 2021). Top managers influence the safety culture by decisions on budget, policy, action, and communication (Räisänen, 2008). GAIL's top management decided to implement the behavioural safety organisational long-term planned intervention across all of the company's work sites, transformed the safety culture of the company successfully (Nambudiri & Ghulyani, 2018), managed significant reductions in lagging indicators, and increased the compliance levels at sites.

RESEARCH QUESTION

The Economic Times (2019) raised a query as to why compliance culture is suddenly being spoken about and assuming importance. The research participants reflected on whether, in general, a culture of compliance is lacking in India at sites/plants, and how it can be implemented?

METHODOLOGY

Around 303 industry professionals, such as managers, HODs, and EHS professionals across India, from public/private sectors, including chemicals, gas, power, construction, and steel, participated in this study.

A non-random convenience sampling method was used for participants' selection on the basis of the researcher's contacts, using social media like WhatsApp as well as email, to complete the online research survey.

The sources of data included interviews, discussions, and secondary data like incident and accident rates. Open-ended questions were used and personal in-depth discussions were carried out through remote data collection techniques in a two-month time period (Jan.-Feb. 2022).

An innovative, exploratory research design using a qualitative descriptive framework, with the involvement of field experts, helped concept-building of this study being part of an ongoing national longitudinal action survey.

The study findings are reflected below in the results and managerial implications.

THE RESULTS

The multiple perspectives from the responses of the study participants are shown in Table 1.

Table 1: Reasons Why a Culture of Safety Compliance is Lacking in India

1.	Culture of compliance is lacking in India. Compliance is not taken seriously.
2.	Poor operational discipline. Compliance has become a ritual, and not seen as a value.
3.	Employers do not believe in investing in employees' safety compliance to build a culture.
4.	An absence of punishment due to laxity in compliance.
5.	Senior employees do not have enough controls in place to ensure zero harm.
6.	Work orders are often given without proper risk assessment.
7.	Failure to implement due to a supportive working environment/willpower/lack of resources.
8.	Training to all employees in safety compliance is lacking.
9.	Changes in antecedents, manpower, and technology.
10.	Time pressure and cost pressure.

More than 90 per cent of the professionals affirmed that a culture of compliance is lacking, which can be achieved through the commitment of the top management and continual interventions. Leaders across the globe have struggled to build a robust culture of business with compliance, yet the struggle is on (EY, 2022). A new employee remarked that this was the employers' fault. Employers treat their employees as temporary workers who can be replaced easily. They do not believe in investing in the employees' safety compliance to build a culture for the same reason. The moment we change the treatment from a ritual to a necessity, the compliance increases, as quoted by the head of executions of a large multi-locational construction company. A corporate safety head of pharmaceutical units from South India discerned that the compliance culture is lacking in India as there is no curriculum in studies. We can implement it only through the top management leadership. A seasoned HSE professional stated that it is a poor operational discipline. An HSE professional from West Bengal, retired from a public sector large organisation with 30 years' experience, demanded the imposing of a huge penalty due to non-compliance of compliance rules. The professionals focused on zero tolerance. An executive director of an ONGC expressed that a culture of compliance is very much lacking. Culture and values are top driven. The Top management should hold exclusive sessions on a compliance supportive culture. In India, an absence of punishment due to a lax in compliance needs to be addressed; it should be taught at the graduation level. A plant HSE head of a multinational organisation clarified that the problem is not of compliance, but in understanding that the associates completely trust the orders, and orders are often given without proper risk assessment and consideration, which is the responsibility of senior employees in having enough controls in place to

ensure zero harm. So, this is the gap in the Indian scenario. A young manager explained that all have the skill to develop the compliance culture; however, we fail to implement it due to nearby working environment/willpower/lack of resources. Sometimes, we observe that a worker is not being safe when carrying out their task. We do not ask them to take safety measures because we know that there is a low potential for hazard. However, when the worker notices that we have observed their wrong practices and yet ignored them, their motivation to do wrong increases. If we want a 100% compliance culture, we have to train our employees first, and then teach the workers. If our site/plant executives are trained, only then can they teach others. Then, we can achieve more than 90% compliance. A factory medical officer recommended that the best compliance is to conduct awareness sessions in factories on applicable laws/rules and advice each one to do the right thing always. A culture of compliance can be implemented through audits, work permits, SOP, and plans. What was a safe workplace yesterday may not be safe today, due to changes in antecedents, manpower, and technology. Hence, the definition of compliance needs to be revisited. We visited religious places in the past when there was not much crowd; however, now, these places are overcrowded with less planning, and incidents are happening, leading to fatalities. So, are these places safe? We need to rethink and improve our actions to be on the safer side. Heads of locations, along with the leadership of directors and HODs, achieve work compliance culture while spreading it all down the levels, for developing employees to observe compliance and non-compliance behaviours and spot-correct the same as a big brother, and not the big boss, so that employees take it positively and integrate it in their job. Behavioural safety supportive culture training has to be essentially very authentic from the mentors' side to touch the heart of the observers, so that they become active in their observation and spot-correction of at-risk behaviours daily.

MANAGERIAL IMPLICATIONS

The culture of compliance is definitely lacking. The reason – time pressure and cost pressure. Above all, safety compliance education is missing among the management. The Economic Times (2021) noted that in small companies, compliance is not taken seriously. Table 2 depicts the managerial interventions on how a culture of compliance can be implemented. An HSE professional described, “Even few who worked with reputed organisation like L&T, when we join a new organisation, we fail miserably to take the culture forward. In my site, I still see many workers are not provided with minimum PPEs. Safety compliance cost must be part of tender documents. Contractor selection based on compliance records, but not only L3 or L4, must

be looked at. Safety compliance has become a ritual, but not seen as a value. Government shall make a mandatory 3 days' session on safety for all CEOs, and isolate them completely from gadgets those 3 days”. A study indicated that the company's management needs to reinforce a culture of compliance throughout the organisation (Jennifer et al., 2021). Organisations take statutory requirements more important than compliance as part of internal procedures (Ponemon Institute, 2011).

Table 2: Managerial Interventions on How a Culture of Compliance can be Implemented

1.	Culture of compliance can be achieved by top management leadership, commitment, and continual interventions.
2.	Imposing a huge penalty due to non-compliance of compliance rules.
3.	Top management should hold exclusive sessions on compliance supportive culture.
4.	Culture of compliance should be taught at the graduation level in colleges. Include compliance as a subject from Grade 3 in schools.
5.	Site/plant executives need to be trained in safety compliance.
6.	Conduct awareness sessions in factories on applicable laws/rules.
7.	A culture of compliance can be implemented through audits, work permits, and SOP. Include compliance implementation in employee appraisals.
8.	Government should make a mandatory three-day session on safety for all CEOs.
9.	Behavioural safety supportive culture training and implementation.
10.	Safety compliance cost must be a part of the tender documents.

Culture comes from upbringing. Hence, it is strongly suggested that compliance as a subject be included from Grade 3 in schools. This will not only make compliance a basic adherence, but it will be a necessity, like water, food, and clothes. This will make great workplaces and India will grow in bounds. Let us focus on our present generation. Children need to be educated about what is hazardous, what its consequences are, and how they would act to comply with the rules?

In addition, we should meet across companies and share implementation ideas. Same as IPL teams, compliance teams from each organisation can meet the other teams across India. We should have state and national trophies for the best out-of-the-box ideas for implementing compliance at workplace, home, or anywhere we go. We should organise compliance tours for each organisation, where the top management or employees at the HOD level are a part of this tour. Each organisation shall keep around 25%

of the marks for appraisals for compliance implementation. Moreover, increase motivation on the job for engineers who consider compliance a priority for their job. High reward and monetary assistance and job continuity are the main motivators.

In the present situation, the laws of enforcement on job supervisors and project managers need to be implemented strictly. They have to be accountable for compliance lapses. As a top industry professional said, "Let them go to jail". Respect for ethical business from owners and fear of the law by the workmen can save organisations from these lapses. Though there are improvements in HSE compliances over the last two decades in India, there are still a lot of major gaps. It probably happens due to dual stands and policies of the management. Safety compliances cannot be negotiated. Neither should it be compromised. This attitude is expected from the leaders and the industry must demand that. First of all, we need to make them understand the importance of compliance. Compliance is part of the real requirement of a working environment, including health, safety of employees, society, statutory bodies, and the local public at large. There is a need to make them understand the repercussions, if they fail to comply. There is a need to initiate behavioural-based supportive programmes and develop champions by empowerment, through the CEO of the company, tracking effectiveness before company CEO, and gap assessment and corrections on a continual basis and its reflection in the company's annual report. IIFL (2022) noted that the corporate's risk management strategies ought to be in balance with operations, workforces, goals, regulatory requirements, and the stakeholders' expectations.

Supportive work culture means one cares for all, and all care for one. A company develops a procedure on this concept to make everyone aware of it to practice it (Fig. 1). Behavioural safety research highlighted myriad antecedents of non-compliance behaviours. Hence, correction is needed in the cultural antecedents by employees under a planned intervention to achieve compliance (Feldman & Kaplan, 2019). At the end of the day, it is humanity that matters and delivers in every way, that is, to practice what is referred to as a behavioural safety supportive culture in its true sense.

The company also cares that employees and associates do not practice what is unsupportive, negative, fault-finding, blaming, shouting, being reactive, and so on. Daily shop-floor briefing meetings in departments is held to demonstrate the regularity of compliance procedures. More than encouraging paper documentation, evidence is shown by way of photographs of the meetings, and putting them up on the notice board or social media specifically maintained for this compliance culture.



Fig. 1: Sessions for Supportive Work Culture

The supportive work culture compliance checklist is described in Table 3 for implementation. Employees conduct daily compliance observations and spot-corrections' tour in their respective department, area, and section for ease and understanding.

Table 3: Supportive Work Culture Compliance Tour Checklist for Observers

Name of Observer/ Area/Dept.	Date:	
	No. of Persons (Lacking Compliance)	No. of Spot- Corrections Remarks
Observation Categories		
1. Safety, Health, Environment		
2. Quality		
3. Instrumentation		
4. Marketing		
5. Production/Operations		
6. Materials/Stores		
7. Maintenance		
8. Contractors		
9. Security/HR/Canteen		
10. R&D		
11. Packing/Dispatch		
12. Legal/Finance		
	Total =	Total =

Spot-correction is a way of work culture transformation. All leaders, HODs, and everyone would focus and value spot-correction of any work compliance. This would enhance business excellence. Every employee/associate would do a minimum of one or two spot-corrections of the 12 categories listed in Table 3. If there is a workforce of 1,000, we shall achieve 1,000 spot-corrections every single day. A culture of compliance is implementable as a planned behavioural intervention in any organisation, in both the public as well as the private sectors.

Finally, a senior EHS professional from a mega construction company emphasised that a work safety compliance culture can be developed by increasing transparency and rewarding employees. One has to be straightforward. People perceiving compliance as a cosmetic safety profession must erase that impression. One cannot truly work towards this goal unless everyone is made responsible and accountable, and everyone feels that it is their job. Everyone should believe in compliance to make it happen. Compliance has been a challenge, and remains so. Corporates need an easy approach for employees to close the compliance gaps (NASSCOM, 2021). Any compliance gap is to be considered by every employee as a responsible care for immediate compliance in his/her supportive role. Company HODs empower and enable each employee for achieving a minimum of one correction of non-compliance in their respective department or site daily, and leaders appreciate this initiative. These are easy behavioural solutions to bridge the gaps and develop a culture of compliance. A project manager stated, “We have changed mind-set of most of the working people though behavioural based supportive compliance culture implementation especially for who are not following safety at site”. Compliance training does not bring change, unless it is a part of a long-term planned compliance culture intervention for implementing the sustainable culture of compliance in the corporates, to be supported by the company’s top management (Bob et al., 2019). It is imperative that the leaders do what they say, which reflects in their behaviour and communication, and make compliance easy to practice by the employees (ComplianceQuest, 2022). Effectiveness of compliance depends on its reinforcement by one and all, not solely through enforcement (Collins et al., 2021). Thus, safety compliance increases organisational citizenship as an outcome of a caring safety culture (Parke, 2021).

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