

HRO hypotheses

Libuser, Roberts, 1993

- **Extensive process auditing**
- **Risk mitigating reward systems**
- **Higher quality standards**
- **Risk perception**
- **Command & control systems**

1. Process Auditing:

- An established system for ongoing checks designed to spot expected as well as unexpected safety problems.
- Safety drills are in this category, as is equipment testing.
- Follow-ups on problems revealed in prior audits are critical.

2. Reward System:

- The reward system is the payoff an individual or organization receives for behaving one way or another.
- Organizational theory points out that organizational reward systems have powerful influences on the behavior of individuals in them.
- Similarly, inter-organizational reward systems also influence behavior in organizations.

3. Quality Degradation:

- Avoiding degradation of quality and/or developing inferior quality: This refers to the essential quality of the system as compared to a referent generally regarded as the standard for quality in the industry.

4. Perception of Risk:

- There are at least two elements of risk perception;
 - (1) Whether or not there is knowledge that risk exists, and
 - (2) If there is knowledge that risk exists, the extent to which it is acknowledged and appropriately mitigated and/or minimized
- Part two is a logical outgrowth of part one.

5. Command and Control Elements:

- Migrating decision making: (the person with the most expertise makes the decision).
- Redundancy: (people and/or hardware), i.e., backup systems exist.
- Senior managers who see the “big picture”: i.e., they don’t micromanage.
- Formal rules and procedures: A definite existence of hierarchy but not necessarily bureaucracy in the negative sense.
- Training.