Stop Living the Lie

A safety wake-up call for the boardroom

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At this year's World Economic Forum in Davos, Mark Carney drew on Václav Havel's concept of *"living within a lie"* to describe a challenge facing institutions today: the gap between what people say, what organisations report, and what is the operational reality on the ground.

Havel tells the story of a greengrocer who places a political slogan in his shop window each morning. Not because he believes it, but to avoid trouble, signal compliance and get along. Nobody really believes the slogan. Yet it stays in the window because everyone behaves as though it were true. Its power and its fragility come from the same source.

That idea struck us, because many organisations have their own version of the greengrocer's sign:

> - Safety is our number one priority.
> - Our safety culture is strong.
> - Our metrics are green.
> - Our leaders are engaged in safety.

These statements appear in annual reports, board packs and town halls. Most leaders believe them. That is precisely why they are so dangerous.

Over time, confidence hardens into certainty. Uncomfortable questions are asked less often. The gap between reported performance and operational reality widens – and becomes harder to see.

Metrics are managed, not measured. Near-misses go unreported. Risks are normalised. Production pressure quietly overrides procedure. Concerns are filtered, softened or explained away as they travel up the organisation.

Everything looks under control. Until it isn't.

This is the organisational version of living within a lie. The disconnect can persist for years, sustained by reassuring metrics, accepted narratives and unchallenged assumptions. And in high-hazard operations, the cost of that disconnect is too often measured in lives.

The disconnection crisis in leadership

The lie becomes most dangerous when Boards and executive teams treat compliance as a proxy for safety.

Compliance matters. It demonstrates that standards have been established, processes followed and requirements met, and it offers leaders a measure of assurance that the system is in place and working.

But compliance can only ever give a partial view. **Compliance tells you what was happening at the time of the last audit. Risk tells you what is forming now.**

Organisations struck by major unwanted events are rarely short of procedures, audits or assurance. Many are highly compliant. The events happen anyway. These organisations are not unlucky – they are informationally isolated.

The signals are seldom absent. They are fragmented, normalised or dismissed long before they reach the people responsible for decisions. The organisational immune system suppresses them.

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The question for every Board member and executive is uncomfortable but unavoidable:

Are you reading the organisation's real safety signals, or the sign in the greengrocer's window?

What is at stake

The consequences of leadership disconnect from operational reality are no longer abstract. They are human, legal, reputational, financial and governance-related – and they increasingly reach the individuals at the top.

- **The human cost comes first.**

When critical risks are misunderstood, normalised or allowed to drift beyond control, people are harmed or killed. Would we want this under our watch?

- **Personal liability – leaders are no longer shielded.**

The era of institutional anonymity is over. A director who received sanitised reporting, who never challenged the green dashboard, who never asked the uncomfortable question, may find that "I didn't know" is not a defence – it is the indictment. The question is did we create the conditions that prevented us from knowing.

- **Reputational collapse happens in days, not quarters.**

A major event triggers immediate scrutiny —long before any root-cause analysis is complete. Reputation is the cumulative result of thousands of decisions. It can be destroyed by one.

- **The bill is bigger than the budget.**

Organisations consistently underestimate the cost of major safety failures. Across high-hazard industries, the full cost of a major event runs five to ten times higher than assumed and the market will price your safety governance; the only question is whether it does so before or after the event.

- **Governance failure – the questions that weren't asked.**

A Board's duty is not the passive receipt of management reporting. Governance is not what you approve. It is what you pursue.

Breaking the cycle

There is no single cure for organisational self-deception. But **leaders who are serious about safety do three things consistently.**

1

Challenge the picture

A declining Total Recordable Incident Rate (TRIR), clean audits or the absence of major events is not evidence that risk is under control. It may simply mean your reporting culture is broken. This is the watermelon problem — green on the outside, red on the inside.

Leaders need to challenge the assumptions behind the numbers they are given. What risks are rising? Which controls are weakening? What is being said on the ground that never reaches the board pack?

Boards should demand a richer picture – leading indicators such as barrier-degradation trends, investments to reduce top risk exposure, safety culture surveys and unfiltered operational walk-arounds – that reveal the operational reality.

2

Lead consistently

In safety, people watch what leaders do when priorities collide. Production pressure is rarely issued as an instruction to cut corners. But people quickly recognise when schedule, output or commercial targets consistently win. They notice when standards are applied unevenly – when a Tier 1 contractor is held to one standard and a flagship operation to another, or when a senior executive's procedural violation is treated differently from a frontline worker's.

Consistency creates credibility. People should know what to expect regardless of the site, the role or the circumstances. It is about applying the same rigour, and the same consequence, everywhere, every day, to everyone.

> Major events are rarely preceded by an absence of information. They are preceded by a failure to understand what the information was already saying.

3

Demand truth and accuracy

Safety also depends on the quality of information reaching decision-makers. When concerns are diluted, risks normalised or reporting detached from operational reality, leaders lose the ability to make the best decisions.

High-performing organisations put a premium on truth. They build environments where psychological safety, and critical risks stay visible from the worksite to the boardroom. They connect boardroom decisions to operational barriers through robust risk models so the link between a decision taken at the top and a barrier on the front line is explicit.

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It is time to take the sign down

Rising operational complexity, leaner workforces, accelerating technology and compressed timelines are placing unprecedented demands on organisations. The old compliance-and-audit model is no longer enough. For organisations living within the lie, the rupture – the major accident, the regulatory crisis, the reputational collapse – is not a matter of if. It is a matter of when.

Havel's greengrocer eventually faced a choice: keep the sign in the window, or take it down. Companies face the same choice.

It is time to take the sign down. The sign that says all is well when it is not. The sign that confuses performance reporting with performance reality. The sign that declares safety is the priority while day-to-day decisions tell a different story.

Perhaps the true value of this article is not how many people agree with it, but what happens next.

If it encourages just one board member, CEO, or a leader to stop on Monday morning and ask:

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- **What am I not seeing?**
- **What signals are not reaching me?**
- **Am I reading the real safety signals, or just the sign in the window?**

Then this article will have achieved its purpose. Because taking down the sign starts with a personal decision: choosing reality over reassurance. Every meaningful change begins there.

About dss+

dss+ is the operational transformation partner for complex and high-hazard industries. Driven by our purpose, we help organisations achieve breakthroughs in safety, performance and sustainability that build business endurance and ensure long-term success.

We engage deeply within organisations to empower teams to shift mindsets, shape cultures, and establish the capabilities required at every level. We combine technical expertise and operational experience with a people-centred approach and data-driven insight.

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