



Client: A major multinational corporation in the onshore gas industry
 Industry: Energy
 JMJ Service: Safety: Delivering *Incident and Injury-Free*® (IIF)® Results

“

2010 is about sustaining the step change (we've already achieved) through continued IIF® leadership throughout our teams and through systematically attacking our biggest risks.

”

Operations Manager

Results:

- Halved its recordable injury rate; reducing recordable injuries from 1.04 to 0.47
- High Potential (HiPo) incident rate fell from 5 to 1
- Went from “worst to first” in personal safety record

Multinational Onshore Gas Operation combines the *Incident and Injury-Free*® Approach with Customized Leadership Coaching to Meet Safety Goals

Business Challenges:

The Four Corners is a region unique in all of the U.S., where the boundaries of four states—Colorado, New Mexico, Utah and Arizona—meet at a single point. The San Juan Basin, located in the vast territory comprising the Four Corners, is one of the most prolific gas producing regions in the country with 20,000 producing wells currently.

The size and scope of this energy-rich region presents safety challenges for companies that operate there. Operators service wells daily by driving long distances in all types of weather and frequently work with hazardous materials. This multinational onshore gas producer experienced a driving incident every 10 days in 2008, helping push it into last place in its North American Onshore Operations in terms of safety. As a result, the managers in charge of North America challenged the San Juan operation to “cut incidents in half” in 2009.

On top of the safety challenges the operation was facing in 2009, the year also was challenging economically. “We were in a tight cost environment,” the company’s Safety Excellence Team sponsor noted. “How do we not only maintain performance, how to we improve upon it in an environment where we had cost actions to remove work from the system? Profitability was down. How do you balance that and bring that into the organization? We want to run our business as profitably and efficiently as we can but do all of that under the ‘improving safety’ umbrella.”

Client Goals:

The company turned to JMJ Associates to help meet its goal of reducing incidents and injuries by 50% in 2009. While the company had its own way of approaching the challenge, JMJ’s IIF workplace safety approach provided the foundation for the company’s program and embodied one of operation’s top values. A company executive said, “My hope is that 2009 forms the foundation for a sustainable step change in keeping our employees and valued contract partners *incident and injury-free* every day.”



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In brief, the operation's goals were to:

- Create an *Incident and Injury-Free* workplace
- Build a network of safety champions using an innovative “Bottoms-Up” leadership development approach
- Develop a strong safety culture

How JMJ Helped:

JMJ contributed to this effort with a customized offering that focused on four areas:

- 1. Alignment with Contractors** – In this asset, 80% of all work is done by contractors. Partnering with contractors around the issue of safety is seen to be the most significant leverage point for creating *IIF* safety performance.

JMJ co-designed and co-led two, 2-day Safety Leadership Workshops over the course of 12 months for up to 80 contractor and operator personnel at each session. The workshops created the broad bond of trust between the operator and its contractors that was seen to be foundational to any high-performance safety effort. In addition, the workshops provided leadership training and leadership tools that contractors stated enabled them to be so successful.

- 2. Bottoms-Up Leadership Safety** – Senior managers targeted bottoms-up leadership as the second most significant leverage point for creating *IIF* safety performance.

As such, they created a Safety Excellence Team (SET) made up of 15 front-line personnel. The purpose of this team, in part, was to develop its personnel as leaders for safety throughout the asset. JMJ provided monthly coaching to members of this team to develop their ability to influence their own work teams, as well as other “tagged” teams in the operation. (Each member was responsible for engaging with two operational teams monthly.) The SET established priorities, took action and began to be seen as the sounding board for most safety issues. The executive sponsor said of the SET, “One of the objectives of the Safety Excellence Team was to help build a network of safety champions within the line organization —JMJ was instrumental in helping us do that within that structure.”

- 3. Senior Management Guidance** – Senior managers met monthly to discuss HSSE issues. JMJ participated in these meetings, helping the team create four key strategies for the year. As the executive sponsor said, “We used JMJ to help provide guidance to the steering committee and clarify its role to be more concerned with strategy and the bigger picture of what we needed to do.”



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4. Individual and Group Coaching – JMJ conducted individual monthly coaching sessions with key people involved in this safety effort. These structured coaching sessions were an hour in length, involved homework and were viewed as a key resource in increasing the person's effectiveness as a leader for safety. The chairperson of the SET wrote, "A quick note to express my appreciation for the coaching I received from Michael Huvane over the past year and a half. He is an outstanding leadership coach. I have benefited greatly from the coaching, both for leadership and as a meeting facilitator in my position as SET Chairperson. I see great value in his service and hope that he is available to the SET members in the future. I look forward to his continued participation quarterly with the SET."

Results:

The operation did halve its recordable injury rate per its goal, reducing recordable injuries from 1.04 to 0.47. Additionally its High Potential (HiPo) Incident rate fell from 5 to 1. In short, the operation went from "worst to first," transforming itself from having the worst personal safety record in North American Onshore Operations in 2008 to the best in 2009. Business performance improved as well—from a loss-making position in 2008 to cash positive for the whole of 2009.

About JMJ

JMJ Associates is a global management consultancy with more than 20 years' experience serving large industries, including energy, mining and construction. JMJ provides clients with a powerful combination of strategic insight, deep industry knowledge and superb execution, assisting them to catalyze human innovation for breakthrough results.

JMJ is the world leader in project safety consulting, having developed and implemented its *Incident and Injury-Free* safety approach on behalf of multinational corporations around the globe. The firm's *High-Performance Projects*™ practitioners are well-known as trusted advisors to operating organizations, as well as to owners and contractors executing large, complex capital projects.

The firm serves its clients from offices in Austin, Doha, Durban, London, Perth and Singapore. JMJ can be found on the Web at www.jmj.com.