

ACHIEVING HSE GOALS IN THE OIL AND GAS INDUSTRY

SUCCESS THROUGH BEHAVIORAL
ALIGNMENT

Satori Consulting Point of View

VALUE PROPOSITION OF HSE STRATEGY BEHAVIOR ALIGNMENT

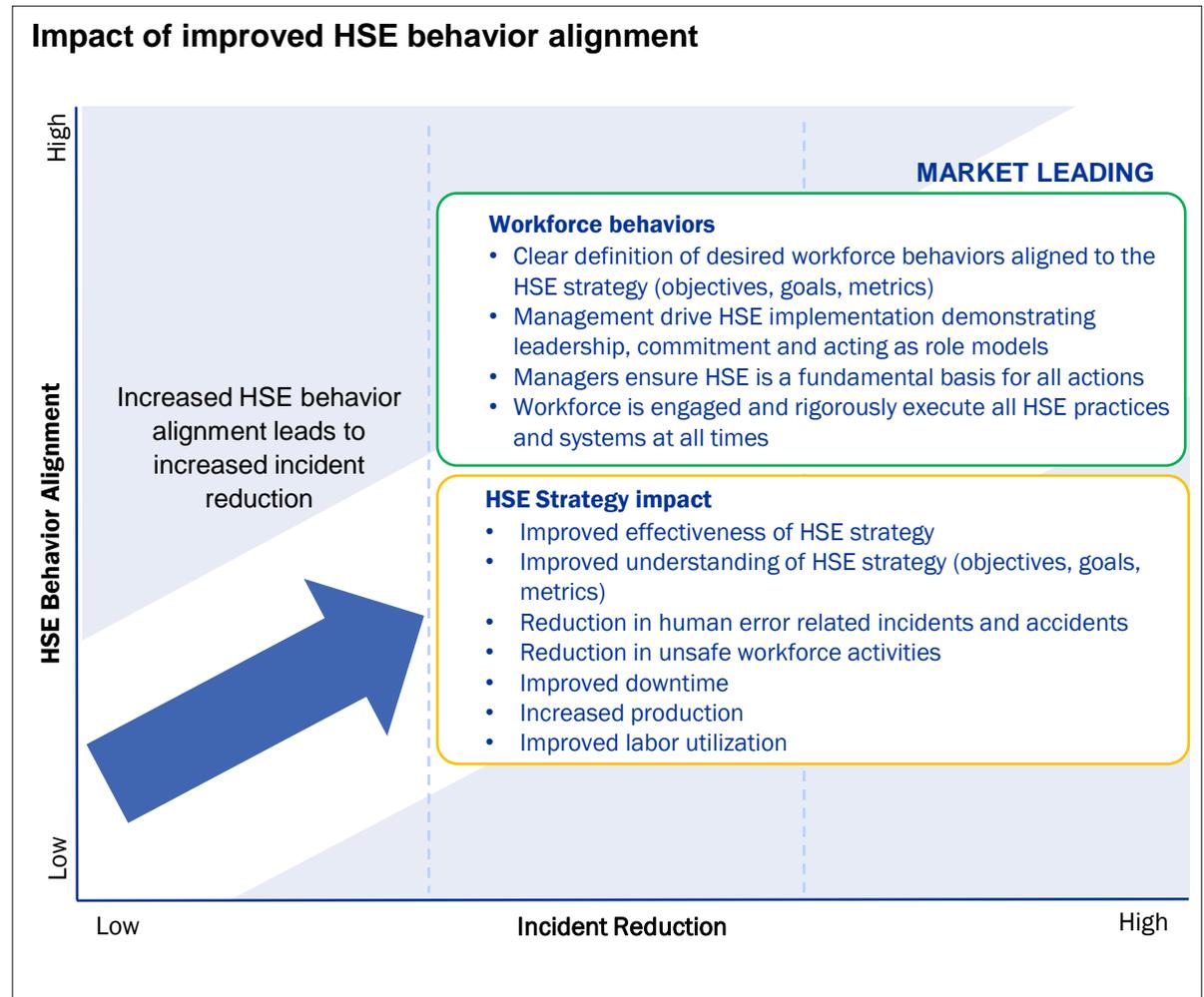
Improving the execution of HSE (Health, Safety & Environmental) strategy will support organizations in reducing incidents and accidents, reducing risk and improving business results. To achieve this, it is essential to align workforce behaviors to the objective of their HSE strategy.

HSE Business Drivers

- Impact of catastrophic accidents
- Significant number of 'routine' incidents, accidents and spills
- Downtime and productivity metrics improvement
- Workforce welfare improvements
- Corporate brand/image risk
- Pressure from Regulators and fines for non-compliance

Key Implementation Issues

- Human error is the single largest driver of accidents and incidents (≈50%)
- Inconsistent HSE strategy (objectives, goals, metrics)
- Behaviors are not aligned to HSE strategies
- Limited behavior reinforcement and incentives
- Limited success of interventions (e.g. process reengineering, culture programs)



WHY ARE TRADITIONAL HSE IMPLEMENTATION METHODS FAILING?

Generally, interventions to improve the execution of HSE strategies focus on broad operations (e.g. process) and culture programs, with results that often have slow returns and do not focus on key challenges of workforce behavior alignment.

Why are traditional interventions failing to meet expectations?

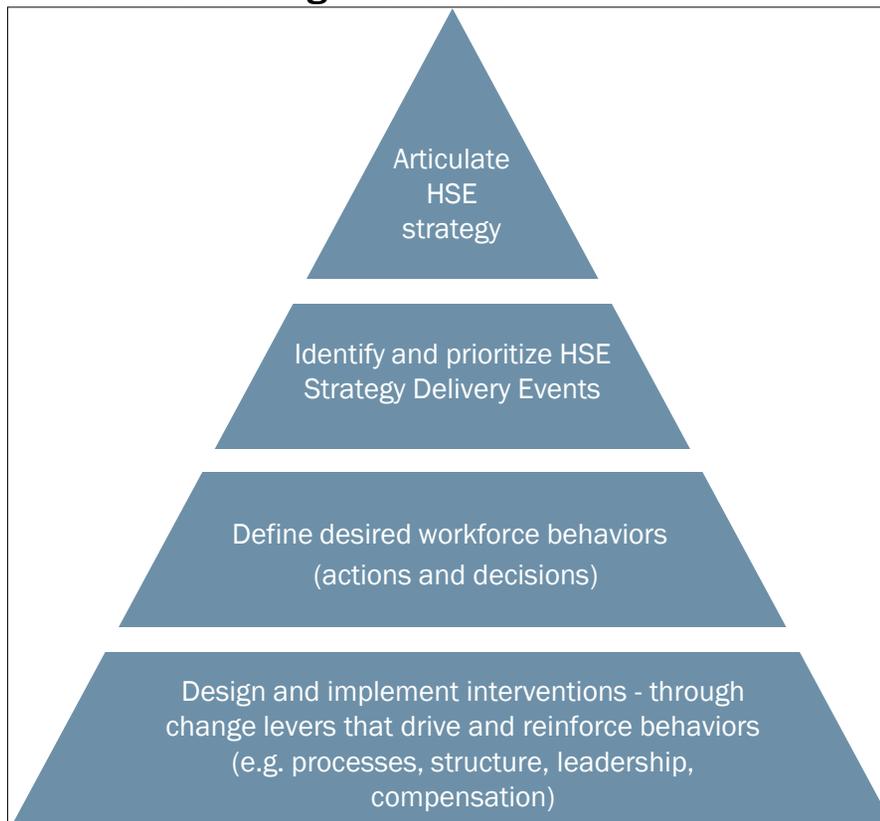
Traditional improvement interventions	Execution challenges
<ul style="list-style-type: none">• HSE and operations process mapping/ consolidation/ redesign (e.g. Lean Six Sigma)• General HSE culture, communication and learning programs• New HSE strategic initiatives	<ul style="list-style-type: none">• Interventions are very broad, difficult to implement and often have limited significance at an operational level• HSE strategy and process do not specifically focus on tactical behavior alignment at operational level and are ignored• HSE strategy lacks metrics and goals that drive behaviors• Formal and informal leaders don't clearly understand their roles and responsibilities for sponsoring HSE initiatives• Limited use of reinforcement and incentive programs for HSE• HSE Culture change initiatives are slow to take effect

Broad HSE operations and cultural programs are fundamental – However, there is still a clear need to achieve improved implementation of business strategies through workforce behavior alignment.

EXECUTING BEHAVIOR CHANGE – OUR METHOD

The Behavior Alignment Method provides a framework to align SDEs behaviors to the objective of the HSE strategy and, as a result, improve the effectiveness with which organizations deliver their HSE strategy.

The Behavior Alignment method



How the Behavior Alignment method is used:

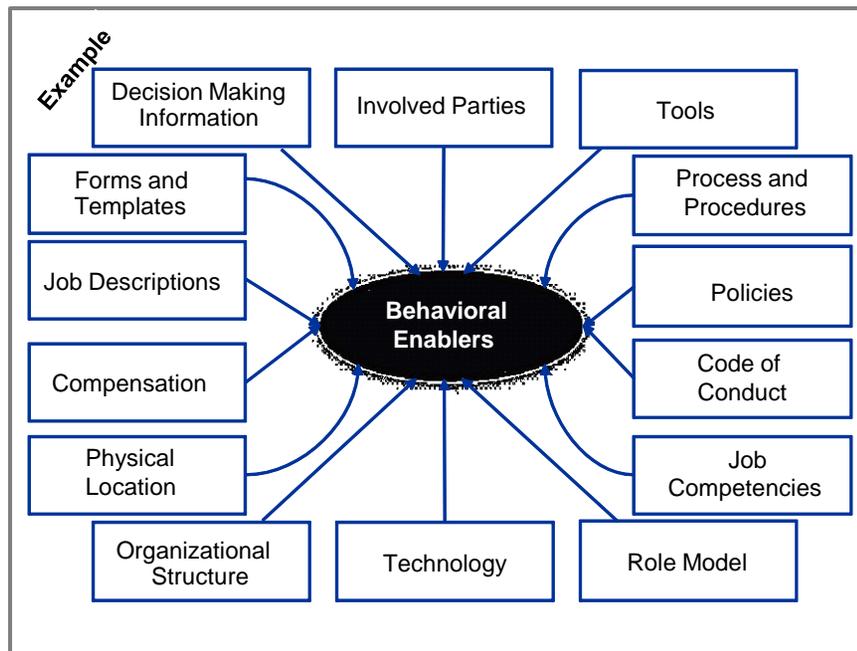
The key is to target specific behaviors during specific SDEs where their execution has significant impact on the delivery of the HSE strategy. To accomplish this, the leadership team should:

- Clarify strategic goals
- Identify SDEs that deliver the strategic goals
- Identify the key workforce segments involved in these business events
- Define and envision desired behaviors
- Assess performance gaps and understand factors holding the existing behaviors in place
- Design interventions to promote new behaviors and close performance gaps

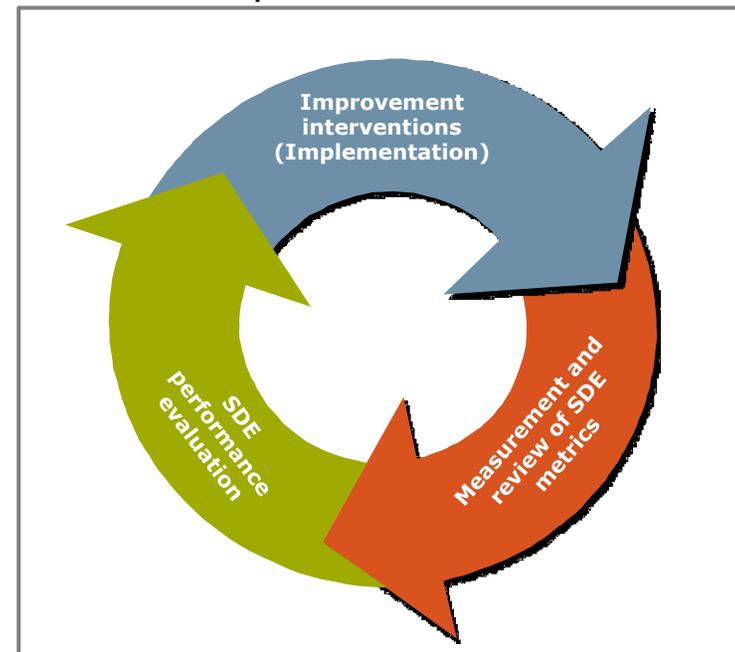
BEHAVIOR CHANGE INTERVENTIONS – DRIVING BEHAVIORS

Behavior change should not just focus on communications and learning - Organizations should take a holistic view and identify the best enablers to drive behavioral changes in SDEs. Additionally, they should have a method for continuous improvement the performance of SDEs and behavior reinforcement

What levers can we use to align SDE behaviors?



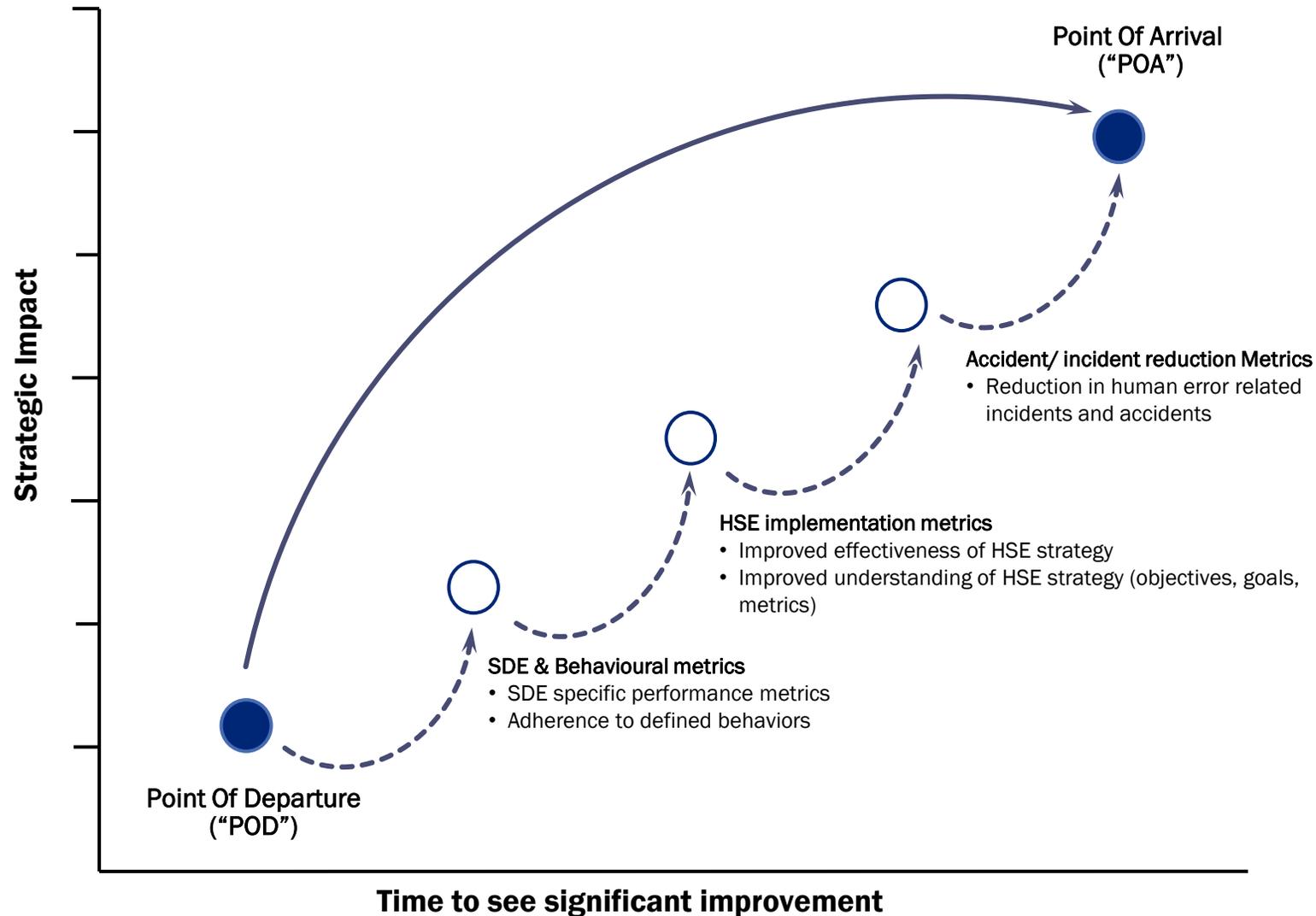
How can we implement and continuously improve the performance of SDEs?



The most effective behavioral alignment demands more than just communication and learning, it needs to ensure that the entire setting facilitates and reinforces the required behaviors

BEHAVIOR ALIGNMENT AND IMPACT TO HSE METRICS

The Behavior Alignment Method is designed to generate metrics that measure the impact of intervention to SDEs and the wider impact to HSE execution and the business. Successful Behavior Alignment method deployment will show a cascading effect to the business over time.



TYPICAL PROJECT APPROACH

HSE strategy execution is an increasing priority in the Energy industry. The Behavior Alignment Method provides a differentiated approach for achieving strong results.

Below are examples of client situations where The Behavior Alignment can have significant impact in HSE strategy execution:

Typical Client Situations	
<ul style="list-style-type: none">• Incidents and accidents present a major risk to the organization• Human error is a significant root cause of incidents and accidents• HSE strategies are inconsistently understood and/or are executed poorly• Poor execution of HSE strategy is seen as a significant barrier incident and accident reduction• Culture is seen as a major barrier to the execution of HSE strategy• Most attempts to change organization culture have limited results• Process reengineering is not achieving the required behavioral changes	
Example of HSE processes where Behavior Alignment can be used (not exclusive)	
<ul style="list-style-type: none">• Identification of workplace hazards• Management of HSE human performance issues• Prevention programs and programs to minimize consequences of accidents• Programs to ensure the workforce has the required capability and experience• Ergonomics programs	<ul style="list-style-type: none">• Programs to ensure there are available operating procedures and the workforce adheres to the procedures• HSE learning programs• HSE technology systems adoption• Succession planning programs• HSE governance• Road safety programs

TYPICAL PROJECT APPROACH

Project approach will vary depending on the scope, the complexity of interventions and the maturity and complexity of the client.

1. Behavior Alignment – Pilot

Typical project design

- **Project timeframes:** 14 weeks to 18 weeks
- **Approach highlights:**
 - Pilot focused on 2 to 3 SDEs interventions
 - 1 to 2 installations piloted
 - 4 phase project:
 1. Planning
 2. Identification and prioritization of SDEs
 3. Definition of desired behaviors
 4. Design of behavioral interventions
 5. Implementation of interventions

2. Behavior Alignment – Deployment

Typical project design

- **Project timeframes:** 16 weeks to 52 weeks
- **Approach highlights:**
 - Time and resource requirements will vary depending on the type of interventions and impacted workforce
 - Deployment of interventions through train-the-trainer of client local teams/ sponsors (change agents)
 - Project team responsible for deployment (PMO, benefit realization, deployment logistics, field questions) with future continuous improvement carried out by CoEs
 - 3 core deployment workstreams
 1. PMO & Metrics
 2. Logistics & field support
 3. Train the trainer field teams

FOR MORE INFORMATION

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