

Safety & Reliability in Your Pocket

When a merger of major oil companies combined two competing, neighboring refineries in the Far East, the new management team, handpicked from the two heritage operations, was tasked with realizing \$200 million in “synergy savings” within a few years. The managers could see how they might realistically attain half those savings. But a big change was required to get the rest: all employees needed to be engaged in the effort.

Behavior at the Heart of Safety and Reliability

These managers enlisted CLG to help leaders bring the two different refinery cultures together, and to measurably improve operating performance in terms of five critical success factors:

- Safety
- People
- Gross Margin
- Reliability
- Expense Reduction

The strategy was to apply CLG’s **Performance-Based Leadership**™ (PBL) training to directly impact the first three: safety, reliability, and people. Excellence in those would, in turn, yield excellence in expense reduction and gross margin by eliminating major reliability expenses, and by keeping production units running. A concurrent effort, also supported by CLG, focused on reducing non-value-added work. The overarching goal of these efforts was to improve the competitiveness of the combined refineries.

Personal Scorecard and Pocket Tracker

To make this happen, CLG developed a unique and powerful tool: Personal Scorecards with a pocket tracker for key people to carry. All behaviors tracked at the refinery were carefully selected as essential to achieving zero incidents in the key areas of safety and reliability. Performers started their shift with a perfect score of 100. Each reported non-conforming behavior subtracted from that score, while each reported discretionary behavior added to it.

Supervisors were coached in communicating the changed expectations in giving positive feedback, and in promoting two-way dialogue through coaching and feedback tune-up sessions.

Managers and supervisors then met with all employees. They communicated the reasons for the scorecards and the new expectations, both for technicians and for themselves. A key change was the expectation that supervisors would talk with technicians each day to find out their score. This was the **High-Impact Behavior**™ for supervisors. Without it, there would not be sufficient feedback to drive and sustain the new safety and reliability behaviors.



“The Personal Scorecard has reoriented people’s thinking, and everyone here sees it as a positive. CLG brings tools that fit and give us the best shot at sustainability. All we as leaders have to do now is to reinforce use of the tools.”

– Refinery Manager

A three-person Organizational Effectiveness Group was then established to help the supervisors, shift superintendents, and managers successfully implement and sustain the Personal Scorecard. This group:

- Coached the coaches
- Collected empirical data through actual entries, observations, and focus groups
- Reinforced the organization on application of the Personal Scorecard
- Completed post-audits to track progress

Demonstrable Improvements

The Organizational Effectiveness Group closely tracked the percentage of supervisors and technicians who executed their Personal Scorecard behaviors. People clearly took ownership at the front lines for safety and reliability. Many were offering ideas for improvements. And, while supervisors were more aware of non-conformances, the resulting discussions consistently were focused on improving rather than punishing.

Far more data is available to recognize good performance. Both safety and reliability performance quickly moved to best-ever levels and remained there. Six months after go-live of CLG's **Performance Catalyst®** process, the refinery rose to the top of Top Quartile performance among all refineries for the organization.

About CLG

CLG is a worldwide leader of behavior-based strategy execution and performance improvement consulting that enables companies to achieve lasting results consistently, with speed, precision, and control.

Whether your goal is increased growth, reduced costs, better asset utilization, higher customer satisfaction, better use of technology, or overall culture change, CLG can customize a solution based on your specific requirements. We'll then transfer our behavior-based tools and methodologies to you, so you can continue using them to improve performance long after our engagement is completed.

