In the course of introducing a new safety management system, many companies reach a plateau – injuries and accidents still occur, yet at a lower frequency. While some are content with such mild improvement, others galvanize their workforce and mobilize resources to further reduce accidents and injuries, thereby achieving safety excellence. Borealis AG has proven itself to be the latter, having greatly improved safety performance in a recently acquired subsidiary, AMI Agrolinz Melamine International GmbH (AMI), now known as Borealis Agrolinz Melamin GmbH (BAM), by implementing both the “Step Change in Safety” programme and the “Way Forward Programme.” These efforts have not only greatly improved safety performance and productivity, but also earned the company a DuPont Safety Award for Sustainable Business Impact in 2009.

Borealis AG is a leading provider of chemical and innovative plastics solutions, providing plastic materials to the infrastructure, automotive and advanced packaging markets across Europe, the Middle East and Asia. With operations in more than 120 countries, Borealis employs 5,200 workers and earned over €4.7 billion in revenue in 2009. In 2007, Borealis acquired AMI, an Austria-based melamine producer, to further develop its portfolio in base chemicals. With this acquisition, however, Borealis also inherited a safety record that was not up to par with its own. “Everybody [at AMI] knew of the importance of safety, but production came first,” stated Ismo Pentti, Vice President for Health, Safety and Environment. This approach to safety, when viewed in light of typical hazards at the new subsidiary – flammable and/or caustic products, elevated temperatures and pressures, exposure to chemicals, heavy on-site traffic and working at heights – led the management team of Borealis to introduce a new safety management programme to improve performance.

Immediately following the acquisition, an integration process spanning six financial quarters was initiated. The lead integration project, entitled “Step Change for Safety”, was modelled after a Borealis initiative of the same name that had earned a DuPont Safety Award in 2005 for Sustainable Business Impact. The timing of the project was also indicative of the Borealis commitment to safety: the project was initiated eight months prior to the full merger of the two companies.

In the first phase of the project, it was determined that a new knowledge-sharing infrastructure was required – one mirroring that of Borealis; therefore, the HSEQ Committee structure was launched. The HSEQ committees operate on the cascade principle – senior leadership meet monthly to discuss safety issues and review key performance indicators, then, upon completion, separate to discuss these issues in subcommittees. Members of these subcommittees separate to form new subcommittees, thus disseminating safety knowledge throughout the organization. This also allowed managers to demonstrate their commitment to safety on a regular basis - a crucial step in maintaining a sustainable safety culture.

In order to reinforce the learnings from HSEQ committees, managers began to perform regular safety observation tours. In 2008, 1618 safety observations took place. “This is a tool for management, allowing them to observe how people conduct their work,” stated Mr. Pentti. “A discussion ensues and any unsafe behaviour is corrected.” By reinforcing safe behaviour and maintaining an open dialogue on safety, workers were able to develop safe working behaviours.
Pursuant to this goal of demonstrating management commitment to improved safety, Borealis also established several new communication channels under the auspices of the “Step Change for Safety” project through which information pertaining to safety is transmitted. The “TAKE 2” campaign saw booklets distributed to each employee, focusing on “engaging the mind before the hands” as stated by Mr. Pentti. “This applies to complex activities, such as maintenance, but also routine activities.” Additionally, under the Monatsthemen – Monthly Theme – campaign, media were placed throughout the facilities providing information about safety in multiple contexts. Among the rotating themes were “Slippery Conditions”, “Safety – On and Off the Job” and “Driving Safely”.

Another key aspect of the “Step Change for Safety” project is the introduction of a new reporting tool—Synergi. Using Synergi, employees are able to report near misses and any unsafe behaviours or conditions. Upon filing a declaration through Synergi, the reporter is automatically provided with updates on the corrective measures taken. According to Mr. Pentti, “people are motivated about their reports, as they are taken seriously.” Over the course of 2008, more than 2000 near misses were reported, further denoting a high level of employee satisfaction with the system. In addition to its function as a reporting tool, the system also calculates leading and lagging indicators pertaining to safety performance, thus allowing leadership to gauge improvement.

To supplement the focus on behaviour and reporting, Borealis also introduced a new work permit system at its operations in Linz. All technical work in the plant now requires the submission of a general work permit application. Additional work permits are required for more hazardous environments, such as for confined space entry or work in areas with elevated temperature and pressure. This work permit system is particularly valuable in ensuring the safety of contractors, who comprise one third of the workforce.

In addition to these activities, Borealis updated the reward programme to include safety. Each employee meets with their manager on a semi-annual basis to set specific goals pertaining to performance. Should the individual target be met, the employee would receive a bonus. Employees are not punished should they sustain an accident; rather, this reward programme further incentivizes safe behaviour in the workplace.
Upon completion of the “Step Change for Safety” project in late 2008, safety performance had improved dramatically: the lost time injury rate was reduced by 91% from 2006 to 2008. In addition, the near miss response rate at year’s end 2008 was 97.5%, surpassing the 85% target. Such improvements in safety performance were aligned with an overall increase in productivity and profitability. Noting a correlation, Mr. Pentti commented, “people were more motivated; they delivered more.”

While the “Step Change in Safety” programme was considered a success, Borealis management decided to implement the “Way Forward” programme in order to ensure sustainability of the gains made. “We wanted to keep safety in the conversation,” stated Mr. Pentti. The main focus of the project was to further promote safe behaviour in the workplace. Workers were divided into peer groups and given a survey pertaining to safety culture. Once the results were obtained, they were presented to the peer groups, serving as the basis of a conversation that sought to find a common understanding of the role of safe behaviour in the workplace. The workers then defined an action plan and developed tools to further improve safety performance. By conducting these workshops, each employee felt empowered to contribute to the safe environment, thereby developing a sense of personal and collective responsibility for safety. Furthermore, this allowed Borealis (including Borealis Agrolinz Melamin GmbH) to reduce its Total Injury Rate to 0.9, a significant improvement.

In 2009, Borealis was recognized for its extraordinary commitment to safety, earning the DuPont Safety Award for Sustainable Business Impact. In accepting the award, Mr. Pentti stated, “It recognises that Borealis has successfully managed to transfer the principle ‘safety is our first priority’ to our new family member. I gladly accept this honour on behalf of all employees and contractors …who have achieved a true step-change in safety in a very short period of time and with great personal effort and involvement. We will carry on working according to the highest health, safety and environmental standards to further strengthen our position as industry leader.”

Borealis (borealisgroup.com) is a leading provider of chemical and innovative plastics solutions that create value for society. With sales of €4.7 billion in 2009, customers in over 120 countries, and 5,200 employees worldwide, Borealis is owned 64% by the International Petroleum Investment Company (IPIC) of Abu Dhabi and 36% by OMV, the leading energy group in the European growth belt. Borealis is headquartered in Vienna, Austria, and has production locations, innovation centers and customer service centers across Europe and the Americas.

Building on the unique Borstar® technology and their experience in polyolefins of more than 50 years, Borealis provides innovative, value creating plastics solutions for the infrastructure (pipe systems and power and communication cables), automotive and advanced packaging markets.

In addition, Borealis offers a wide range of base chemicals from melamine and plant nutrients to phenol and acetone. Today Borealis and Borouge manufacture 4.4 million tonnes of polyolefins (polyethylene and polypropylene) per year.