

# **Achieving Health Safety and Environment Targets under Diverse Workforce: An Experience of a Major Oil & Gas Company in the Gulf Region**

**Hamad Al-Kandari, Team Leader (HSE-E&PD)  
Ashok Garlapati, CSP,QEP,CMIOSH, A/Sr.HSE Specialist (E&PD)  
HSE E&PD Team, E&PD Directorate  
Kuwait Oil Company**

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## **Introduction**

The petroleum industry is an essential element of the Gulf Region and it is vital importance for the health and welfare of the region. By considering the hazardous nature of oil & gas projects / plants, Gulf Countries have promulgated various legislations on health, safety & environment protection and is in the process of its strict enforcement. The Oil & Gas industry operations mainly comprises exploration, development, production of crude oil and its refining involving various operations including drilling, processing , transport and refining. At each stage of activity, companies in the Gulf region engage huge number of Contractors for their Operations and timely execution of Projects. The paper discusses the experience of Kuwait Oil Company in conducting its operations under multi cultural diverse workforce. Kuwait Oil Company is the premier Oil & Gas Company in the Gulf region involved in exploration and production of oil & gas reserves. The company engages number of contractors, who in turn employs workforce from more than 65 countries around the World. The workforce are highly diverse in nature and comes with different background, different languages, different skill set. The Company has established the HSE Management System and procedures based on the international regulations to focus on the health, safety of workers and environment protection. It is altogether, a big challenge for the Company to achieve HSE (Health Safety & Environment) targets. The Company adopts variety of methods in implementing the HSE Management by involving this diverse workforce. I am involved in this process and played a key role. The presentation will share Company experience in achieving HSE targets under diverse workforce. This is part of the best practices sharing *among the global HSE community*.

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- All employees and contractors are responsible for HSE performance.
- Effective and open HSE communication is important.
- Excellence in HSE can only be achieved by team effort.
- Employees and contractors must receive HSE training and updates as necessary.
- Working safely is a condition of employment.
- HSE audits and action tracking are mandatory.
- Good HSE is good business.

These nine commitments serve as guiding principles or philosophies for the 12 elements of HSE System implementation.

The Company faced many challenges in the process of HSEMS implementation. One of the main challenge is the diverse workforce. The Exploration and Production Development Directorate of the Company engages number of contractors, who in turn employees workforce from more than 65 countries around the World. The workforce are highly diverse in nature and comes with different background, different languages, different skill set and it is altogether big challenge for the Company to achieve HSE (Health Safety & Environment) targets. The Company adopts variety of methods in implementing the HSE Management by involving this diverse workforce through an effective Contractor management. Contract Management is one of the key elements for Company's HSE Management system, which deals with "Contractors Commitments and Involvement". The Company believes that, contractors, who are conducting business with the Company are the key to its business performance and good HSE performance.

In line with its commitment towards Contract Management, the Company has developed many processes such as guidelines and oversight procedures to ensure full HSE compliance and enhanced performance. These processes defined the contractor HSE performance expectations and vigorous oversight of Contractor activities while performing work for the Company. Contractor's HSE involvement is highly visible in all its activities. Contract Management is one of the major challenges to the Oil Industry. Complexity and volume of corporate contracts have increased considerably in the recent years, due to the ever growing demand of higher productivity. Effective Contract management and managing diverse workforce is the need of the hour to assure quality HSE performance and uphold the Company's reputation and corporate image. It will also provide a base line necessary to allow companies to measure and monitor HSE performance of the contractors.

One of the important challenge the Company is facing is the divers workforce. In one end, the diversity of workforce has got several advantages in achieving the Company targets. The Company believes that the workplace diversity refers to the variety of differences between people. That sounds simple, but diversity encompasses race, gender, ethnic group, age, personality, cognitive style, tenure, organizational function, education, background and more.

Diversity not only involves how people perceive themselves, but how they perceive others. Those perceptions affect their interactions. For a wide assortment of employees to function effectively as an organization, human resource professionals need to deal effectively with issues such as communication, adaptability and change. Diversity will increase significantly in the coming years. The Company recognized the need for immediate action and are ready and willing to spend resources on managing diversity in the workplace now. The Company takes the full advantage of the Diversity. In this process, we faced many challenges particularly related to the Communication. Perceptual, cultural and language barriers needed to be overcome for diversity programs to succeed. In effective communication of key objectives results in confusion, lack of teamwork, and low

morale. This leads to negative impact on the overall objectives of the organization if the communication issues are not handled properly.

More than 50 contracting companies' works for Exploration and Production Development Directorate of the Company and many nationalities / diverse workforce are part of these contractor employees. Absolutely, diversity provides many benefits to any organization. The Company's E&PD Directorate realized these following multiple benefits in utilizing the diverse workforce:

- **Increased adaptability:** Diverse workforce can supply a greater variety of solutions to problems in service, sourcing, and allocation of resources. Employees from diverse backgrounds bring individual talents and experiences in suggesting ideas that are flexible in adapting to fluctuating markets and customer demands.
- **Broader service range:** A diverse collection of skills and experiences (e.g. languages, cultural understanding) allowed the Company to provide service and timely support.
- **Variety of viewpoints:** A diverse workforce that feels comfortable communicating varying points of view provides a larger pool of ideas and experiences. The Company could draw from that pool to meet business strategy needs and the needs of customers more effectively.
- **More effective execution:** Companies that encourage diversity in the workplace inspire all of their employees to perform to their highest ability. Company-wide strategies can then be executed; resulting in higher productivity, profit, and return on investment

The Company's E&PD Directorate used this diversity into its advantage in implementing HSE Management Systems. Some of the techniques / methods, some of them are:

1. **Translation of key documents into different languages:** By considering the workers background, all key HSE documents which includes HSE policy, safety alerts, specific instructions, awareness materials etc are developed in different languages in the form of fliers, power point presentations and distributed among workers. This has helped in communicating the right message in right way i.e in a way each workers understands the contents.
2. **Appointment of Contractors Safety Officers who speak different languages:** As we have workers from different nationalities, we also ensured that each Contractor appoints their Safety Officers who speaks their workers language. This has ensured that the safety message and requirements are reached accurately through the weekly safety meetings and tool box talks.
3. **Focusing of communications on lessons learnt from incidents in different languages:** As per the Company's HSEMS, all categories of incidents are to be investigated, root causes are identified and corrective actions are taken. Communicating these root causes and corrective actions is an important task of every Contracting Company across all of their facilities. The Company as its part ensures that these are communicated to other Contractors in their own languages.
4. **Making them aware of workers HSE rights on unsafe works:** As per the Company's top management commitment and directives, every employee either the Company or Contractor Staff are empowered to stop the unsafe work. A detailed HSE Rights Poster highlighting the Rights are published and circulated across the Company. The contents are:

### You have a Right to:

- Know about hazardous materials and /or dangerous machinery in your workplace.
- Be aware of how these hazards can affect you and your co-workers.
- Get required HSE training, including learning how to identify workplace hazards and knowing the proper course of action, when there is an accident or spill.
- Learn who you can get help from if you have questions related to HSE issues of your work site.

### You have a Right to Participate:

- In identifying hazards present on your worksite
- In reporting any unsafe practices or conditions you observe.
- In educating your co-workers about HSE procedures
- In conducting Job Safety Analysis prior to the work and reviewing the control measures to minimize the risk.

### Right to Refuse /STOP Unsafe Work:

- You have the right to refuse / not to participate in **unsafe work**.
- If you think that the work you / co- employee do or the piece of equipment you /other employee use are unsafe, you can ask for **Time out for Safety (TOFS)** to rectify and ensure safe conditions.
- Contact your immediate Supervisor or HSE representative to find out how to correct the unsafe conditions.
- Please do not continue to work until you have been advised that the situation has been corrected.

5. **Conducting periodic E&PD Directorate contractors HSE meetings:** This is another area where the Company's E&PD Directorate is focusing to bring all diverse workforce together. Bi-monthly Contractors HSE meeting is being conducted among all Contractors Management to discuss on various issues requiring to improve the HSE performance. Series of presentations will be conducted on the incidents, sharing of lessons learnt, best practices, performance reporting and other issues.
6. **Implementation of contractors HSE Key Performance Indicators (KPI):** The purpose of these KPIs is to provide guidance to measure progress towards Contractor HSE performance of Contractors working for E&PD Directorate of the Company. Effective performance management requires a mix of leading and lagging key performance indicators (KPIs). The leading indicators will show progress toward those activities we have defined

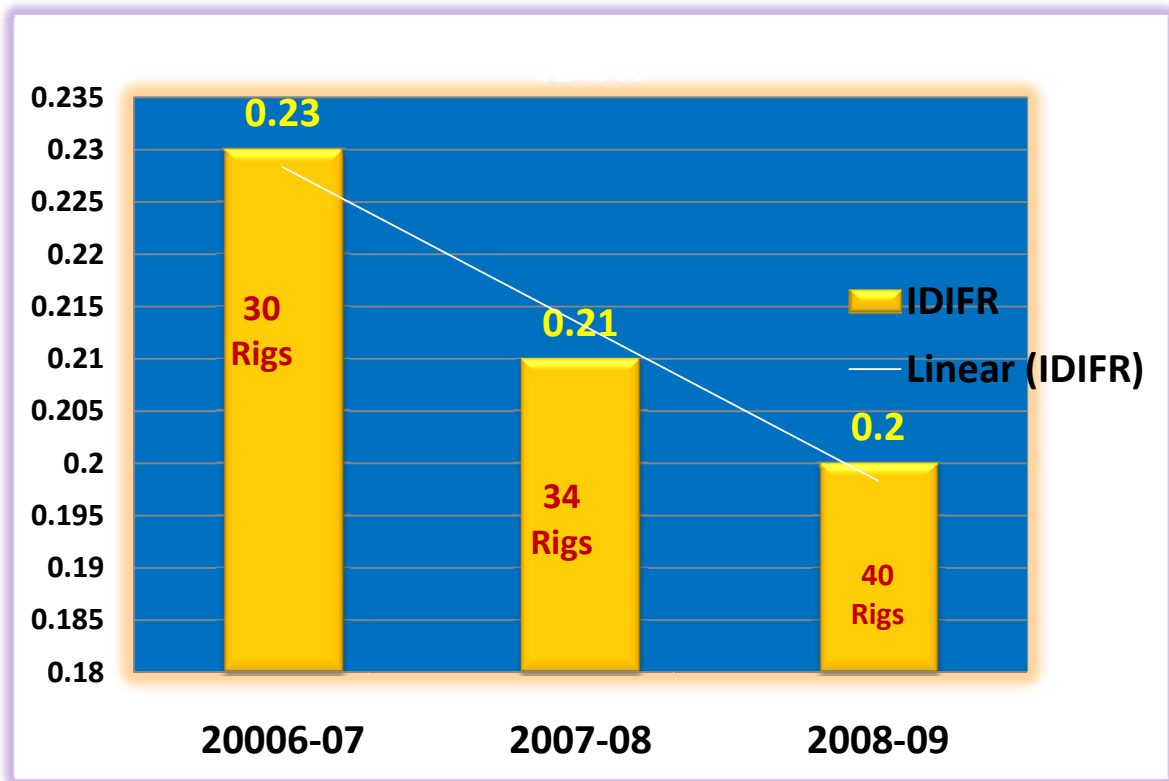
as key to delivering the business objectives. The lagging indicators will record outcomes of management system failures. Every Contractor is given targets for Leading and Lagging indicators in the beginning of the fiscal year. They will be submitting the status on monthly basis and monitored on quarterly basis. Following are the summary of leading and lagging indicators (Table 1):

**Table 1. HSE KPIs for the Contractors**

<b>Contractor Name :</b>		<b>Controlling Team:</b>	
<b>Contract NO.</b>		<b>Contract Title:</b>	
<b>A.</b>	<b>Contractor HSE KPI's Leading Indications</b>		
<b>S.NO</b>	<b>KPI</b>	<b>Company (E&amp;PD) Requirement (Minimum)</b>	<b>Contractor KPI's (2009-10)</b>
1	No. of HSE Inspections conducted at each facility	One / month	
2	No of Camp Hygiene Inspections as applicable	One/ month/ camp	
3	No. of HSE Audit conducted at each facility	One / Quarter	
4	HSE Training Man hours	40 hrs / year/employee	
5	HSE Meetings at each facility	One / month	
6	Nearmisses / STOP cards/Unsafe Acts/Unsafe Conditions reported	One / Quarter / employee	
7	No. of emergency Drills (Fire, H2S,BOP,evacuation, Rescue etc)	Rigs- 6 /month Facilities - 1/Quarter	
8	No. of HSE Tours by Contractor Management	One / Quarter / facility	
9	% of Company inspection / Audit findings closed out	100%	
10	Review of TRA,JSA ,SOP and HSE procedures	Once in two years and as and when incident, major change in process etc.	
11	HSE Awareness campaign	Once in a year	
12	Periodic Medical Check-up for employees as per Country Labor Law	100%	

<b>Contractor HSE KPIs Lagging Indications</b>		
<b>S.NO</b>	<b>KPI</b>	<b>E&amp;PD Tolerance Value</b>
1	Fatalities	0
2	IDI FR	0.11
3	MVA FR	0.2
4	Environmental incidents	0
5	Traffic Violations	0

7. **Implementation of Contractors HSE incentive programs:** An incentive scheme is introduced for the contractors and their staff directly in order to recognize and reward the best HSE performance to motivate/encourage implementing safe work practices and thereby achieving continued safe behavior and safety improvements. Several modes of incentives are designed to encourage the diverse workforce across the E&PD Directorate of the Company.
8. **Circulation of HSE related topics / alerts on daily basis in different languages:** An effective utilization of information technology is used in disseminating the information on HSE, safety alerts, best practices in different languages is being used to educate the diverse workforce. This initiative is highly helping the Directorate to reach to the people.
9. **Introduction of annual C&MD HSE Award for all Company Contractors:** As part of management commitment towards improving HSE performance by Company Contractors, an annual HSE Award is introduced by the Company. This recognizes the best performing contractor for achieving Company HSE targets. This also helped in encouraging the participation of all diverse workforce in the Contractor's HSE initiatives.
- 10. Leadership visits to Sites:** E&PD Directorate of the Company introduced the Leadership visits to enhance the communication between the sites and Company Management. Leadership HSE visits are the key to demonstrating support for HSE efforts by the workforce, as well as fostering a better understanding of the HSE risks faced in the operations by management. Visits will be conducted in accordance with the Leadership Visit program on monthly basis with specific themes. This has helped in understanding the needs, concerns of the workers at the site and providing solutions through Contract management or by amending contract clauses.
- By successful implementation of these initiatives, E&PD Directorate of the Company is encouraging the diverse workforce to improve the HSE performance and in achieving targets. The following graph shows the IDI FR ( (Industrial Disabling Injuries Frequency Rate) is dropping down over a period of time in spite of increased operations and man-hours.



**IDI FR calculated as Total no. of IDIs per 2 million man-hours worked.**

## Conclusion

All initiatives have given good results in Company's HSEMS expectations, better understanding of HSE requirements, improved cooperation towards achieving the HSE goals and targets, lowered incident rates, which ultimately resulted in better Contractor HSE Performance and achieving the Company's HSE targets under diverse workforce.