

Core Integration: Establishing ONE standard

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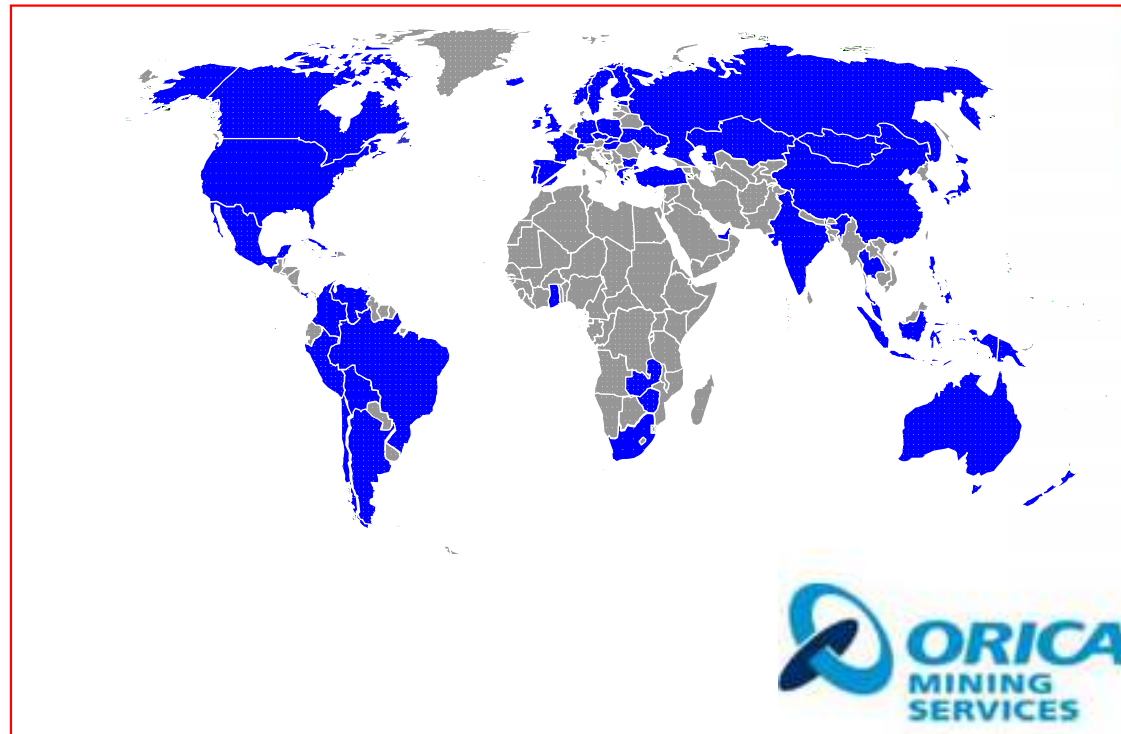


Background

Dyno Nobel's Asian, Latin American, European, Middle East and African businesses were acquired by a consortium led by Macquarie Bank from Industri Kapital in late 2005 and the individual countries were acquired by Orica over the first half of 2006

Over 52 site,
35 countries
7 major sites

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SCOPE

This paper will cover:

- The SHES integration of both businesses
- The approach
- Core procedures
- Process
- Challenges and Learning



In the beginning...

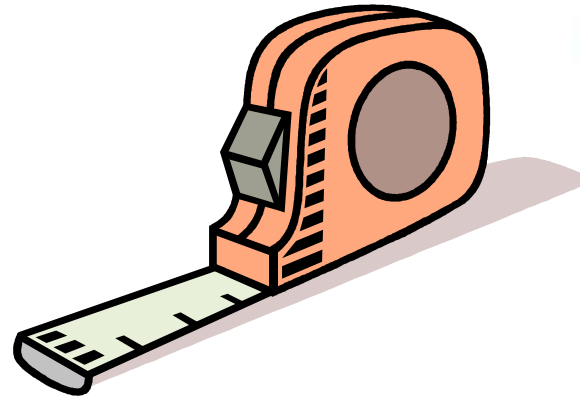
- Day 1: meet and greet
 - establish SHE as a priority!
- Sign the safety charter
- Survey
- Understand the safety vision



“No injuries to anyone ever!”

STEP 1

- Dimension the task...
- How?
 - SHES Management system audits
 - Significant risk audits
 - BoS reviews
 - Understanding of the established SHES systems
 - Technology reviews
 - Checkpoint audits
 - Prior learning
 - Employee feedback / listening!



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The challenge – ONE Standard

- CHALLENGE:

Both organizations have a long history of safe operations (+ focus) + ownership

- Made a decision to have just **one** SHES system across ALL Orica platforms

- Benefits:

- No confusion (standards, expectations, requirements)
- Simpler administration
- Interchangeable operations
- Standard audit process
- No grey areas

The Analysis -

- Areas of attention:
 - Clearance to work (permits)
 - Modifications (change management)
 - Fork lift trucks
 - Machine guarding
 - Risk management
 - BoS
 - Trips and alarms
 - Contractor management
 - Emergency evacuation exercises
- High consequence, low frequency events





Core Procedures

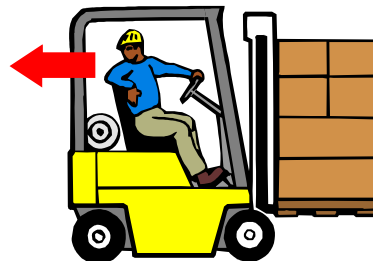
- THE CORE PROCEDURES
 - Prevent high severity events
 - Manage the common SHE risks / hazards
 - Mandatory across all sites
 - 8 main procedures

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Core procedures – which ones?

- ✓ Emergency plans
- ✓ Clearances (Permits)
- ✓ Risk assessments (JSERA)
- ✓ Modifications (Change management)
- ✓ Hazard studies (new designs/upgrades)
- ✓ Incident management
- ✓ Vehicles on site
- ✓ Fork lift trucks



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SHES Training

- Training identified as a critical integration step

Goal:

To ensure that all “new” Orica employees were trained in the systems and standards and then could help implement into their sites

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Forms of training:

- Core procedure training (highest priority)
- SHES leadership
- BoS
- On the job
- Information / Databases
- Operations standards
- Presentations – various levels



The Core plan

- Generic global approach
- Selection of trainers
- Training the trainers
- Develop the program
- Local refinement (culture...)
- Implementation (Continuous Improvement)



How many?



Region	People trained
EMEA	756
LA	830
Asia	90
TOTAL	1576

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EMEA – Case study!

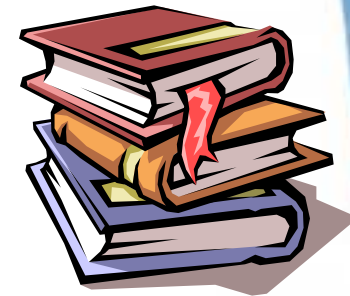
- Language challenges
- One very large site – Gytorp (>400)
- 2 levels:
 - Basic (1.5 days)
 - Advanced (2.5 days)
 - extra workshops –
tailored for those involved in implementation

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EMEA – first challenge

- Core procedures were only in English
- Needed to translate them into all languages
- 2 Volumes prepared:
 - 1 volume dedicated to permits (contractors)
 - All presentations also were translated..



The result:

- > 750 people
- > 50 training sessions
- Core procedure manuals in
 - Swedish, Norwegian, Russian, Bulgarian, Polish, Czech....
 - Feedback - positive

Safety demonstrations

- Reinforce core procedures
- Seeing is believing!
- Included:
 - Burning pyrotechnics
 - Black powder (different confinement)
 - Firing detonators
- Put in context with theory
- videos

Lessons:

- Clearly define expectations
- Who must attend? List and follow
- Agree schedule with all parties
- Allocate time and priority (senior mgt)
- Allocate appropriate resourcing
- Class sizes: 20 optimal
- Control the training material - standard
- BoS demonstrations important (videos)
- Train the trainers
- Include workshops (hands on – voice)
- Don't wait too long (expected)
- Recognition of previous system/standards/experience
- Planning is key



SH&E Training Schedule New Orica in EMEA 2007

2007	March							April							May							June							July							August							September							October							Trained
Week No	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44																				
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Oslo Office																																			24															24							
Poland													0	0					16	7																													23								
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Czech Republic													0	0																																				11							
Kustomotcha																												14	5																					19							
Moscow																												20																						20							
Zapolyamy and Otkon																																																			10						
Gai																																																			0 (14 persons)						
Krasnouralsk (UMMC)																																																			0 (15 persons)						
Zambia													63	6																																				69							
Zimbabwe																																																									
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Georgia																																																			0						
Estonia																																																			0						
Spain																																																			0						
UAE																																																			0						
																																		Totally Trained														756									

Basic Training 19 = Done, 19 participants
 Advanced Training X = Deleted
 Training of Trainers
 New schedule 0 = Moved to other time
 No training
 Two courses same week 14 5 = 19 participants first week
 * Including Nitro Consult

Note the comments in the weekly fields

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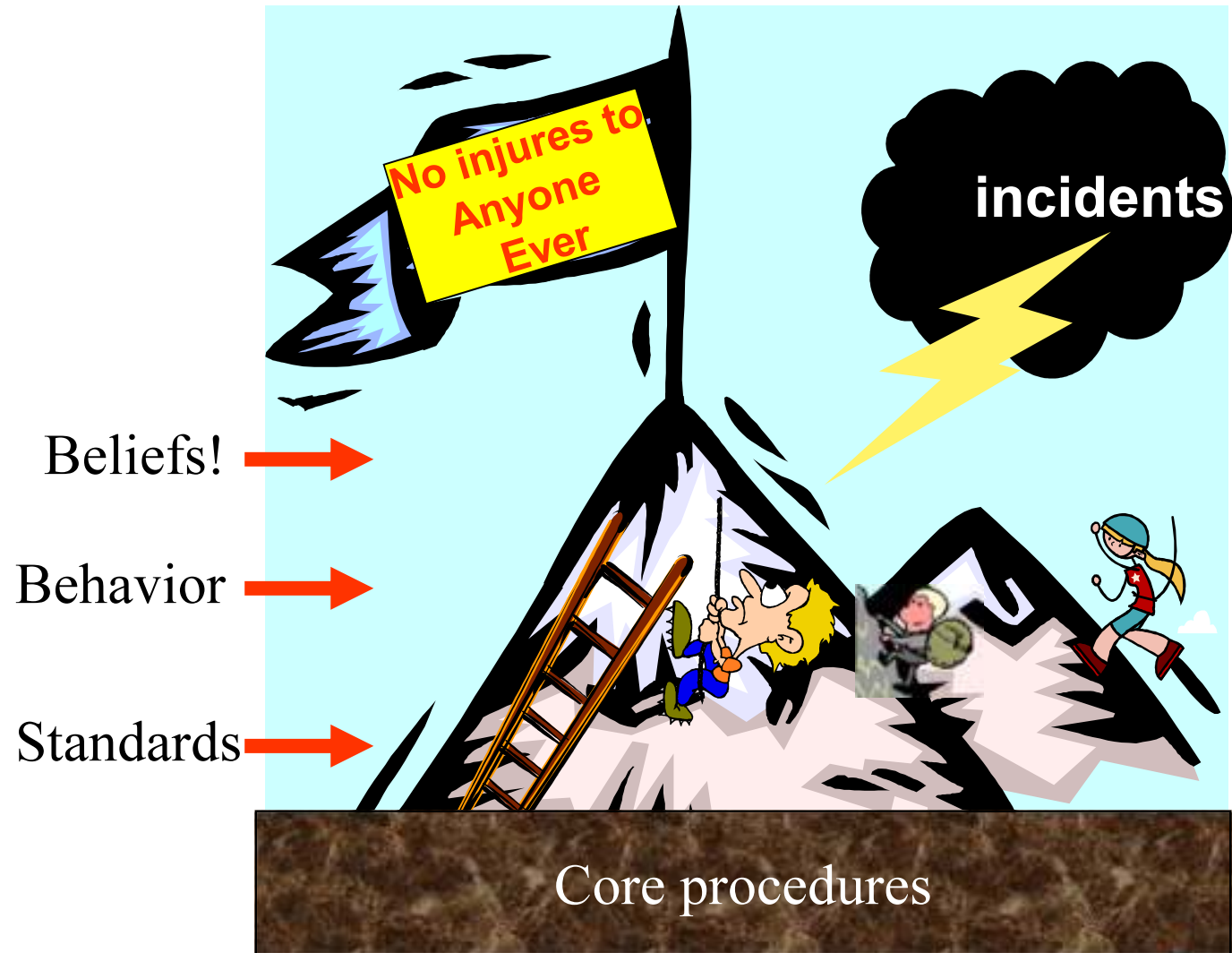
Benefits:

- Rapid establishment and reinforcement of standards
- Interaction forum
- Supports synergy process
- Transferable
- Working together (team)
- Integration
- Avoid incidents



ONE STANDARD – ONE “LANGUAGE” – ONE GOAL

The journey



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ORICA
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QUESTIONS?

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