

WINNER'S

CASE STUDY



Category **Shell HSSE (health, safety, security and environment) Award 2012**

Winner **Managing HSSE on Construction Projects in Emerging Markets, AstraZeneca Global Engineering**

Sponsor



Overview

Global biopharmaceutical business AstraZeneca places a strong emphasis on health, safety, security and the environment (HSSE). However, a move into constructing major projects in emerging markets risked compromising its HSSE performance. In an attempt to raise local standards, and reduce the potential for onsite accidents, the company applied a robust HSSE approach to its engineering projects in China, India Indonesia and Russia, which accounted for over three million site working hours per year.

Objectives

AstraZeneca has developed a mature partnering model with its contractors and designers in the UK, Sweden and USA. This has resulted in an excellent HSSE culture. Based on this success, the objective for all new engineering projects, irrespective of location, was to recreate this model in the delivery of key HSSE deliverables. In short, adopt the same basic project principles for managing projects in the east as in the west – without compromising on HSSE performance.



Resources

Within AstraZeneca, Global Engineering is a small project management department of 60 people responsible for delivering individual projects in excess of \$5m. Its role is to act as an intelligent client between the business and the engineering supply chain. The leadership elements of this role are pivotal in establishing the high HSSE standards AstraZeneca expects. The department has a number of tools available to manage HSSE as part of its project management process. These include a Pre-Construction Information Pack and Construction Phase Health & Safety Plan that includes an organisation chart showing clear lines of responsibility for the delivery of HSSE. In support a Plan, Communicate and Deliver programme was designed to recognise and reward good behaviours, while a Residual Risk Register (RRR) was aimed at reducing design hazards and risks where possible.

Challenges

Up until recently, AstraZeneca conducted the majority of its work in the UK, Sweden and US. As the business landscape began to change, the project team began to work more on projects in emerging markets. The shift was sudden and clear to see: in 2008, 100 per cent of Global Engineering projects were in the UK, Sweden and USA; by 2011 this accounted for just 13 per cent of the work. The other 87 per cent (approximately three million man hours per year) was based predominately in China, India and Russia. Working in these countries posed significant risks to the company's HSSE performance and, as result, a new strategy was adopted. Fundamental to this approach was making sure safety standards were clearly understood by contractors and designers before they priced the work

Co-ordination

Learning and sharing good practice is at the heart of the global HSSE strategy, resulting in weekly construction calls with site management teams overseas and monthly departmental meetings. In addition, HSSE bulletins were shared globally between the teams of contractors and designers. One of the key learning points to arise from this exercise was the relentless pursuit of standards. Even though expectations of a safe working environment were clearly set out, it was imperative that the push for the correct standards was maintained – especially in the early project stages. Fundamental to this is for everyone involved in the project to deliver HSSE as part of their job.

Successes

Since 2009, hours worked on the projects have more than doubled but the recordable accident frequency rate has more than halved. In China, more than 5.5m man hours have been worked without a serious accident and in India more than 2.75m man hours. It is important to celebrate these achievements with all the workforce and managers at milestone stages as a thank you for working safely but also to visibly re-enforce commitment to HSSE. Accidents do cost money. AstraZeneca Global Engineering believes that in 2011 alone they avoided costs of \$12m by achieving the safety performances indicated above. These figures clearly demonstrate the maxim that 'good safety is good business'.





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