Globalizing a Corporate EHS Program: Baxter International's Experience 1990-2003

By

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Critical Steps

1. Selling the need for a global program
2. Policy development
3. Planning
4. Standards development
5. Deployment and monitoring
6. Linkage with Sustainability initiatives

1. Selling the Need for a Global Program

- Communicating global developments
- Recruiting interested parties to the “sales team”
- Gathering basic data on operations (survey)
- Regional forums for dialogue with management
- Making the business case (CEO as spokesman)
  - Stakeholder expectations
  - Ethics, citizenship
  - Compliance (license to operate)
  - Operational risks
  - Customer/product issues
  - Productivity (waste and accident prevention)

Baxter EHS and Related Financial Goals for 2005

	Reduction Goal	Base Year	2005 Savings
1. Air toxic emissions	80%(1)	1996	$ 1 million
2. Hazardous and regulated waste generation	35%(1)	1996	$ 4 million
3. Nonhazardous waste generation	35%(1)	1996	$ 15 million
4. Energy use (and assoc. Greenhouse Gases)	30%(1)	1996	$ 30 million
5. Packaging materials	20%(1)	1995	$ 25 million
6. Rate for employee work-related lost-work-day cases	60%(2)	1996	$ 25 million
7. Rate for all employee work-related injuries and illnesses	50%(2)	1999	
		TOTAL	$100 million

(1) Per-unit basis
(2) Cases per 200,000 work hours (100 FTE)

2. Policy Development

- Broad-based expectations
- Based on needs, trends and opportunities
- Consider benchmark companies
- Trophy policy vs. living animal
- Facility, division, corporate and board involvement

3. Planning

- Start with the basics (EHS rep, teams, waste and accident data, big risks, local rules, communication links, etc.)
- Proceed in phases over 3 years:

1. Structure and personnel (int. vs. ext.)
2. Basic training, goals, self-assessments
3. Risk control, packaging/product programs
4. Management stds, measurement, reporting, recognition, audits

4. Standards Development

- Local vs. global standards vs. regulations
- Management and performance standards

  -Compliance

  -Risk management

  -Productivity (accident and pollution prevention)
- Local cultural and resource considerations
- Requirements Book; Reference & Training Guide

5. Deployment and Monitoring

- Local qualified personnel, turnover
- Gaining converts, regional leaders, management support
- Communications
  - Language issues (training, audits, etc.)
  - Rollout, feedback
- Regional training, benchmarking
- Systems thinking
- Compliance attitudes, “impossible law” policy
- Unethical authorities
- Audit strategy; accountability mechanisms
- New site strategy

6. Linkage With Sustainability Initiatives

Team approach (virtual SD organization)

- Global functional members:

  Business Practices, Communications, Community Relations, Corporate Governance/Law, EHS, Employee Relations, Purchasing & Supplier Management, Foundation

- Duties:
  - Reporting
  - Board presentation
  - Planning and driving progress
  - Commitment to transparency, stakeholder feedback