

Talking with experts // Our new market units are rapidly adopting and meeting our groupwide safety standards. Siegfried Michiels and Bob Taylor visit Tavazanno e Montanaso, an E.ON power station in Italy.



Making safety a personal matter

Internet quicklink → 702

Health and occupational safety are top priorities at E.ON. We have groupwide safety standards, and the E.ON Board of Management has launched an ambitious safety initiative. Siegfried Michiels, the E.ON Group's External Safety Advisor, and Bob Taylor, Managing Director Generation at E.ON Italia, talk about their experiences in the area of safety.

Safety is considered an almost standard issue. Why is E.ON currently putting so much effort into it?

Bob: With regard to safety, there's of course always a legislative background with some minimum standards we have to comply with. But at E.ON we aspire for much more than that, which makes sense for our staff as well as for our business: in my experience, those high performers in health and safety are also very good in their business performance.

Why is that?

Bob: When you get it right, safety can really breed further success. If we had a major breakdown at one of our plants, planning, organization, competence, communication and processes would be pivotal—in other words: good business is of the essence anyway.

Siegfried: I also believe that society is much more demanding today and simply does not accept anymore that people get hurt, let alone killed on the job. There is growing pressure on companies by stakeholders, including investors, to work on this issue. So safety is also a question of ethics.

Was E.ON's Safe.TEG initiative from last year an answer to this growing pressure?

Siegfried: No, it was a reaction to the realization that leadership is an essential aspect in moving the company forward in the field of health and safety. The initiative focussed on the Top Executive Group (that is, E.ON's 250 most senior executives), and how they view the safety situation, structures and measures within the Group. All of them—including the Board of Management—were first interviewed online and then met for in-depths interviews. The data obtained

were analyzed and reported to the Board of Management. Many told us that they need more practical support in implementing safety management and structures. So what we're now primarily working on is a review of E.ON's safety infrastructure and how to bring knowledge to the field.

A site manager might argue that safety is important but also cost-intensive and time-consuming on a day-to-day basis.

Bob: Safety managers can't be around all the time. So safety has to be part of the culture, especially in the distribution business, where we have small teams working in all corners of the world. Much proactivity can actually come from our employees themselves.

Siegfried: We all know that a site manager has many balls to juggle, with safety being just one of them. So it is important to make sure that safety is looked at as one of the major parameters. This is where safety comes in, where E.ON as a group has established certain minimum requirements for all of its subsidiaries. We know, for example, that it is very unlikely that workers will survive a fire in a confined space for more than four minutes. So all supervisors are required to have procedures in place that ensure that their people can get out of confined spaces in less than four minutes. How they do it is up to them. As local professionals, they have the best knowledge about the local circumstances. But it's crystal-clear what is expected of them and that's where a corporation can help: by setting standards.

How do you transmit this philosophy to contractors?

Bob: As soon as our contractors walk through the gate, they will make a judgement about our safety and health values. They will do it by the way we deal with them, how we set priorities, how tidy and organized we keep the site and by the way we manage problems. They will be able to tell if we're serious about it or not, just as our employees will.

Siegfried: Let me share an experience I had when working with typical contractors: one of the things they told me is that they are indeed very well aware that some companies are more demanding than others from a safety point of view. And what is their reaction to that? They send their

best-trained and most competent people to the demanding companies, and the less-trained to the others. It's as simple as that.

How do you measure such a complex phenomenon as safety? And how good is E.ON in this respect compared to other companies?

Siegfried: A globally accepted, but very reactive measure is lost-time injury frequency (LTIF), which is basically the number of lost-time accidents per million hours of work. E.ON is a very good LTIF performer compared with its energy-industry peers. But E.ON is setting the bar higher and intends to match the high safety standards of the chemicals industry.

Bob: Measures are very important for tracking improvement, but they need to come to life with a leadership style that seeks to influence our underlying culture and behaviors. We have some excellent performance and culture in parts of our Group, which is very encouraging. But we also have much to share and learn.

What does it mean for you to make safety a personal issue?

Bob: I was the board member responsible for distribution at E.ON UK, when two of our employees in Lincolnshire crossed an uncontrolled railway crossing and were hit by a train. The experience of talking to a family of a loved one who has lost his life in your company is a really harrowing experience. One of them had a wife and three daughters, one of whom was exactly the same age as my teenage daughter. When I went to see the family the day after, they had of course a lot of questions: why did it happen? What was my dad doing there? All this was very upsetting, and you can imagine that it really left an imprint on my mind.

You know, we all get our energy in different ways. But when it comes to health and safety, a tragedy like that can be one of the most powerful ways of creating the right energy to make sure that it never happens again.

Good prospects for young people

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For the past ten years, our program "Mit Energie dabei" ("Learning with Energy") has been helping unemployed and socially disadvantaged young people to get a start on the career ladder. At present, "Mit Energie dabei" supports 550 young people at 29 locations. E.ON funds the program with €3.85 million each year. It's an investment that benefits all. In 2007-2008, we placed an impressive 80 percent of participants in training positions or jobs. In addition, our commitment won an award in a nationwide competition on corporate social responsibility in employment. Out of 213 participating companies, E.ON took an excellent second place in the "Youth employment" category.



Advancing women

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To ensure that women have the opportunity for targeted professional development, E.ON has set up a mentoring program to foster experience sharing, skill building, personal development and advanced training. The mentees—women senior managers and senior manager potentials—choose a mentor from the Top Executive Group whom they can contact at any time. The mentor/mentee tandems are to meet regularly over a period of eighteen months to two years. The aim of the program is for the mentees to gain better insights into corporate structures, make contacts and develop their own careers. Conversely, the mentors benefit from the relationship by receiving new ideas about current issues and also being able to reflect on their own work.