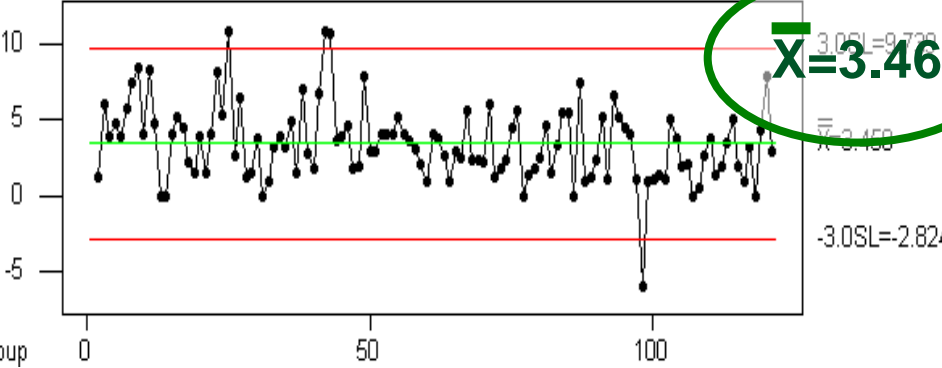




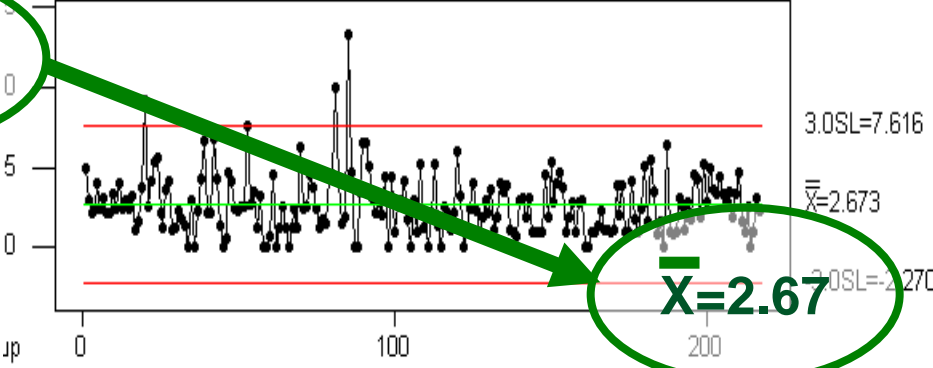
Culture Change Lessons Learned 10 Years 54 Service Centers and 1 Factory Later...

Change the Process

I&IR 1/2000 – 4/2002

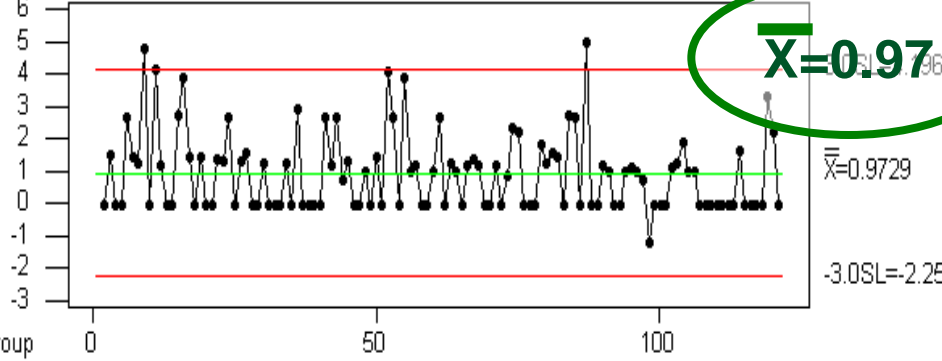


I&IR 5/2002 – 7/2006

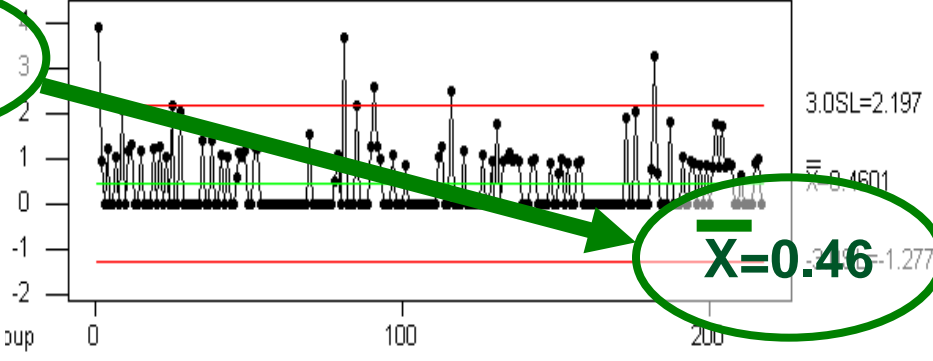


37 Fewer Recordable Injuries / Yr

DAFW 1/2000 – 4/2002

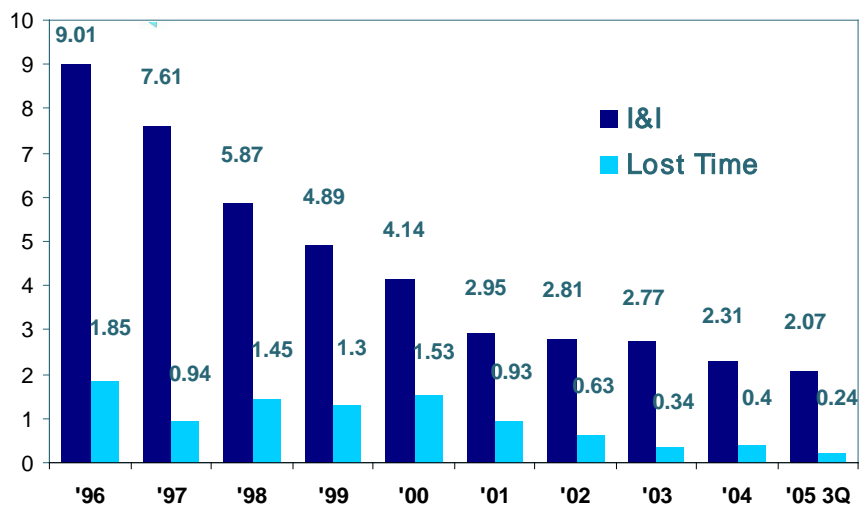


DAFW 5/2002 – 7/2006

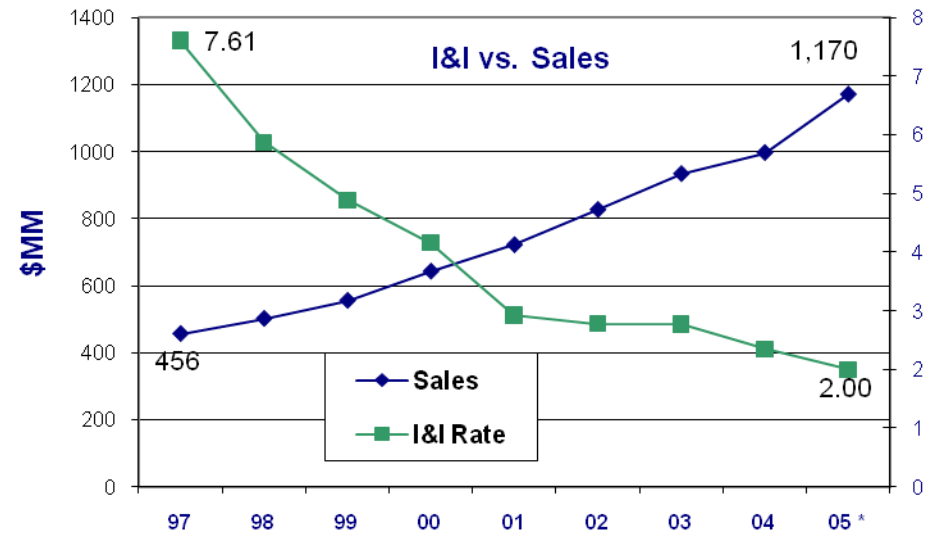


24 Fewer Lost Time Injuries/Yr

Recordable Rate

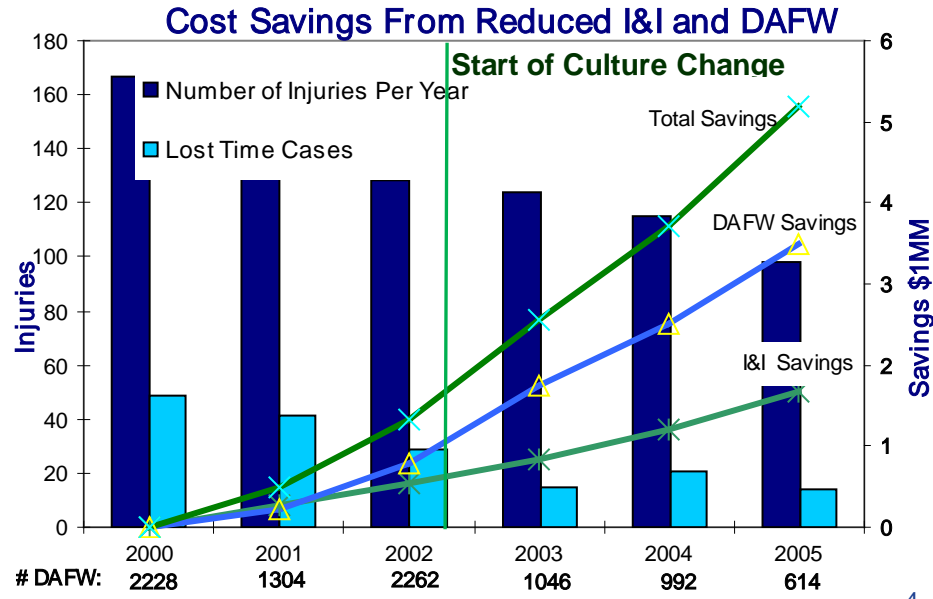


Competitiveness



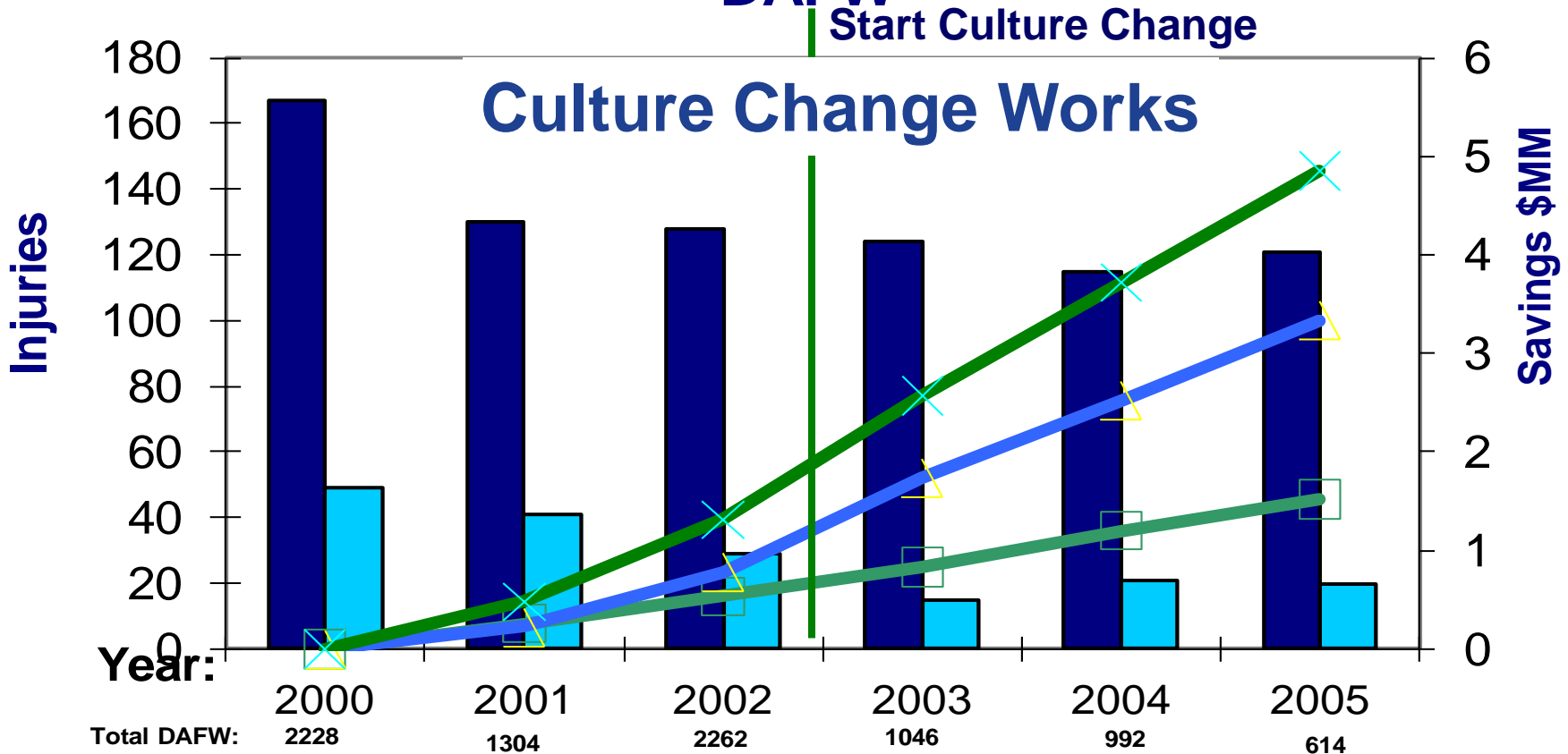
Cumulative Injury Rates

Savings



Results!

5 Year Cost Savings From Reduced I&I and DAFW



- Number of Injuries Per Year
- Lost Time Cases
- I&I Savings
- DAFW Savings
- Total Savings

\$3.53MM Saved

Lead It

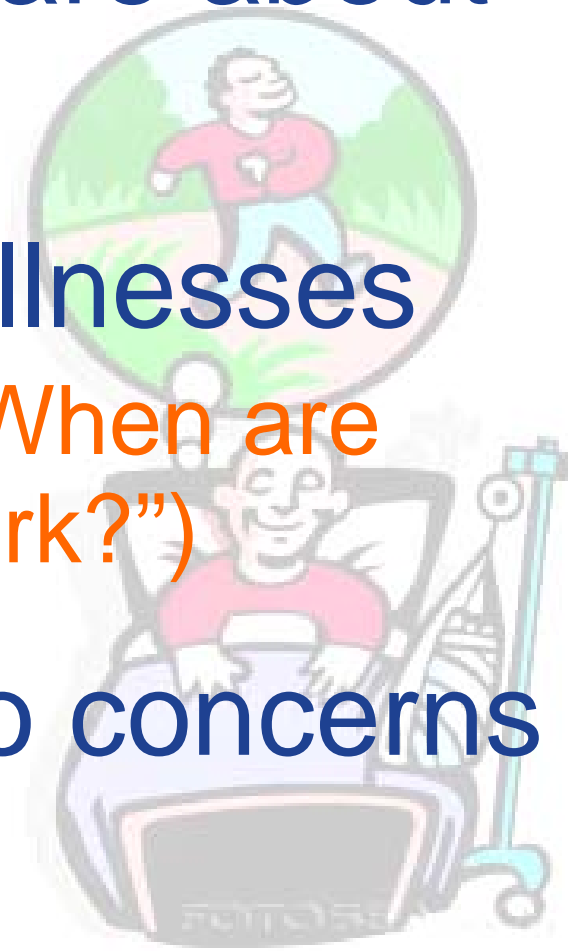
A stylized illustration of a person from behind, wearing a white long-sleeved shirt and a grey skirt or pants, steering a large wooden ship's wheel. The background is a light blue sky with a white cloud on the left and a light orange ground line at the bottom.

Effective Culture Leadership Traits:

- **An Investment, not a cost.**
- **Leaders directly involved & hold others accountable.**
- **Leaders understand their role in perceptions.**

Care – Say it; Show it.

- √ It's about people
- √ Tell Co-workers you care about their well-being
- √ Follow-up on injuries/illnesses /near-misses (not just “When are you going to be back at work?”)
- √ Listen and Respond to concerns



Listen & Respond

✓ Take immediate action

- Stop unsafe work
- Solve it safely in the short run
- Solve the root cause

✓ Follow-up.

- Track status / progress
- Hold people responsible for action items

✓ Communicate

Make sure everyone knows:

- ✓ **A problem was identified**
- ✓ **You listened**
- ✓ **Action was taken**
- ✓ **It was fixed**

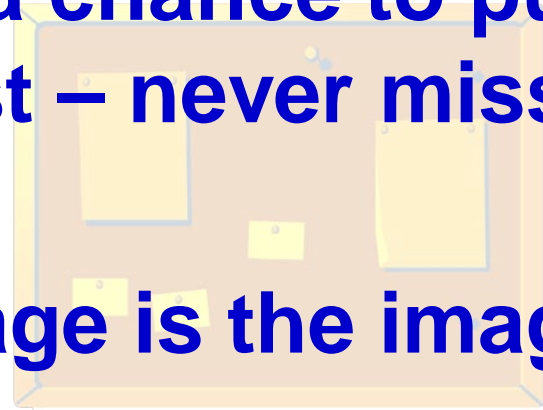
Pay attention
whenever an
HSE concern is
raised -
**no matter how
busy.**

No credit given for
humility. We want
people to believe!

Communicate, Communicate, Communicate

Multiple Media,

Every Opportunity, Repetitive



- **No single way works for everyone**
- **We never miss a chance to push the schedule or cost – never miss the chance to talk HSE**
- **“The strong image is the image that is believed.”¹**

Make the business case

√ Good HSE is good business

- **Pride – we don't sacrifice health, safety or the environment for a buck**
- **Cost competitiveness – Injuries, Fines, Citations all add cost**
- **Use HSE to make a better team – more cohesive & efficient teams beat the competition!**

Make It Happen

✓ Generate Momentum

- Get some visible improvements.

✓ Make the meetings

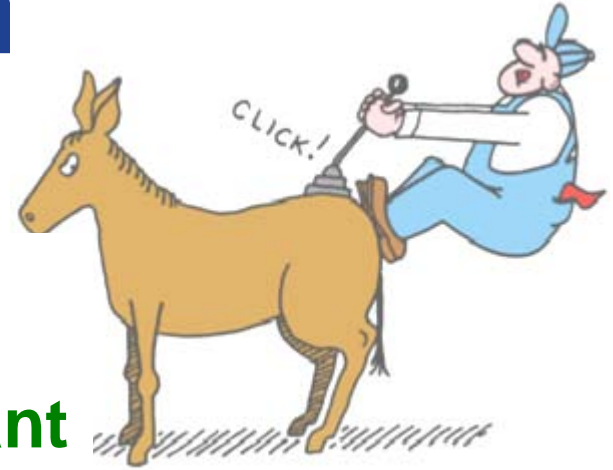
- It's very visible so very important
- Set a realistic schedule
- Employees gage commitment continually

✓ Plan the time for Employees to participate

- Grassroots Meetings
- Projects

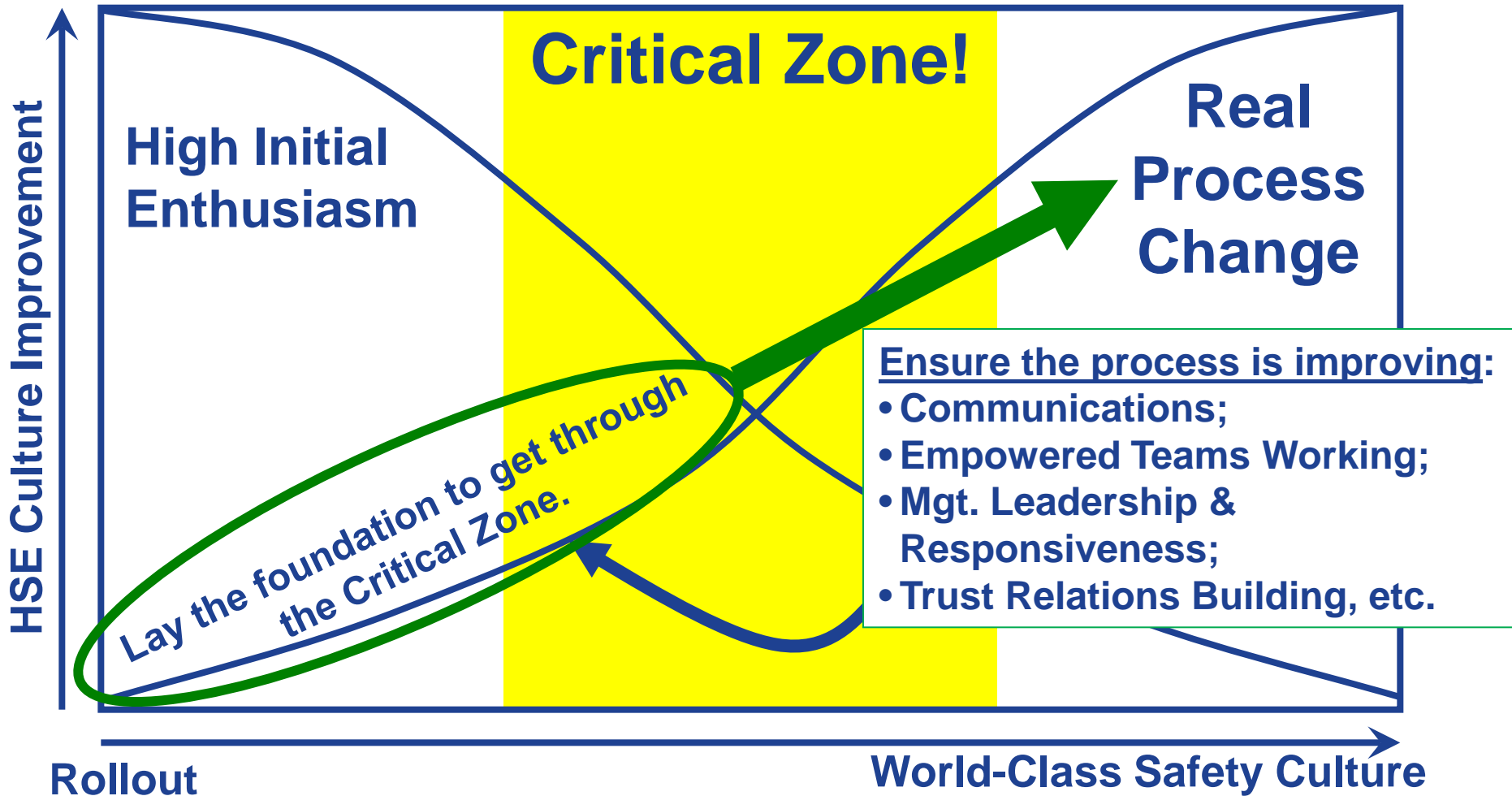
✓ Hold each other accountable

- Supervisor level is critical
- Don't get blind-sided.



Structure Matters

Culture Change v. the Initial High



Summary

“Perception Is Reality”

- People act on what they believe.

Remember the Quality Maxim:

- Ten good experiences to overcome one bad one.

No Standing Still

- Inaction is action (unfortunately)
- Can't choose to not have a culture; only choice is to make it good or ignore it & suffer the consequences.

Culture is the Environment we operate in.

- It's a long-term investment.
- It's volatile negatively; less volatile positively.
- But, when developed & healthy, it is extremely resilient - **Employees support & protect it.**