The Domino Effect of Employee Turnover on Process Safety

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Employee turnover in the technical and operating ranks of the oil, gas, and chemicals (OGC) industry has increased greatly in the last couple of years due to many retirements and a strong job market. According to Deloitte Consulting LLP's analysis of the chemical labor market:

"About 106,000 jobs could remain unfilled between 2021 and 2030. Also, the industry workforce is aging. As much as 25% of the industry's workforce will likely be eligible to retire in the next five years."

The labor shortage has necessitated significant reorganization and reassignment to meet operational requirements. This has created a big challenge for companies to assure proper job continuity, information transfer, and training, which, if mismanaged, can lead to serious process safety consequences. Effective implementation of Management of Organizational Change (MOOC) can minimize this risk.

The Challenges

The United States Center for Disease Control and Prevention (CDC) tells us that for the OGC industry, the fatality rate is seven times greater than other industries. Risk mitigation and ensuring the continuity of key tasks are therefore essential for workplace health and safety. We've identified the most common issues caused by retirements, employee turnover, and labor shortages.

Lost Knowledge

Undocumented tribal knowledge, or unwritten knowledge that is not commonly understood inside an organization, is lost. No documentation is available.

Overlooked Responsibilities

Process safety tasks that need to be completed fall through the cracks.

Lack of Training

Proper training of new or reassigned personnel is not identified or is incomplete.

Requirements for Success

A systematic MOOC process is the primary process safety management approach for ensuring that risk levels associated with process/plant changes are effectively addressed. Below are listed what workforce issues a MOOC process should address at a minimum.

Requirements for MOOC Success
For Personnel Retirements — Ensure their tribal knowledge is documented.
For New Hires — Identify critical PSM responsibilities and provide training.
For Redundant Roles — During mergers/acquisitions, eliminate redundant positions, ensure all critical tasks are reassigned, and properly train personnel.
For Company Reorganization — Whenever there are job eliminations, shift schedule changes, etc., identify critical PSM responsibilities, and provide training.
For Promotions and Reassignments — Ensure all critical tasks are re-assigned and employees are properly trained.

Requirements for MOOC Success

For Personnel Leaving — Ensure all tasks are re-assigned and personnel is properly trained.

For A Hiring Freeze — Addressing vacant positions (even on a temporary basis) ensures all tasks are re-assigned and your personnel is properly trained.

Gain Important Insights

Parts of the industry have been slow to embrace Management of Organizational Change (MOOC) management, seeing it as nothing more than an unnecessary paperwork exercise. To get more insight, read the CCPS book Guidelines for Managing Process Safety Risk During Organizational Change. The book includes examples of process safety incidents caused by improper management of personnel changes for important lessons learned.

We Can Help

Most of the gaps in existing MOOC programs can be attributed to a lack of well-defined workflow, documentation, and information management capabilities. Process Safety Enterprise® can help companies become more efficient and effective in managing workforce changes. Its built-in features include automatic assignment of approvals, automatically generated action items, importing and tracking of activities outside of the workflow, allowance for continuous PHA revalidation, and automated email notifications. For many organizations, communicating changes to stakeholders is the number one challenge of Management of Organizational Change (MOC). With Process Safety Enterprise®, your team stays in the know when they need to know.

Request A Demo

Automated systems can reduce the risk of accidents, as well as drive measurable cost and safety benefits. To see our effective tool in action, request a demo for your team. Call us at **1.844.ioMosaic** or submit a ticket to our online support center. We'll be glad to assist.

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