

Attaining VPP Star Status: A Case Study of the American Ref-Fuel Waste-to-Energy Facilities

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INTRODUCTION

The Occupational Safety and Health Act of 1970 was enacted into law by the 91st Congress of the United States to address the issue of safety in the workplace, as stated in the OSH Act Section 2(a):

“The Congress finds that personal injuries and illnesses arising out of work situations impose a substantial burden upon, and are a hindrance to, interstate commerce in terms of lost production, wage loss, medical expenses, and disability compensation payments.”

Furthermore, Congress declared its purpose in enacting the Act in Section 2(b):

“The Congress declares it to be its purpose and policy, through the exercise of its powers to regulate commerce among the several states and with foreign nations and to provide for the general welfare, to assure so far as possible every working man and woman in the nation safe and healthful working conditions and to preserve our human resources.”

In the Act, Congress therefore outlines the means by which it intends to achieve the goals set forth in the OSH Act. A review of the listing provided in Section 2(b)(1) of the OSH Act reveals what was assuredly regarded as a proactive approach towards implementation. The plan in part calls for the enhancement of employee/employer relations in the areas of hazard identification and prevention, the identification of necessary training and provisions for such training and the development and promulgation of occupational safety and health standards. Also provided for under Section 2(b)(10) of the Act was “an effective enforcement program which shall include a prohibition against giving advance notice of any inspection and sanctions for any individual violating this prohibition.”

In the early 1970s, the predominant management style for achieving the desired results of an organization was still closely associated with the antiquated technique of compliance through enforcement. It was not until the late seventies and early eighties that the threat of the United States losing its front-runner position in the emerging world market forced corporate America reexamine the link between management practice and overall employee productivity and well being. The perceived adversarial climate created by the Occupational Safety and Health Administrations efforts at compliance with the new act emerged as a product of contemporary society as it mirrored the accepted management practices of the era. By the mid eighties, the economic hardships created by the emergence of the global economy had forced a management revolution where traditional ways of doing business were challenged and in many cases abandoned for new ideas. Many of the newly accepted management practices rejected ideas such as the myth that compliance can only be gained through the threat of enforcement. Instead, the new ideas focused on gaining employee trust and commitment through empowerment, by subscribing to the idea that employees were assets and not simple commodities, and that true cooperation between employer and employee was the singularly most important aspect of successful management.

OSHA was no different than the private sector, in that for the agency to achieve its goals, it had to have in place management systems that not only worked within the agency but were compatible with the systems in place for the industries which the agency regulated. OSHA also came to realize that the

agency practice of enforcement to gain compliance was not producing the intended results and would not be effective in helping them to realize their goals as promulgated under the OSH Act. Because this understanding became more prevalent as time went on, the Voluntary Protection Programs (VPP) were developed. The Voluntary Protection Programs are implemented under Section 2(b)(1) of the Act, which encourages employers and employees to “reduce hazards, implement new programs, and perfect existing programs for providing safe and healthful working conditions.”

This study will integrate an overview of the VPP process with an exploration of the merits of the program based upon measurable benefits to Waste-to-Energy Facilities as well as to OSHA through this cooperative effort.

CORE PRINCIPLES

Safety and Health Excellence

Since the company’s inception, management has continually demonstrated a steadfast commitment to the goal of securing a leadership position in the continually developing Waste-to-Energy market. By embracing a common belief system and shared vision, management set the tone for what was to be considered the company “blueprint” for ensuring present and future successes.

The most highly regarded aspect of this “blueprint” was how the company came to establish and prioritize the implementation of its operating philosophy. For the American Ref-Fuel Waste-to-Energy Facility, this was accomplished by first understanding the need to develop and nurture a strong safety and health culture. The operating philosophy makes it very clear that strict attention to safety and health concerns are a prerequisite for accomplishing all other company goals such as operating a profitable organization and optimizing plant performance and throughput. It is a strongly held common belief among American Ref-Fuel employees that as long as safety is integrated into the decision making process and into all activities, positive production and profitability statistics follow as part of a natural progression.

Because American Ref-Fuel operates under the concept that a strong safety culture will act as a catalyst for successful operations on all fronts, the company has enjoyed continuing success in many areas. As a result, American Ref-Fuel has come to lead the Waste-to-Energy business in many categories, including the development of industry standard safety programs and statistics, protection of the environment, tons processed, and profitability, both on an individual and cumulative basis.

Collaboration and Teamwork

From the beginning, American Ref-Fuel management clearly understood that the managerial practices of the past would not provide the framework necessary to succeed in today’s business environment. Because of thought processes much like the ones which led to OSHA’s realization concerning how to best gain regulatory compliance, American Ref-Fuel early in its existence established a relationship with its employees where cooperation, empowerment and trust were held in highest regard. When American Ref-Fuel was first introduced to the VPP in 1993 by the local New York OSHA office area

administrator, it seemed a natural step for the company to pursue participation in the program. American Ref-Fuels core values were about to be put to the test.

VPP PREPARATION

The Self Assessment Process

Once a mutual decision by management and the employees to pursue acceptance into the VPP was made, the process of self assessment commenced. Conducting this part of the process was critical to the desired outcome in that the results would dictate the future course of action. First, the assessment would provide an objective account of the degree to which the safety and health policies outlined in the various company documents were being practiced. Secondly, it would illustrate the resources required to meet the standards of the company if the assessment process showed a disconnect between stated and practiced policy. Finally, the assessment would be used as the primary indicator for the decision whether or not to continue with the process by submitting the application to OSHA and the subsequent scheduling of the on-site review.

The following is the list of areas in which the OSHA evaluation team was interested in reviewing, and around which the self assessment audits were designed and conducted by American Ref-Fuel employees.

- Management Commitment
- Employee Involvement
- Worksite Hazard Analysis
- Hazard Correction and Control
- Training

The process used by American Ref-Fuel to accomplish the self assessments consisted of the following elements:

- Review the applicable chapters of the facility Safety Manuals as well as other related documentation to ensure an understanding of all associated requirements. Update the assessment guidelines with any new requirements as found during the review.
- Conduct random spot interviews with employees to determine whether the standards set are understood and being practiced in the field.
- Conduct physical inspections of the facility to determine if standards are being met. This should include observations specific to the standard being reviewed i.e., lockout/tagout and confined space entry evolutions.
- Document all findings, enter action items into an assessment action item database.

This process proved to be an invaluable experience for each of the facilities undertaking the process. What became readily apparent to management and employees alike was the degree to which this activity furthered the cause of safety and health within each facility. This employee led program review produced valuable recommendations on how to make a good program “Star” quality, and generated the

employee enthusiasm and commitment necessary to produce positive results. This is considered as one of the major benefits of involvement in the VPP, as the employee led objective review has improved the safety process as well as formed cooperative bonds within the organization. The following is a short list of improvements made to our safety management systems as a result of VPP and the continuing self-assessment process:

- Improved Hazard Recognition Processes
- Better Tracking Systems and Completion Rates for Action Items
- Improved Incident Reporting
- Increased Levels of Knowledge and Retention Due to Improved Training
- Increased Employee/Management Communications

These improvements and many others were made because the VPP process forced the site to look openly and objectively at its safety and health program. The act of self assessment empowered the employees to create an atmosphere where excellence was expected, and this expectation was bought into and backed by facility management. This idea is probably the most important and self-sustaining benefit achieved.

The VPP Application Process

Coincident with the self assessment process, the employees commenced work on the VPP application. OSHA provided the employee group with the "VPP Application Guidelines" which outlined the application requirements. Aside from the statistical and identification information, the finished application was compiled by mostly using information gathered during the self assessment process, as these categories are common. Table 1 illustrates the requested information categories and what documentary information was included to demonstrate adherence to the VPP standard.

The application was approved by OSHA, and the pre-approval onsite review was scheduled.

VPP Pre-approval Onsite Review

The purpose of the on site review was for the OSHA team to conduct a thorough review concerning the site's management of its safety and health program. There are basically four objectives for the which the review was designed to address:

- Verification- was the information concerning the safety and health program at this site consistent with information supplied in the application.
- Audit- to determine the strengths and weaknesses of the sites current program
- Quality- determine if the program provided sufficient protection from real and potential site hazards
- Recommendation- provided information to the Assistant Secretary of Labor to assist in the final decision

The agenda for the OSHA team followed this outline:

- Opening Conference- this meeting was attended by management, employees, and the OSHA VPP team. It's purpose was to set the tone for the onsite review process, to let the site know what to expect from the team, and to inform the site of what assistance would be needed. The four objectives of the review team were discussed along with proper protocol for the interviews.
- Document Review- this was accomplished in order to verify the information submitted in the application. For each of the line items illustrated in Table 1, supportive documentation was made available to the review team.
- Plant Walkthrough- The purpose of the walkthrough was for the evaluation team to assess the viability of the site's program through visual observation. Any discrepancies found were attended to immediately, and the status of their resolution was reviewed at each days closing meeting.
- Employee Interviews- Interviews were held with management, employee, and contract personnel. The interviews were conducted either one-on-one privately, or out in the field while the employee was in the execution of the job function. The questions surrounded the common themes of employee awareness to job hazards, management's correction and control of hazards at the site, and the proper levels of training which keep the employees safe. Another common theme addressed by the team was that of identified hazards being part of a management process which tracked the hazard from identification through final abatement.
- Closing Conference- This meeting occurred at the conclusion of the on site review. The facility was presented with the review teams findings and a recommendation for program participation which would be sent to the Assistant Secretary of Labor for the final decision. We were also presented with a list of items which were required to be completed in ninety days.

The following are examples of the review teams positive findings:

- Found the training programs to be well planned and executed, exceeding the minimum requirements
- Was impressed by the Performance Development System
- Liked the idea of technicians performing Safety Observations on other technicians
- Found the safety bonus system geared towards rewarding performance
- Rated the Industrial Hygiene Program as excellent

The following are examples of recommendations for improvement:

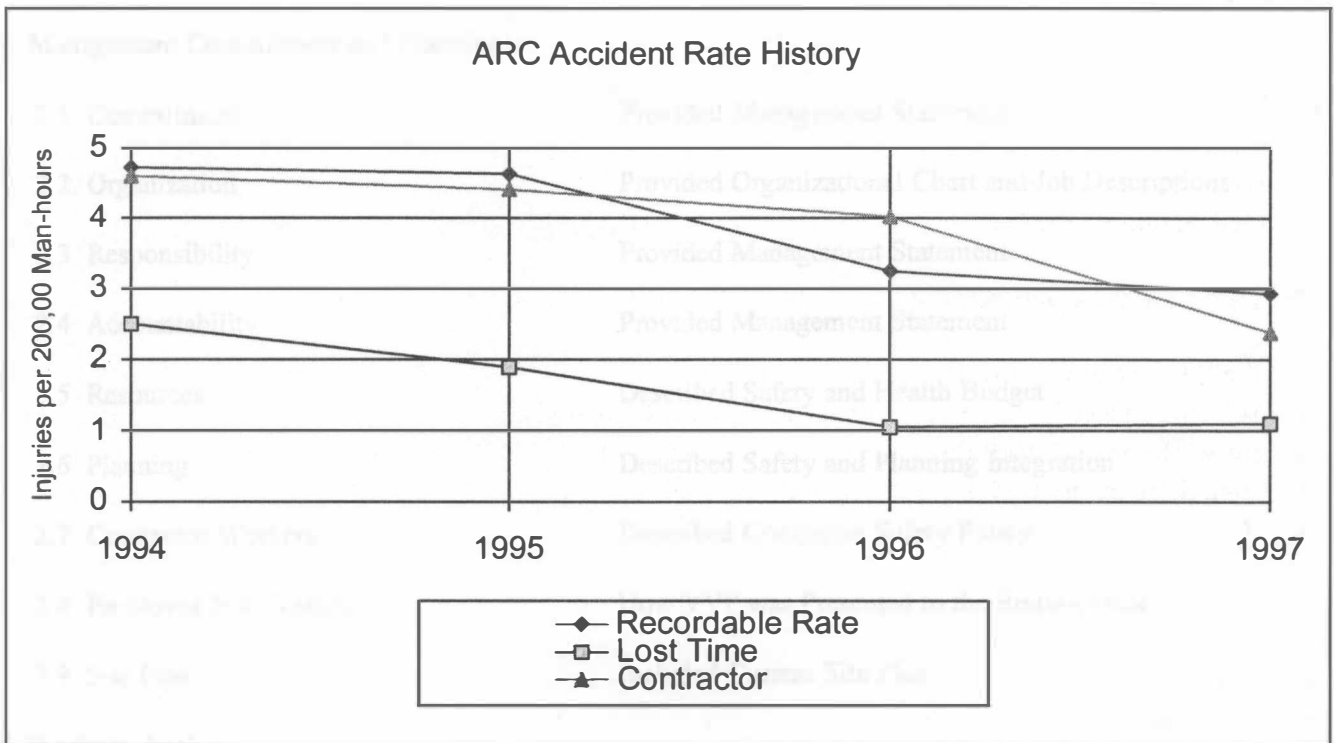
- Perform the annual self-assessments using an integrated team approach
- Ensure persons wearing dust-masks for protection against nuisance dust are clean shaven to assure proper seal
- Ensure personnel understand labeling requirements for chemicals under their control
- For an often used Contractor whose workforce is predominantly Spanish, provide training on a bi-lingual level, and hire a bilingual trainer/supervisor

The American Ref-Fuel Hempstead Facility was awarded the "Star" designation based upon the recommendation of the review team to the Assistant Secretary of Labor. Through the review process, the Hempstead team continually demonstrated by the proper implementation of a well defined safety and health program the kind of commitment necessary to reach its goal of program acceptance at the "Star" level.

Conclusions

The cooperative programs administered by OSHA have inherent benefits. By participating in this process, we have experienced many of them, some obvious in nature and others somewhat subtle.

- **Employee Participation in the Safety Process-** management has made the statement that they are committed to an effective safety and health program and turned the reigns over to the employees. Cooperation is an essential element as management realized that the workers are the closest to the hazards and that once empowered are better suited for effecting the abatement process. One obvious outcome of this experience was that for a safety and health program to be truly effective, the process must be driven by the employees.
- **Self Assessment Process-** the objective review conducted to gain participation in the program continues throughout each year, producing an accurate indicator of current conditions. This assessment is also used to measure continuing progress and as a guideline for resource allocation.
- **Definite Statistical Improvement-** Lower incident and compensation rates.



- **Increased Productivity-** No longer are we focusing on accident investigation, but accident prevention. This frees much time for involvement in value added activities.
- **Incident Severity and Rate-** the occurrence rate and associated severity levels of incidents has been reduced. Employee participation in the safety process is a key element.
- **Cooperative Relationship with OSHA-** It is a great resource to have access to the Cooperative Programs staff within OSHA as there have been instances where benefit has been attained through contact and problem resolution.

- **Networking-** through the Voluntary Protection Programs Participants Association (VPPPA) Regional and National Conventions, we have been able to share and benchmark with other companies in the program.
- **Recognition-** In the community and among industry, membership in the VPP means that you are recognized as a leader in safety and health.

The success experienced at the Hempstead facility was soon to be mirrored by the three additional plants making up the American Ref-Fuel fold at that time. As the company has grown, the process of maintaining VPP has proven to be a key element in maintaining one safety and health culture. VPP has helped each of the facilities to maintain its focus on the safety process and to reinforce the reasons why acceptance into the VPP program for all ARC facilities was made a corporate goal- it fits well within the culture of the company, it is aligned with our core values, and it empowers the employees. The end result is a cooperative effort between management, labor, and OSHA which helps each of us to attain the common goal of protecting the American worker. We feel the program works and will continue to work in its spirit.



Table 1. VPP Application Requirements

Heading	Supporting Documentation
1.0 General Information	
1.1 Company Name and Representatives	Provided Names of Company, Plant Manager, Site VPP Representative, and Site Safety Supervisor
1.2 Corporate Name and Representatives	
1.3 Description of Work Performed	
1.4 Company Data	Number of Employees, Union Status, Nested Contractor Information, and SIC Code
1.5 Injury Rates	Injury Statistics for Current and Past 2 Years
2.0 Management Commitment and Planning	
2.1 Commitment	Provided Management Statement
2.2. Organization	Provided Organizational Chart and Job Descriptions
2.3 Responsibility	Provided Management Statement
2.4 Accountability	Provided Management Statement
2.5 Resources	Described Safety and Health Budget
2.6 Planning	Described Safety and Planning Integration
2.7 Contractor Workers	Described Contractor Safety Policy
2.8 Employee Notification	How VVP was Presented to the Employment
2.9 Site Plan	Included Current Site Plan
3.0 Worksite Analysis	
3.1 Pre-Use Analysis	Described FCN and Hazard Analysis Process
3.2 Comprehensive Surveys	Air Quality, Noise, Heat, etc.
3.3. Safety and Industrial Hygiene Inspections	Safety Permit System, Safety Observations, Safety Equipment Inspections, Fire Protection, etc.

Table 1. Continued

Heading	Supporting Documentation
3.4 Job Hazard Analysis	Described the JHA Process
3.5 Employee Notification of Hazards	Near Miss/Safety Suggestion Program
3.6 Accident Investigation	Described Accident Investigation Procedures
3.7 Medical Program	Described the Companies Medical Program
4.0 Hazard Prevention and Control	
4.1 Professional Expertise	Staff Safety Professionals, Certifications
4.2 Safety and Health Rules	Described the Formal Discipline Program
4.3 Personal Protective Equipment	List Standard PPE for Plant Operations
4.4 Emergency Preparedness	Contingency Plan Table of Contents
4.5 Preventive Maintenance	Provided Descriptive Statement
5.0 Safety and Health Training	
5.1 Employee Orientation	Provided Orientation Cover Sheet
5.2 On the Job Training	Provided Job Training Instructions
5.3 Offsite Training	Described Vendor Supplied Training
5.4 Plant Drills	Described the Facility Drill Process
6.0 Employee Involvement	
6.1 Employee Participation	Included Safety Bonus Information
6.2 Safety Committee	Describe Charter, Listed Members
7.0 Program Evaluation	Offered Complete Set For Review During On Site Assessment