



INDUSTRY SPOTLIGHT: **LARRY HOLDGE**

Vice President of HSEQ

What new technologies or practices are being implemented in oil and gas which are innovating the industry's Health and Safety culture?

From a technology standpoint, there are three areas where innovation is taking place:

- **Electrical Safety** – To reduce the risks of working with high-voltage electricity, devices are being developed that service people can use to increase the distance between them and the electrical hazard. While electrical field sensors have existed for decades, the technology is evolving to the point where electrical technicians can detect any amount of voltage present without ever contacting the equipment.
- **Risk Assessments** – When working on a site or even in the shop, employees may encounter multiple safety hazards or near-misses without even knowing it. In an effort to protect employees and keep incident rates low, oilfield companies are placing a greater emphasis on assessing the risks and hazards of work activities and stopping work during the activity if something changes. One example of this recent promotion of hazard awareness has been the widespread adoption of Behavioral Job Safety Analysis (BJSA or JSA). Essentially this is an

assessment and report that takes place at the beginning of a job and may be repeated multiple times throughout the course of a project to address any changes in the environment or situation which employees should be aware of.

- **Driving Safety** – Lastly, driving safety has recently gained focus in the energy sector, perhaps due in part to the rising activity in the U.S., especially in the Permian and West Texas where the infrastructure for transportation is not built to accommodate consistently heavy traffic. To address the large volume of trucks and semis on the road and reduce the number of traffic-related incidents, driving coalitions are being developed in certain areas of the country to identify ways to improve road safety. While these coalitions are made up of many oil and gas companies, some who are competitors, they have come together with one purpose in mind – “How can we make driving safer for all of our employees?”

In your opinion, what does an effective HSE program look like?

For an HSE program to be effective, everyone must be involved, but strong participation and championship by management is the key. I believe safety policies and procedures are always more likely to be accepted when the managers and supervisors of the employees are conducting the training and when it is done on a regular basis. This not only involves scheduled safety meetings, but also implementing ongoing safety awareness programs throughout the year. This ensures that HSE is not confined to one setting but is a widely understood set of principles which underscore the company's standards of operation.

What would you say has been your greatest achievement thus far as Valiant's Vice President of HSEQ?

It's a considerable achievement that with only a few years under our belt, we have a solid foundation for even a mature company. With the support of our leadership and employees, Valiant has established robust HSE and Quality Management Systems consisting of documented procedures, management and employee education and training programs, and detailed manuals which outline Valiant's commitment to our core values of safety, quality, service, people, and integrity. These elements form the foundation that mature HSE & Quality programs can be built on.

Where do you see the greatest opportunity for growth and development in terms of HSE programs and policies in the oil and gas industry?

I see the greatest opportunity for HSE development in the way that organizations perceive and communicate the importance of safety throughout all levels of the company. This

means embracing the fact that safety should not be seen as a chore imposed by external commanding forces – such as OSHA or customers – but should be part of a high-level strategy to achieve excellence and be driven internally by both managers and employees alike. Implementing an effective HSE program means that safety can't just be a task, it must be

5 Steps to Building a Safety Culture That Works

1. Develop with the Users in Mind

An HSE program is only as good as the people who use it.

2. Set Measurable Goals

What does success look like? How will you track it?

3. Make Sure Leadership Takes Ownership

It's up to management to set the right example, so employees take it seriously.

4. Encourage and Reward Feedback

When everyone feels comfortable speaking up, systems improve faster.

5. Be Consistent

Set the rules, then enforce them. No exceptions.

engrained in the culture of the organization. In fact, companies that do this well often see their performance in other areas of the company improve as well. As an indicator of the correlation between safety culture and productivity, a study by Fabius, Thayer and Dixon (2013) showed a correlation between companies who outperformed the S&P 500 and their adoption of exemplary HSE programs. In summary, an organization that has a strong safety culture will in turn be more efficient, more productive, and deliver higher quality outputs.

The Q in HSEQ stands for Quality. How do you define “quality” as it relates to HSE practices and your role in the company?

Quality of an HSE program should be measured by the company’s progress toward achieving established HSE objectives. These may include results on performance metrics such as injury rates, severity rates and days away or restricted duty due to injuries. It also must be measured by the level of management ownership and involvement, the level of employee engagement, and the safety culture within the organization. However, there is one misconception about quantifying quality: Just because a company has low accident rates, doesn’t necessarily mean they have good quality HSE practices. In many cases, organizations may not fully understand the frequency at which they should be taking the pulse of their HSE performance, or their programs may not be entirely complete. In addition to providing the training materials and putting policies into practice, a results-driven HSE program should set out goals and effective ways to measure success towards them.

In your experience, how does an effective HSE program provide value to customers of an oilfield service company?

The oil and gas industry sets high standards for safety – perhaps higher than most industries – because there are serious risks associated with the work. Poor safety performance is costly, not only because it leads to being shorthanded if employees are off work due to an injury, but also because the reputations of companies are at stake if they are seen as unsafe to work with. I recently attended a safety meeting held by one of the major E&P companies in the US, who reported that 80% of the people working on their sites work for contracting companies. These companies have to rely on their service providers to create and maintain effective HSE programs that enforce a high standard for safety compliance, so that their own performance metrics are not affected as a result of incidents on the job.

What advice would you give to a new oilfield service provider who is in the process of developing HSE programs for his or her organization?

Develop the programs with the users in mind. There are certain OSHA requirements that must be adhered to, but the documentation should be written with terms that are familiar to the audience and should be easily accessible whenever needed. It’s important to involve the employees during the creation of these procedures as well because in many cases, the person writing the documentation is not on the floor or out in the field on a daily basis. While processes are written to instruct behavior, companies need to take into account that people are more willing to accept change when it minimally impacts their routine. So, make sure

to design procedures with the employees at the forefront – after all, a safety program is only as effective as the people who use it.

What HSE practices are standard in the oil and gas industry that you don't see in other industries?

BJSAs – Behavioral Job Safety Analyses. BJSAs (or just JSAs) are used in other industries, but in most cases are not as strictly enforced as they are in the oil and gas industry. A BJSA is a report created at the start of every job in the field that serves as a guideline to identify hazards and communicates the activities of each person on site. It also serves as a reminder to perform certain procedures concerning high risk activities that a person may be involved in during the job. A BJSA is specific to a company's unique operations and functions, so there may even be occasions where several reports are completed by different teams on one site.

Please share one experience that greatly impacted your career as an HSE professional.

Earlier in my career, I took a high-level management position with a manufacturing

company that had the worst safety record and culture I have ever seen in my career. A mature company with multiple facilities and over 30 years of history, it was clear that implementing safety programs and measuring HSE performance was not part of this organization's business strategy. Typically, a company aims for a Total Recordable Incident Rate (TRIR) of one or less. That value is calculated by the total number of recordables in a given time period, multiplied by 200,000, and divided by the total number of hours worked by all employees in that same period. This company had a TRIR of 22 when I arrived.

It took me 4 years to significantly change that safety culture and safety record. I am happy to say that when I left, they had brought their TRIR down to 2.56. Overall, this experience taught me that changing a safety culture is difficult, but it's not complicated. Any organization can achieve excellence in HSE – the key is to teach top management to take ownership of the company's safety culture. Executives, managers, and supervisors are in a position to affect change – all it takes is a daily effort to improve awareness, share information, and encourage feedback from employees, then accountability becomes a team effort.

Valiant Quality Policy:

Valiant Artificial Lift Solutions is committed to fulfilling customers' requirements by continuously using innovative technology, providing our customers with excellent services, and exceeding our customers' demands.

This will be accomplished through continually improving our services and internal processes and fulfilling our Quality Objectives as defined in our Quality Management System.



When it comes to delivering reliable, quality products and services, Valiant Artificial Lift Solutions has the experience to produce the results you need while providing peace of mind over the life of the well. Contact one of our dedicated service centers or visit www.valiant-als.com for more information on our range of artificial lift products and services.

Have any questions? Feel free to [send us a message](#).

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