

EXECUTIVE SUMMARY

Leading Successful Environmental, Health  
and Safety Organizations

## Ten Recommendations for EHS Executives

By Richard MacLean, Dorothy Bowers and William Sugar

*There is no shortage of literature on EHS program design and implementation. What is missing is practical guidance on implementing EHS programs within the framework of evolving corporate management practice. How do you implement change in today's ever changing corporate world? EHS programs may seem great on paper, but they may or may not get anywhere within the corporate culture of your company.*

*This paper provides practical guidance to EHS managers faced with the real world challenges of getting things done in organizations. The authors of this paper are among the first generation of managers to have dealt with CEOs, officers, and boards of directors to create and implement cutting edge corporate environmental programs. Corporate Environmental Strategy is pleased to bring its readers one of the first environmental journal articles that provides an insider's look at the challenges and opportunities faced when negotiating at the highest levels of corporations.*

*These "Top Ten Principles" can be put to use at any time and may prove especially useful to newly appointed EHS executives. Although designed for implementing programs in large corporations, many of the underlying concepts can be applied within small companies and at any organizational level.*

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The existence of an EHS executive at the top levels of corporate management is a relatively new phenomenon. As recently as 1980 vice presidential level EHS professionals were very rare. During the 80's many corporations first began to address EHS concerns as strategic issues requiring executive attention. Considering the newness of EHS corporate management, it is not surprising that there is relatively little published on the subject. Volumes have been written on business leadership and management theory. These same principles and practices apply, of course, and are worthwhile for any EHS manager to master. Many of the recommendations offered in this paper are adaptations of these same business concepts.

The authors have been very fortunate to have worked with enlightened business executives that have mentored us in the ways of corporate leadership, encouraged us to speak out, and supported us in our pursuit of EHS excellence. Additionally, we have been very fortunate to have worked in enlightened corporate cultures. On the other hand, some of our colleagues have had to deal with extremely difficult management situations. The Top Ten Principles represents the collective advice based on our experiences, as well as the input from a number of our

colleagues who have opened new territory at the top of corporations.

## Top Ten Principles for EHS Executives

1. *Perform a high level strategic risk review of all operations. Insure that the officers of the corporation, the CEO, the Board will never be blindsided by significant, unanticipated issues.*

**Objective:** It is essential that officers of the corporation, the CEO, and the Board of Directors have an opportunity to understand and deal with significant issues *before* they erupt. You may be allowed one or two exceptions, depending on the magnitude and nature of the issue that gets out of hand. No one is perfect. But, beyond this, top management will begin to wonder if you have the situation under control and whether you have an adequate grasp of the issues.

**Perspective:** Business group and manufacturing managers almost always believe that they have an excellent understanding of their issues. Independently verify their status using very senior outside auditors in conjunction with internal staff knowledgeable of the operations and the internal politics. Be especially wary of claims of

## Top 10 Principles at a Glance

1. Perform a high-level strategic risk review of all operations.
2. Establish a long-term strategic plan and market the vision relentlessly.
3. Form a network of reliable, competent EHS professionals to act as point contacts for each business group.
4. Understand exactly what the executive management, the CEO, and the Board of Directors REALLY want and expect for EHS performance.
5. Establish a strong network of sponsors among executive management.
6. Clearly define EHS roles and responsibilities within the corporation.
7. Improve the competency of the EHS staff and make needed changes quickly.
8. Early in your assignment, focus on obtaining highly visible successes in one or two key areas.
9. Establish sound auditing and performance measurement systems.
10. Balance your time: up and down the organization, inside and outside the corporation.

### *Exhibit 1*

“We have always done it this way.” Or “The regulators are aware of this and have not objected.” Be particularly mindful of issues that have been quiet, but could turn negative overnight because of sudden political or community pressure.

**Action:** Conduct a wall-to-wall risk review of all operations. Focus especially on the issues that have the potential to create major financial, legal, political, and/or public relations liabilities for the shareholders. Examples include: catastrophic toxic

releases; key processes without operating permits; sensitive political, community or regulatory issues not being adequately addressed, including those that may uniquely affect your industry sectors, and; major long term liabilities (e.g., remediation, community or employee exposure) not being adequately addressed. Do not overlook the scientifically groundless issues that may have a very high public outrage component. Remember, perceptions become reality!

The auditors you select need a business focus and an understanding of the issues that draw media, community and regulatory attention. They must understand the interrelationships between legal, environmental, political, toxicological, current trends, and sensitivities. This is *not* a normal “check-the-box” compliance or management systems audit commonly done by consultants. Such a self-audit program should be closely coordinated with the corporation’s legal department and possibly even outside counsel.

Depending on the extent of issues uncovered, it may be necessary to prioritize the problems and gradually educate management. A data dump is likely to be counter productive. It could overwhelm and confuse management - - after all, everything was under control - - until you arrived. The process to raise management awareness on the scope of the problems could take months. The underlying theme is: there are issues; you are aware of them and have action plans to address them, and; *things are under control*.

You should obtain advance buy-in to the concept of conducting a high level risk review. Should a major issue flare up while this process is underway, obtaining advance buy-in will prevent the question, “Why didn’t you know and do something to avoid this mess?” There is the possibility that your

management will have a negative reaction to conducting a risk review, believing that if no problems have surfaced so far, there is no need to look. Generally this will not be the case if they clearly understand the intended scope and confidential nature of the effort, as well as the liabilities of leaving problems uncovered. It will take some effort to organize and articulate this message. If they understand and still refuse to allow the study to proceed at any scope/level, see Principle #4.

*2. Establish a long term strategic plan and market the vision relentlessly through communication, training and education.*

**Objective:** Develop a vision and an action plan that has sufficient clarity and detail to be understood by internal audiences. This process takes longer and is harder than it may first appear. But, unless the investment in time and effort is made up-front, you will have difficulty obtaining continuing support from management and keeping EHS staffs focused on long term objectives. Even worse, you will be uncertain if internal stakeholders *truly* support a common vision. You need to get everyone “working off the same page”.

**Perspective:** It is essential to get a shared vision of where the corporation is headed and how it will get there. In many respects, this process is no different than the development and implementation of any business plan. EHS programs, however, have some unique issues requiring additional attention. Management, for example, may be unfamiliar with EHS practices in general. There may be disagreements over performance metrics. Additionally, some may strongly disagree with the program objectives because of personal convictions. The net result is that

unless these issues are addressed early, they will continue to drain energy away from productive work.

The EHS policy, vision and mission statements are essential, representing one of the first steps in implementing change. They are, however, written in general terms, often with *external* stakeholders in mind. Their primary function is to serve as a statement of commitment to recognized standards of corporate behavior. As such, they lack sufficient detail needed to guide internal programs. Much more is needed.

**Action:** You should develop a strategic road map that achieves an understanding of EHS goals and objectives. It should define to internal, non-EHS audiences how these can be achieved in terms that they can understand and in language carefully avoiding environmental jargon. This should *NOT* become a bureaucratic process. Lengthy policies and procedures are not needed, but the process requires the integration of four previous principles:

- Performing a baseline defining where the corporation is vulnerable (Principle #1)
- Forming an understanding of what the corporation wants (Principle #4)
- Clearly defining roles and responsibilities (Principle #6)
- Establishing metrics and measuring performance (Principle #9)

If existing programs and practices are more than adequate, program management may require only maintenance and periodic updating. If, however, there are significant gaps between the current state and future vision of where the corporation is headed, a distinctly different management approach is required. That’s why Principle #1, performing a baseline assessment, is so important: you must have a good understanding the fundamental issues the company faces.

Implementing new EHS programs is not the same as rolling out a new product line. Major new programs require fundamental shifts in how the corporation operates. You will need programs based on corporate culture change theory, and you will need to relentlessly market the message. The first principle in leading corporate culture change is creating a sense of sense of urgency, otherwise people will not see the need for change in the first place. A baseline assessment will provide the required data, but it must be structured in business terms that describe the issues in terms of competitive threats and advantages, not EHS jargon. Having the issues identified, the program carefully thought out, and the strategy documented will greatly aid in the communication process - from sitting down with executive management to working with front line employee groups.

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3. *Form a network of reliable, competent EHS professionals to act as point contacts for each business group and major manufacturing sites.*

**Objective:** It is absolutely essential to establish a reliable network of competent EHS contacts within the corporation. This includes, of course, your direct staff. Ideally, they would be both excellent managers *and* experienced EHS professionals. If they are neither, you need to do something about it - the sooner the better.

**Perspective:** A significant portion of your time and energy should be spent ensuring an adequate level of awareness at the Board and the CEO level and among your peer management group. If you do not have a competent EHS staff and network, you will be consumed by day-to-day fire fighting. Additionally, you will not be able to trust either the decisions of the EHS staff or the information that you provide management.

Chronic failures by the EHS staff anywhere in the company eventually will be viewed as your failure to correct the issue, even if the individuals responsible do not directly report to you. You, after all, are ultimately held accountable for resolving the EHS issues for the corporation, regardless of their origin. CEO's and Boards have very little tolerance for repeated mistakes and stalled programs. Even in highly decentralized corporations, a relentless stream of issues within the corporation will reflect on *your* performance.

**Action:** Before taking on an executive EHS assignment, it is advisable to first get agreement that you will have, if not direct control, at least some influence over the hiring and career path of the senior level EHS professionals. In decentralized organizations this can be problematical, but if you are to be *ultimately* held accountable for EHS issues, you will need the clout to make the required changes. You need people you can rely on, and if they know that you have some say in their career path, they will be more likely to be supportive and reliable. Having influence over their performance reviews serves another function. Even the best EHS professionals can become unpopular with their business management. They will need to feel that you can provide adequate support should they bring forward issues that their own management may be reluctant to deal with.

Bringing forward bad news is not career enhancing in most professions. For EHS staffs, however, it is an integral part of the function. Most EHS professionals recognize and accept this aspect of their job. Yet, they can become frustrated when middle and even upper management act as “spin doctors” who do not want negative news to dampen their fast track career ambitions; better to have the next manager deal with it. Forming a reliable, competent and open communications network will prevent the sudden surprises and eruptions from issues that have been brewing for years.

If you do not directly report to the CEO, you will also need unfiltered access to the Board and CEO. If you do not have an open communications chain to relay bad news, find a way to get the information up through the organization.

*4. Understand exactly what the officers, the CEO and the Board of Directors REALLY want and expect for EHS performance. Separate their true goals and expectations from the inevitable rhetoric that accompanies EHS issues.*

**Object:** To be successful you must know exactly what is expected. Obtaining an accurate reading on what constitutes success can prove to be very challenging. Additionally, the Board, the CEO, and the top management group may have vastly differing opinions on what they want you to achieve. Understanding individual expectations will go a long way in minimizing false starts and frustration.

**Perspective:** Executive staffs and CEO’s rarely have backgrounds in EHS management. Their thoughts are often stated in extremely general terms and with a natural reluctance to say anything that might be

perceived as ethically, legally or morally wrong. EHS is a sensitive public relations issue. Recognize that politically acceptable rhetoric can work its way into what began as clear and explicit marching orders. “Environmental excellence” or “second to none” may be the stated goal, yet the approved budget is limited to actions to maintain compliance. If there is a disconnect between the marching orders and the support for programs to achieve what is defined as success, you need to find out what really is going on.

**Action:** The challenge is three fold. First, you should spend enough time with each executive to determine what they really want. This will involve gaining their trust and also being open about the issue in a non-judgmental way. Environmental excellence may not be the best plan of action for this particular corporation and this particular point in time. Both you and the company’s management need to be up-front about their perspective on an appropriate level of environmental proactiveness. How candid they are will depend on your willingness to understand their point of view.

Second, you will need to determine if their positions are based on informed judgments or if they have inadequate or incorrect information. If the latter is the case, an education program tailored for management is in order. If the former is the case and the company has knowingly chosen a path that is incompatible with your personal convictions, now is the time to decide if you want to continue on in your present position.

Vast differences in EHS objectives among the stakeholders at the top present the third challenge. Getting agreement and buy-in on a common vision can be difficult with any issue and it is particularly challenging with EHS. It can be especially difficult with executives who may be focused on other,

more pressing business issues. They may not yet understand that EHS issues can have a strategic importance to their operations. It takes patience, relentless determination, and political and interpersonal skills.

*5. Establish a strong network among executive managers and especially with those individuals representing manufacturing, finance, and legal functions. Continually work to improve these relationships and build sponsorship.*

**Objective:** Mandates by the CEO or the Board of Directors can be enormous assets. Yet, even if a program is ordered from above, your relationship with your peer group will ultimately determine how much effort (and frustration) it will take you to implement major new initiatives. Gaining their honest feedback and their direct sponsorship are critical components in determining whether EHS programs will be successful.

**Perspective:** In a typical corporation, the EHS executive controls a few percent, at most, of the budgeted resources. The vast majority of programs depend on the support and willing cooperation of others who control the resources. The process can be greatly facilitated if you have a good working relationship with your peer group. Most executives do not have the background in EHS nor do they have the time to explore the intricate details. If they know, trust and support you, you have a tremendous advantage.

**Action:** EHS managers at manufacturing facilities spend a good deal of their time working with line management. Unfortunately, corporate and even business group managers spend much of their time dealing with other EHS professionals either inside

or outside the corporation. Take a hard look at the amount of time you are spending with line and staff executives. If it is less than 25 percent or even 50 percent, you may not be building the relationships needed to support your programs.

If front line employees perceive that an EHS program is sponsored, supported, or originated by their line management, the likelihood of success is very high. CEO directives alone, on the other hand, are no guarantees for success. If the front line perceives that their management is only giving lip service support, the programs are almost always doomed for failure. You may be better off spending your time building executive sponsorship than in a huddle with an EHS staff designing a technically flawless program.

*6. Clearly define EHS roles and responsibilities for corporate, the business operating groups, and staff functions such as engineering and marketing.*

**Objective:** The responsibility for EHS must be clearly understood at every layer in the organization. Unresolved responsibilities will lead to endless finger pointing, ill will, wasted resources, and missed opportunities. EHS problems will ultimately result.

**Perspective:** It is truly amazing how much energy is spent within corporations over the issue of roles and responsibilities for EHS management. The confusion may be due to a number of issues: the environmental profession is relatively new; universally agreed upon standards for managing the function are just beginning to emerge; EHS management is associated with downside rather than upside prospects (i.e., a “hot potato” that few want responsibility for) and so on. Superimposed on top of all this is the

turmoil over the past 20 years in management theory (e.g., centralized vs. decentralized control).

Most people agree that line management must have overall responsibility for EHS issues if programs are to succeed. Instead, the arguments are usually over the dividing lines between the roles and responsibilities of facility, group, and corporate. People struggle over questions such as “Who selects and designs programs and practices?” and “What metrics and reporting standards will be used?”. The opinions vary from “It’s our facility, we’ll take care of it, go away,” to “We’re corporate, do exactly what we say.”

These discussions can take place in centralized *and* de-centralized corporations. Control over turf is an underlying issue in any company, regardless of organizational structure. EHS issues are especially problematical because of the strong need for internal due diligence and upward reporting even within highly decentralized organizations. Line management unfamiliar with EHS issues can engage in activities that, if left unchecked, could lead to enormous liabilities. This is a concept that is sometimes difficult to get across to individuals who honestly believe they are operating within their sphere of responsibility. How does this happen?

Individual business groups have different histories, executive leadership, business targets, etc. Business and financial executives at the corporate level have the responsibilities and competencies to ride herd over the business groups to ensure that they follow corporate direction with respect to financial performance and acceptable *business risk*.

A corporation will have overall goals for EHS performance and tolerances for *EHS risk*. There can be, however, significant

differences in the level of environmental sensitivity and acceptance of EHS risk among the individual business groups.

When it comes to EHS issues, the same people who sort out the business risk most likely will not have the expertise to sort out the information on EHS risk that flows up from the business groups. They need strong, independent verification of the environmental risk that the business groups may be taking on, and *they need this placed in the context of the corporation’s views on risk*. What may be articulated by Group A as "no EHS problem" may, in fact, be a big issue for the corporation.

Unless the corporate EHS office has the power, staffing, expertise, etc. to cut through all the business group "propaganda", the company could be headed for disaster. No *business group* should have the power to bet the *corporation’s* assets, yet this is precisely what they can do. It may not be intentional; they may not have the specialized EHS competencies to understand that they may be getting into problem areas.

**Action:** Work towards obtaining agreement among all the internal stakeholders on their roles and responsibilities. This may take a year, even several years to accomplish, since the process may require a change in long standing company culture. The problem is greatly simplified if a strong EHS network is in place (Principle #3), since this enables you to get key stakeholders to the table. A starting point for discussions on the role of corporate is illustrated in the sidebar.

It may help to first get agreement among the executive management what are the “non-negotiables.” For example, some level of internal due diligence is required for legal and other reasons. Period. Some level of internal consistency may be necessary among business groups for legal liability reasons. Period. Lay out what the umbrella



concepts are and then work with your network to finalize the details. It may also help to put some of this in writing, since many of the arguments wind up being over semantics and misunderstandings that can be avoided when everyone is reading off the same page. Documentation, however, is no substitution for professional experience and common sense (Principle #6, next). Don't become bureaucratic.

### *7. Continue to improve the competency of the EHS staff and the quality of the external consultants.*

**Objective:** Staff overhead functions in today's competitive environment must be cost effective and contain the right mix of talent and no fat. Build an organization that can serve as a model for the rest of the company. This will take time - years - and should start immediately.

**Perspective:** The EHS profession has undergone a dramatic transformation since the first Earth Day. In the early 70's, few college curricula specialized in EHS management. For example, civil engineering departments offered a few courses in sanitary/wastewater treatment engineering. EHS had not yet evolved into a recognized profession. Plant managers transferred employees from other areas into hastily organized departments to respond to compliance issues. To put it kindly, the best of the best were not always assigned to these new departments. EHS departments in some companies gained the reputation of being a parking place for individuals not wanted in other parts of the company. This is not the case today, but sometimes the perception unfairly persists.

Today, environmental curricula are offered in most colleges. The technical demands have grown in sophistication. Likewise, the management skills needed to lead a business program have grown in complexity. Senior EHS positions require the same level of

management proficiency as required of other functions. But, the rapid evolution of the EHS profession presents a unique challenge: there may be a very significant discrepancy between the competencies currently required and those demonstrated by the existing staff.

**Action:** An EHS executive should do a company-wide assessment of the competency level of the EHS staff. EHS organizations at each level in the corporation should have a carefully selected blend of individuals with technical and managerial skills, supported by outside consultants where and when appropriate.

Performance issues, if there are any, may not be due to inadequate resources. In fact, departments may be over staffed, filled with individuals without adequate skills. If there are individuals that have not upgraded their skills to meet current demands, now is the time to address these issues before they destroy morale and undercut your position. The process is a painful one, but it is better to get it over quickly.

An evaluation of needs and competencies may, on the other hand, reveal that some departments are hopelessly overloaded and overly dependent on external consultants. Constantly operating in a crisis, reactive mode will only lead to problems that wind up as future presentations to the Board. It will take time and effort to justify added staff resources. Start now. In the recent wave to reengineer and downsize organizations, EHS departments may or may not have undergone an adequate staff review. Few of even the largest business management consultants have the specialized expertise to evaluate EHS organizations.

**Sidebar:**

## Finding Value In A Strategic EHS Approach

	Strategic Area	•Value
1	Provide strategic leadership; set the future direction and vision	<ul style="list-style-type: none"> <li>• Competitive Position</li> <li>• Liability Reduction</li> </ul>
2	Develop and implement the corporate EHS strategy	<ul style="list-style-type: none"> <li>• Competitive Position</li> <li>• Liability Reduction</li> <li>• Company Image</li> </ul>
3	Develop EHS policy and guidelines	<ul style="list-style-type: none"> <li>• Liability Reduction</li> <li>• Compliance Assurance</li> </ul>
4	Set minimum performance-based standards of practice for all businesses	<ul style="list-style-type: none"> <li>• Compliance Assurance</li> <li>• Due Diligence</li> <li>• Liability Reduction</li> </ul>
5	Consolidate information to support planning activities and satisfy company-wide internal and external reporting and legal requirements <ul style="list-style-type: none"> <li>• Develop uniform performance metrics and reporting systems</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting</li> <li>• Strategic Planning</li> </ul>
6	Perform corporate due diligence functions, including review and executive reporting	<ul style="list-style-type: none"> <li>• Due Diligence</li> <li>• Liability Reduction</li> <li>• Compliance Assurance</li> </ul>
7	Provide strategic oversight on high visibility/high cost remediations or property transactions	<ul style="list-style-type: none"> <li>• Due Diligence</li> <li>• Liability Reduction</li> </ul>
8	Develop support tools to: <ul style="list-style-type: none"> <li>• Avoid duplication and wasted resources</li> <li>• Share existing business best practices</li> <li>• Share internal expertise and/or resources</li> <li>• Develop uniform approaches (e.g., for liability reasons or consolidated reporting needs)</li> <li>• Leverage company buying power</li> </ul>	<ul style="list-style-type: none"> <li>• Cost Savings</li> <li>• Competitive Position</li> </ul>
9	Support the integration of EHS principles and practices among functional areas and across businesses <ul style="list-style-type: none"> <li>• Act as a cultural change leader for EHS practices</li> <li>• Provide EHS management awareness tools and training</li> <li>• Provide rewards and recognition for EHS performance achievements</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive Position</li> <li>• Liability Reduction</li> </ul>
10	Develop training programs to improve EHS staff competencies	<ul style="list-style-type: none"> <li>• Cost Savings</li> <li>• Liability Reduction</li> </ul>
11	Benchmark with multinationals, Non-Government Organizations (NGO's), regulatory agencies, and academia	<ul style="list-style-type: none"> <li>• Competitive Position</li> </ul>
12	Provide specialized technical support to the businesses (e.g., toxicology industrial hygiene, dispersion modeling)	<ul style="list-style-type: none"> <li>• Cost Savings</li> </ul>
13	Provide EHS technical support to other Corporate staff functions (e.g., finance, legal, planning, external relations)	<ul style="list-style-type: none"> <li>• Due Diligence</li> <li>• Liability Reduction</li> <li>• Company Image</li> </ul>
14	Develop and sponsor specialized consulting networks <i>Exhibit 2</i>	<ul style="list-style-type: none"> <li>• Cost Savings</li> <li>• Competency Development</li> </ul>

It may take some effort, but it may be worthwhile locating a consulting firm with sufficient expertise to perform an independent review of needs vs. current skills. If you suspect cutbacks may be required, an outside, objective opinion is especially worthwhile.

8. *Early in your assignment focus on obtaining highly visible successes in one or two key areas.*

**Objective:** Achieving one or two highly visible successes will assist you in gaining management's attention and support you in promoting new proactive approaches to EHS management. It will also boost your reputation as a successful member of the executive staff.

**Perspective:** To make significant cultural changes you need the attention and support of executive management. Getting "air time" on a subject area that may be considered "non-core" or only related to negative issues is very difficult. Everyone is jockeying for resources and your peers almost always have a more upbeat story to tell, one that management can more readily understand or accept.

A major EHS problem will galvanize the company into focused action. There are significant downsides, however, aside from the obvious business ones. If an incident flares up after you have been in your position for more than a year, it's *your* problem. You did not manage it. Other, secondary effects are that the issue will reinforce the negative aspect of EHS and will generally be narrow in scope and not move your overall program objectives along.

**Action:** Management is impressed with successful programs that either make or save money for the corporation or enhance the

corporation's image. Examples include significant accomplishments in:

- Pollution prevention cost saving projects
- Community/regulatory initiatives/agreements yielding favorable press coverage
- Cycle time reduction for regulatory approval of major permits
- Negotiated agreements for remediation project cost savings

Some early wins in these areas can build the credibility needed for more esoteric programs where the financial returns are difficult to predict. Trust and credibility are major factors in getting support from executive management for these cutting edge programs with longer term benefits.

Aside from the benefits of gaining credibility within the executive ranks, a few highly successful programs bring additional benefits. Success breeds success. A corporation that has established a leading reputation is looked to by other corporations for benchmarking data. This is a quid pro quo world: it allows you access to ideas within other corporations that have not been published. Leadership brings with it a reputation that also supports community and regulatory negotiations. 3M Corporation, for example, built its reputation as a leader on its early accomplishments in pollution prevention projects. It now has credibility with the community, NGO's and regulatory agencies and can accomplish goals that might not otherwise be possible.

9. *Establish sound auditing and performance measurement systems and periodically brief the Board on performance trends and issues.*

**Object:** Performing an initial baseline risk assessment is essential, but you must also make sure that nothing is overlooked in ongoing programs. Periodic reviews allow you to report progress as well as new issues, and they give you the opportunity to present good news.

**Perspective:** Executives unfamiliar with EHS programs may only associate them with negative issues. If you are only called in to report on problems, it will be much more difficult to obtain funding for proactive programs that can save money or improve the company's position. Board members may, in fact, have the perception that EHS programs can not save or make money, only avoid compliance fines. Unless you have regular sessions with executive management and the Board, it will be difficult to turn these misperceptions around.

Boards assume that the corporate office and you, specifically, have the authority to audit operations and raise serious issues to their attention. This function is essential if they, as individual board members, ever need to demonstrate that due diligence has been exercised in the running of the corporation. In reality, the management chain of command can contain junction points that do not afford upward, unfiltered communication. Access is essential. The process of establishing an audit system is an ideal time to resolve any issues.

The saying "What gets measured, gets done" applies to EHS management. Having well thought out metrics will facilitate your discussions with management. Metrics also create competition among the businesses and are one

of the best ways to track progress and identify areas needing attention.

**Action:** The first step is to ensure that you have the required resources and authority to audit any area within the company. Some level of corporate oversight is not only appropriate, but essential if the Board is to be confident that needed programs are in place to prevent major compliance or liability issues. Individual business groups should provide periodic EHS assessments of their areas, but this should not be a substitute for a corporate overview for a number of reasons:

- Some business groups may not have the expertise to provide a strategic assessment;
- The issues and resource needs will not be prioritized from a company perspective, and;
- There may be inadequate verification or differing views on the significance of some issues.

Work with executive management to develop a system to periodically communicate issues and performance trends. Quarterly is ideal. If at all possible, establish an Environment Committee of the Board, if one does not already exist. The development of metrics is an excellent way to sit down with executive management and discuss performance and program objectives.

*10. Balance your time: up and down the organization; inside and outside the corporation.*

**Objective:** Balance your time. It seems obvious, but with so much going on, it takes an ongoing, conscious effort at time management.

**Perspective:** The environmental profession has grown very complex over the past 20 years. It is very easy to spread your effort

too thin or, at the other extreme, immerse yourself in the details of too few issues. With the former, you may accomplish nothing other than keeping the “balls in the air” (refer again to Principle #8). With the latter, if carried to excess, you may lose your perspective on key issues or your credibility or access to key internal or external stakeholders.

**Action:** Conduct an honest assessment of how you spend your time and compare this to how you *should* be spending your time. Concentrate on those tasks/functions that *only* you can perform. Management communication and resource allocation are obvious key areas. Next, consider those functions that others could/should be doing, but you are doing because either you enjoy the work (be honest), you do not have the needed resources, or your staff does not have appropriate competencies . If there are gaps, you should take corrective action rather than fill the gap yourself.

**Richard MacLean** is President of Competitive Environment Inc., an environmental management consulting firm, Scottsdale, AZ. He is also the Director of the Center for Environmental Innovation, Inc. (CEI), a not-for-profit supporting collaborative university environmental research. He has held executive environmental positions in several Fortune 500 corporations including General Electric (Manager, Corporate Environmental Programs) and Arizona Public Service (Vice President, Environmental, Health and Safety). Tel. (480) 922-1620, Fax -1621, e-mail: maclean@competitive-e.com.

**Dorothy Bowers** is Vice President of Environmental and Safety Policy for Merck & Co., Inc. and has had environmental responsibilities for Merck for over 20 years. She also chairs the sub-committee of the International Standards Organization that is preparing the ISO 14000 series standard for Environmental Performance Evaluation. She serves on the Boards of the Environmental Law Institute, the Nature Conservancy of NJ, the Chemical Industry Council of NJ, and is active in regulatory reform initiatives such as Project XL and the Aspen Institute Series on the Environment.

**William Sugar** is Senior Director Corporate Environmental Affairs, Anheuser Busch Companies, Inc., St. Louis, MO. Prior to joining Anheuser Busch he was Director Corporate Environmental Affairs for Union Carbide Corporation, Danbury, CT. In addition to his environmental positions while at Union Carbide he held assignments in Research & Development, Engineering, Marketing, and Business Management.