video transcript

Chevron’s Operational Excellence Management System (OEMS)

human energy

Narrator:

At Chevron, we’ve been protecting people and the environment for nearly 140 years.

Operational Excellence (OE) is vital to our company’s success … and puts into action our Chevron Way value to protect people and the environment - across our global operations. Each year of our history, we’ve learned and improved our OE Culture and performance.

OE helps us achieve Chevron’s vision to be the global energy company most admired for its people, partnership and performance.

When we launched our Operational Excellence Management System in 2004, we put in place a systematic approach to improve our health, environmental, and safety performance.

The results speak for themselves.

We’ve made dramatic improvements in important measures of personal and process safety, reliability, and environmental performance. OEMS has given us a solid foundation, but there are areas for improvement. So, we developed the first significant update to the OEMS, which incorporates what we’ve learned, reflects the progress we have already made, and provides a framework for continued improvement. The updated OE objectives describe what we want to achieve.

To meet these objectives, we need to prioritize our OE actions on high-risk activities and assure that safeguards are in place to prevent high consequence incidents and impacts.

We have learned a lot about safeguards for several years now. Importantly, safeguards are at the heart of the OEMS update.

And first and foremost, we need to be confident that we have the safeguards in place to prevent high consequence incidents and impacts. It is safeguards – hardware and human actions – that prevent high consequence incidents, as well as lower consequence incidents.
But we can only implement the needed safeguards if we understand and agree on the hazards and risks in our facilities and activities. The OEMS has always been a risk-based system, but we are amplifying risk management even further in the new structure. It is not good enough to ‘think’ that our safeguards for high consequence activities are functioning … through our assurance activities, we need to ‘know’ that the safeguards are in place and functioning.

The updated OEMS retains the 3 core components that help assure these safeguards are installed and maintained.

This system starts with strong leadership that cultivates an OE culture, placing the highest priority on protecting people and the environment, by understanding and mitigating risk, and assuring effective safeguards.

In the updated OEMS, OE expectations are organized into 6 focus areas. These 6 focus areas link to our 6 OE objectives. The focus areas also match categories of critical business risks and align with how we organize our work. The Management System Cycle (MSC) is how we set and align objectives, evaluate our OE performance, prioritize opportunities, strengthen safeguards and drive continuous improvement. The MSC, like the Management System Process before it, is vital to the successful execution of OEMS, and helps us continuously pursue achieving our OE objectives.

In summary, the most important message about this updated OEMS is that it focuses on preventing high consequence incidents and impacts by understanding and mitigating risk, and maintaining and assuring safeguards.

OE starts with a personal commitment to protect people and the environment. Chevron succeeds when each of us takes responsibility for our OE culture. Above all else, it’s about assuring safeguards are in place and functioning.