

Case Study: Valero Improves Procedure Management Using PolicyTech™ Software

Case study overview

Customer Profile

Valero Energy Corporation, a Fortune 500 company based in San Antonio, Texas employs approximately 22,000 employees at 16 refineries throughout the United States, Canada and the Caribbean. With a combined throughput capacity of approximately 3 million barrels per day, Valero is the largest refiner in North America. Valero also owns and operates ethanol plants and retail outlets across the United States, Canada, and the Caribbean.

Challenge

With over 500 regular users of Valero procedure manuals, the Port Arthur refinery needed a sure way to know that procedures were always current, read, and distributed to the relevant personnel. Procedures needed to be easy to find in order to save time and improve efficiency in the refinery as well as improve their VPP best practices administration.

Solution

PolicyTech's Policy & Procedure Manager.

Benefits

The Port Arthur refinery found the benefits of Policy & Procedure Manager included accurate reports of document readership, uniform procedures across complexes, and 24-hour access to procedures.

"Valero wanted something that was going to be easy to use and that people were going to be using. Policy & Procedure Manager® was easy to use and the price was right. I recommend it."

*--Reggie Ramirez
Process Safety Management Coordinator*

Summary

Valero Energy Corporation operates 16 refineries and more than 5,000 retail venues, making it North America's largest independent refiner and marketer¹. Located in southeastern Texas, the Port Arthur refinery employs over 800 employees and achieves a total production of 310,000 MBD. To create a safe workplace that meets OSHA's Voluntary Protection Program (VPP) standards as well as positively execute Valero's best practice standards, Port Arthur needed a way to keep their policies and procedures accessible, orderly, and accurate. Given the tough economic times in 2008, Port Arthur was also looking to get this done in the most cost-effective way possible. Using PolicyTech's Policy & Procedure Manager® (PPM) Port Arthur met these goals in an affordable yet high-tech manner.

1 Refinery...4 Complexes...800 employees

The Port Arthur refinery is only one of Valero's many refineries. The campus consists of four complexes and over 800 employees. In 2007, Valero corporate headquarters sent policy writers to Port Arthur who spent months rewriting and updating the refinery's operating manuals. At the time these procedures were maintained in a series of spreadsheets and paper copies that were stored at each complex and varied based on managerial preference. When the writers finished, Reggie Ramirez, Port Arthur's Process Safety Management Coordinator wanted to see that the procedure documents never again fell into disarray. Unfortunately, Port Arthur had no system to consistently manage the newest manuals.

"We saw that as a problem," said Ramirez. "We were going to end up in the same situation a couple of years down the road if we didn't implement a system to manage all of the documents."

To remedy the problem Port Arthur chose PolicyTech's Policy & Procedure Manager (PPM)—a web-based policy management system to track, store, and distribute their policies. The software created a system for organizing procedures with automated review and approval processes, a unique network ID for each employee to record when a document is read, and quick reports to demonstrate that employees have read the documents.

"Hopefully we won't have to implement a major procedure rewrite every few years," Ramirez said. "We can actually keep them up to date."

Valero Discovers Multiple Advantages for Policy Management

With hundreds of employees accessing policies and procedures, Valero found a variety of features in Policy & Procedure Manager that benefit the company in efficiency and cost-savings.

- **Ease of finding documents:** Port Arthur employees can find their documents via the internet in two simple ways. First, each employee has a unique network ID. When an employee logs in they have immediate access to those documents that are applicable to their job responsibilities. Second, PPM's robust search engine allows the workers to search these documents by date, department, key-word, author, title, and regulation. "The operators say 'Wow! How come we couldn't have this 20 years ago?'" Ramirez said.
- **Reporting:** Ramirez said the managers around Port Arthur were always nervous when it came time to certify their policies had been read. Using PPM, each Port Arthur employee has a unique log-in they use when reading documents. Employees then click a 'mark as read' dialogue to certify they have read and understood the document. When it comes time to report, Ramirez knows exactly who has read which documents by pulling up the report on that document.
- **Affordability:** Valero purchased PPM on PolicyTech's concurrent licensing system which means licenses were purchased based on the number of people simultaneously using the software—rather than on a per user basis. This method is particularly economical for employers such as Valero that use shift-work as a major portion of the organization's employment practice.
- **Simplicity of training:** Ramirez was able to do most of the installation along with the Active Directory setup on his own or with the help one of Valero's IT personnel. "My background is not anywhere near being an IT person," he said. "I was able to pick it up, work with it, and be the administrator of the system here."
- **Approval process streamlined:** Before using PPM, Port Arthur needed 2-3 weeks to get the average policy approved. Now, using PPM, this process is closer to a week for most documents. This improvement is due to PPM's ease of use and automated workflow that keeps users informed of their responsibilities.
- **Centralized storage:** PPM is centrally stored on Port Arthur's servers and is accessible 24-hours a day through the internet. "I don't want them calling me on the weekends or at nights saying they can't find this procedure," Ramirez said. "There is no sense in us even having the procedures if employees weren't able to go pull them up when they needed them."

"PPM is simple to use but it has a lot of features that you actually use. They are practical. It doesn't have so many features that it is complicated and people are intimidated by it."

"Some of our workers are not on the computer all day. They are out climbing around; checking levels, turning valves... When they need to look for a procedure they need to get their hands on it fairly quickly."

- **Quiz feature:** PPM allows for each document to have a quiz associated with it. “PolicyTech does it a lot easier and a lot quicker than the other methods we tried,” said Ramirez.

About PolicyTech:

Policy Technologies International Inc. (PolicyTech) develops and provides web-based software that manages company or government policies and procedures in a convenient, reliable way. PolicyTech software has become the policy management software of choice for companies in a variety of industries including government, health care, education, and finance as well as in non-profit organizations. With a slate of recent government regulations pressing the need for corporate responsibility to all-time highs, PolicyTech policy management software is the solution for quality assurance and enforcement of best practices.

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Corporate-wide Success

Since 2007, eight of Valero’s refineries have purchased Policy & Procedure Manager. In addition to the Port Arthur refinery, these locations include the refineries in Benicia, Calif.; Houston, Texas; McKee, Texas; Memphis, Tenn.; Paulsboro, N.J.; San Nicolas, Aruba; and Texas City, Texas.

PPM simplifies VPP compliance: *OSHA’s Voluntary Protection Programs (VPP) promotes effective worksite-based safety and health. In the VPP, management, labor, and OSHA establish cooperative relationships at workplaces that have implemented a comprehensive safety and health management system.*

VPP relies on best practices for procedure management as well as inspection and audits of review manuals that often undergo revision and addition. These audits also require written procedures in a standard work procedures, safety processes, and emergency response procedures including the process of safety inspection itself. VPP requires that many of these procedures be reviewed and practiced annually to maintain compliance. For example one question asks ‘does the site have procedures that ensure that all employees are provided effective protection on the worksite’. Using PPM this, and most similar safety procedures, can be easily stored, reviewed, and disseminated.

Source: <http://www.osha.gov/dcsp/vpp/index.html>

Conclusion

A year after installing PPM, Valero’s Port Arthur refinery feels the benefits of having their procedures organized in both improved safety awareness and maintained production.

“We stress to employees that we want them to follow procedures,” said Ramirez. “If we implemented something that was too hard to get your documents, people weren’t going to use it. It’s not like they are working with a can of applesauce. It’s chemicals, flammables, and combustibles.”

“Some of our workers are not on the computer all day,” Ramirez adds. “They are out climbing around, checking levels, and turning valves. When they need to look for a procedure they need to get their hands on it fairly quickly. That is one of the keys here. Time equals money.”

¹ (Valero Marketing and Supply Company, 2009)